B S R and Associates

Chartered Accountants

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B DLF Cyber City, Phase - II
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To
Board of Directors of HT Media Limited

1. We have reviewed the accompanying statement of unaudited standalone financial results of HT Media Limited ('the Company') for the quarter ended 30 September 2020 and year to date results for the period from 1 April 2020 to 30 September 2020 ("the Statement").

2. This Statement, which is the responsibility of the Company's management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "*Interim Financial Reporting*" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India and in compliance with Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('Listing Regulations'). Our responsibility is to issue a report on the Statement based on our review.

3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "*Review of Interim Financial Information Performed by the Independent Auditor of the Entity*" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with applicable accounting standards and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of the Listing Regulations including the manner in which it is to be disclosed, or that it contains any material misstatement.

5. As mentioned in note 10 to the standalone financial results, during the quarter ended 30 September 2020, pursuant to a whistleblower complaint, an investigation was conducted, which brought out certain deficiencies in the Radio business and instances of reporting higher revenue, incorrect debtors, contract liabilities and trade payables with consequential impact on provision for doubtful debts and taxes etc. relating to a significant stream of revenue of the radio business in the Company. Consequently, the Company has recognised the adjustments in the standalone financial results for the period 1 April 2020 to 30 September 2020 and comparative periods to give effect to the outcome of the investigation. These deficiencies have consequential impact on other financial statement items. Further, the revised periods as reported in the Statement have also considered the impact of adjusting events occurring after the reporting period, which are significantly impacted by present economic and market conditions including COVID-19.

Our conclusion on the Statement is not modified in respect of the above matter.

6. We did not review the interim financial results of HT Media Employee Welfare Trust as included in the Statement, whose interim financial results reflects the total assets *(before consolidation adjustments)* of Rs. 2,111.37 lakhs as at 30 September 2020, total revenue (*before consolidation adjustments*) of Rs. Nil, total net profit after tax (*before consolidation adjustments*) of Rs. Nil and total comprehensive income (*before consolidation adjustments*) of Rs. 8.09 lakhs and Rs. 17.79 lakhs for the quarter and six months ended 30 September 2020, respectively, as considered in the Statement. These interim financial results have been reviewed by the other auditor whose report has been furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of this Trust, is based solely on the report of the other auditor and procedures performed by us as stated in paragraph 3 above.

Our conclusion on the Statement is not modified in respect of the above matter.

For **B S R and Associates**
Chartered Accountants
Firm's Registration No.: 128901W

Rajesh Arora
Partner
Membership No. 076124
UDIN: 20076124AAAAEJ3276

Place: Gurugram
Date: 27 November 2020

HT Media Limited
CIN:- L22121DL2002PLC117874
Registered Office: Hindustan Times House, 2nd floor, 18-20, Kasturba Gandhi Marg, New Delhi - 110001, India
Tel:- +91 11 66561608 Fax:- +91 11 66561445
Website:- www.htmedia.in E-mail:-corporatedept@hindustantimes.com
Un-audited Standalone Financial Results for the quarter and six months ended September 30, 2020

Statement of Un-audited Standalone Financial Results for the quarter and six months ended September 30, 2020

(INR in Lakhs except earnings per share data)

Sl. No.	Particulars	Quarter Ended			Six Months Ended		Year Ended
		Sep 30, 2020	June 30, 2020	Sep 30, 2019	Sep 30, 2020	Sep 30, 2019	March 31, 2020
		Un-audited	Un-audited & Revised*	Un-audited & Revised*	Un-audited	Un-audited & Revised*	Audited & Revised*
1	**Income**						
	a) Revenue from operations	11,931	7,283	29,903	19,214	60,675	122,551
	b) Other income	2,216	2,369	3,918	4,586	6,638	12,661
	Total Income	**14,147**	**9,652**	**33,821**	**23,800**	**67,313**	**135,212**
2	**Expenses**						
	a) Cost of materials consumed	1,702	1,339	7,073	3,042	14,841	28,638
	b) Changes in inventories of finished goods, stock-in - trade and work-in-progress	12	165	22	177	(27)	(175)
	c) Employee benefits expense	4,490	5,096	7,225	9,585	13,966	25,386
	d) Finance costs	1,207	1,282	2,850	2,489	5,780	10,345
	e) Depreciation and amortization expense	2,273	2,344	3,045	4,616	5,609	11,345
	f) Other expenses	9,924	6,593	14,855	16,517	29,680	58,657
	Total Expenses	**19,608**	**16,819**	**35,070**	**36,426**	**69,849**	**134,196**
3	**Loss before exceptional items (1-2)**	**(5,461)**	**(7,167)**	**(1,249)**	**(12,626)**	**(2,536)**	**1,016**
4	**Profit/(loss) before finance costs, tax, depreciation and amortization expense (EBITDA) and exceptional items (3+2d+2e)**	**(1,981)**	**(3,541)**	**4,646**	**(5,521)**	**8,853**	**22,706**
5	Exceptional Items (loss) (refer note 8)	(1,760)	-	-	(1,760)	(14,694)	(44,274)
6	**Loss before tax (3+5)**	**(7,221)**	**(7,167)**	**(1,249)**	**(14,386)**	**(17,230)**	**(43,258)**
7	Tax expense						
	a) Current tax	-	-	15	-	215	541
	b) Deferred tax credit	(2,406)	(2,388)	(122)	(4,794)	(1,696)	(4,531)
	Total tax credit	**(2,406)**	**(2,388)**	**(107)**	**(4,794)**	**(1,481)**	**(3,990)**
8	**Loss for the period (6-7)**	**(4,815)**	**(4,779)**	**(1,142)**	**(9,592)**	**(15,749)**	**(39,268)**
9	**Other comprehensive income (net of taxes)**						
	a) Items that will not be reclassified subsequently to profit or loss	251	45	(29)	296	(34)	37
	b) Items that will be reclassified subsequently to profit or loss	3	(88)	249	(85)	143	915
10	**Total Comprehensive loss (8+9)**	**(4,561)**	**(4,822)**	**(922)**	**(9,381)**	**(15,640)**	**(38,316)**
11	Paid-up Equity Share Capital # (Face value - INR 2 per share)	4,655	4,655	4,655	4,655	4,655	4,655
12	Other equity excluding revaluation reserves as per the audited balance sheet						117,505
13	**Loss per share**	Not Annualized	Not Annualized	Not Annualized	Not Annualized	Not Annualized	
	(of INR 2 each)						
	Basic & Diluted	(2.09)	(2.07)	(0.50)	(4.16)	(6.83)	(17.03)

* Refer Note 10

Includes equity shares of INR 44 Lakhs held by HT Media Employee Welfare Trust.

Notes :

1 The above un-audited standalone financial results for the quarter and six months period ended on September 30, 2020 were reviewed and recommended by the Audit Committee and approved by the Board of Directors at their respective meetings held on November 27, 2020. The Statutory Auditors of HT Media Limited ('the Company') have carried out a "Limited Review" of the above results pursuant to Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended and have issued an unmodified opinion.

2 The standalone financial results have been prepared in accordance with the recognition and measurement principles of the Indian Accounting Standards (Ind-AS) specified under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, as amended from time to time.

3 Employee Stock Option details of the Company for the quarter and six months period ended on September 30, 2020 are as follows:
i) Plan A - No options were granted, vested, exercised, forfeited or expired.
ii) Plan B - No options were granted, vested, exercised, forfeited or expired.
ii) Plan C - No options were granted, vested, exercised or expired and 67,918 options are forfeited.

4 A scheme of amalgamation u/s 230-232 of the Companies Act, 2013 which provides for merger of Firefly e-Ventures Limited (FEVL), HT Digital Media Holdings Limited (HTDMH), HT Education Limited (HTEL), HT Learning Centers Limited (HTLC), India Education Services Private Limited (IESPL) and Topmovies Entertainment Limited (TMEL) with HT Mobile Solutions Limited (HTMS) ("Scheme"), has been approved by the Board of Directors of respective companies at their meeting held on March 18, 2020. A joint application for sanction of the Scheme was filed before the Hon'ble National Company Law Tribunal, New Delhi Bench (NCLT) on July 14, 2020, and NCLT vide its order dated October 12, 2020 has directed to convene meetings of equity shareholders of FEVL, HTDMH, IESPL and HTMS and unsecured creditors of HTMS on December 7, 2020, while dispensing the requirement to convene meeting(s) of shareholders/creditors of other companies, having received consent therefore from the respective shareholders and creditors. Pending requisite approval(s), impact of the proposed Scheme has not been considered in the above results.

5 As per Ind AS 108 - Operating Segments, the Company has three reportable Operating Segments viz. Printing & Publishing of Newspaper & Periodicals, Radio Broadcast and Entertainment & Digital. The financial information of these segments are appearing in Consolidated Financial Results prepared as per Ind AS 108.

6 The certificate of CEO and CFO in terms of Regulation 33 of SEBI (LODR), in respect of the above results has been placed before the Board of Directors.

7 Management has been continuously evaluating the possible effects that may result from the pandemic relating to COVID-19 on the operational and financial results of the Company for the quarter and six months period ended on September 30, 2020. The Company has considered and taken into account internal and external information and has performed sensitivity analysis based on current estimates in assessing the recoverability of financial and non financial assets. Given the uncertainties associated with nature, condition and duration of COVID-19, the impact assessment on the Company's financial information will be continuously made and provided for as required (also refer note 8).

8 Exceptional Item represents –
During the quarter ended September 30, 2020, the Company after considering the current economic environment has performed an impairment assessment of investment in subsidiaries. As the recoverable amount (value in use) is lower than the carrying amount of investment in subsidiary, the Company has recognised an impairment loss of INR 1,760 lakhs against investments in HT Overseas Limited (also refer note 7).

9 During the quarter, the Company has made the following investment in subsidiaries:
- INR 299 Lakhs in Equity Shares of HT Overseas Limited

10 The Company, received a whistleblower complaint ("WB Complaint") in August 2020 from a named employee of the radio business on his last working day. The WB Complaint alleged anomalies resulting in deficiencies in certain financial reporting processes of the radio business of the Company. The Company, in accordance with its whistleblower policy, and as confirmed by Audit Committee appointed an independent law firm which worked closely with two independent accounting firms for an in-depth comprehensive review. The said investigation brought out practices indicating the following deficiencies and lapses during financial years 2017-18, 2018-19, 2019-20 and 2020-21:

a. Practice of pre-billing (i.e. billing and booking revenue for services yet to be consumed/ delivered) resulting in reporting of higher revenue in financial results. Such billing remained unconsumed/ undelivered.
b. Potential manipulation of debtor ageing by issuance of inappropriate credit notes and additional invoices to avoid higher provisioning for bad debts.
c. Circulating improper balance confirmation requests (by including invoices without delivery/ requests for advertisement) to customers (with such balances either remaining unconfirmed or disputed) resulting in reporting higher revenue.
d. Potentially improper credit approvals including forced/ credit approval under protest at the instructions of senior management of the Radio business.

Further, based on a very detailed investigation performed, the investigating team and the management concluded that the above mentioned findings were confined to a stream of revenue ('pure money') of radio business of the above mentioned subsidiary only and were not pervasive across other financial statement captions. The said investigation did not reveal existence of any personal profiteering or siphoning of funds or embezzlement or misappropriation of funds.

The final findings of the investigation have been presented to the Audit Committees and Board of Directors of the Company, including multiple status update briefings in the interim. The Audit Committee have considered the report. The management has also placed before the Audit Committee an action plan for (a) strengthening internal financial controls and systems; (b) centralizing the revenue assurance function; (c) a plan for integration of IT systems used in the radio business; and (d) recommendations from Chief HR Officer to bring about changes in HR policies and practices with emphasis on adoption of better ethical codes and practices. The Audit Committees have also made their recommendations for action against the employees involved in the wrongdoings to the respective Board of Directors for their consideration. The Board of Directors have considered and accepted the said investigation report and are in the process of taking appropriate steps in the best interest of the Company and its various stakeholders.

As an outcome of said investigation, management has revised the comparative information as disclosed in the standalone financial results.

The Company has made an assessment of and believes that it has provided for the financial impact arising from the this matter including non-compliances with laws and regulations, to the extent identified and believes that the additional financial impact, if any, arising from adjustments due to instances other than those identified is not expected to be material.

These deficiencies, along with their consequential impact, have led to identification that the Company needs to further strengthen its internal control environment, in order to minimize the instances of overriding of certain internal controls by senior management officials. The Company is taking necessary action to address these material weaknesses including tightening of internal controls.

The findings of the investigation have direct (as quantified in the investigation report) and consequential impact on certain other financial statement captions.

11 The Board of Directors of the Company at its meeting held on July 28, 2020 has approved investment to acquire 100% stake in 'Mosaic Media Ventures Private Limited'. The Company has entered into Share Purchase Agreement (SPA) dated November 9, 2020 with existing shareholders of 'Mosaic Media Ventures Private Limited' to acquire 100% stake. Pending completion of the transaction which shall be post the satisfactory completion of conditions precedent as per the the SPA, the impact of the acquisition has not been considered in the above results.

12 Relevant Information as required pursuant to Regulation 52(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 in respect of Commercial Papers are as follows:

S. No	Particulars	Details
1	Credit rating and change in credit rating (if any)	Credit rating is not required to be disclosed as there are no Commercial Papers outstanding as at Sep 30, 2020.
2	Debt-equity ratio	0.52
3	Due date and actual date of repayment of principal	Refer Annexure A
4	Debt service coverage ratio	(0.19)
5	Interest service coverage ratio	(4.07)
6	Capital redemption reserve	2,045
7	Net Worth* (in INR lakhs)	105,393
8	Net (loss) after tax (in INR lakhs)	(9,381)
9	Earning/(loss) per share (in INR)	(4.16)

* Net Worth as defined in the Companies Act, 2013

Ratios are calculated as follows:

i) Debt-equity ratio = Total Debt**/ Total Equity

ii) Debt Service Coverage Ratio = (EBITDA - Depreciation and amortization expense)/ (Debt payable within one year + Interest on debt)

iii) Interest Coverage Ratio = (EBITDA - Depreciation and amortization expense)/ Finance costs

** Debt comprises of borrowings (current and non-current), current maturity of long term borrowings and interest accrued on borrowings.

Annexure -A

The Company has repaid Commercial Papers on the respective due dates. The details of Commercial Papers paid during the six months period ended September 30, 2020 are as follows:

ISIN	Amount (In Lakhs)	Due date of Repayment	Actual date of repayment
INE501G14BU5	4,500	May 8, 2020	May 8, 2020
INE501G14BV3	13,500	May 18, 2020	May 18, 2020

13 Standalone Balance Sheet as at September 30, 2020 is given below:

(INR in Lakhs)

	Particulars	As at September 30, 2020 (Un-audited)	As at March 31, 2020 (Audited & Revised*)
A	**ASSETS**		
1	**Non-current assets**		
(a)	Property, plant and equipment	27,498	29,428
(b)	Capital work in progress	280	2,941
(c)	Right - of - use assets	9,535	11,655
(d)	Investment property	42,346	42,750
(e)	Intangible assets	15,959	16,972
(f)	Intangible assets under development	-	51
(g)	Investment in subsidiaries	24,005	25,012
(h)	Financial assets		
	(i)Investments	34,863	32,703
	(ii)Loans	12,401	11,694
	(iii)Other financial assets	4,148	3,879
(i)	Deferred tax Assets (net)	13,778	9,093
(j)	Income tax assets (net)	914	2,690
(k)	Other non-current assets	838	857
	Total non-current assets	**186,565**	**189,725**
2	**Current assets**		
(a)	Inventories	12,203	9,512
(b)	Financial assets		
	(i)Investments	10,209	23,801
	(ii)Trade receivables	13,812	22,598
	(iii)Cash and cash equivalents	3,719	2,374
	(iv)Bank balances other than (iii) above	1,757	2,087
	(v)Other financial assets	2,009	1,188
(c)	Contract assets	25	-
(d)	Other current assets	5,569	5,980
	Total current assets	**49,303**	**67,540**
	Total Assets	**235,868**	**257,265**
B	**EQUITY AND LIABILITIES**		
1	**Equity**		
(a)	Equity share capital#	4,611	4,611
(b)	Other equity	108,157	117,505
	Total equity	**112,768**	**122,116**
2	**Liabilities**		
	Non-current liabilities		
(a)	Financial liabilities		
	(i) Borrowings	7,285	12,463
	(ii) Lease liabilities	4,592	6,415
	(iii)Other financial liabilities	161	424
(b)	Contract Liabilities	482	436
(c)	Provisions	-	291
(d)	Other non-current liabilities	1,030	1,089
	Total non-current liabilities	**13,550**	**21,118**
	Current liabilities		
(a)	Financial liabilities		
	(i)Borrowings	37,726	42,155
	(ii) Lease liabilities	2,797	3,058
	(iii) Trade payable	17,331	20,273
	(iv)Other financial liabilities	36,833	37,330
(b)	Contract liabilities	8,160	8,865
(c)	Provisions	274	453
(d)	Other current liabilities	6,429	1,897
	Total current liabilities	**109,550**	**114,031**
	Total Equity and Liabilities	**235,868**	**257,265**

* Refer Note 10

\# Net of equity shares of INR 44 Lakhs (previous year INR 44 Lakhs) held by HT Media Employee Welfare Trust.

14 Standalone Statement of Cash Flow for the six months period ended September 30, 2020

(INR in Lakhs)

Particulars	Period ended September 30, 2020 Un-audited	Period ended September 30, 2019 Un-audited & Revised *
Cash flows from operating activities:		
Loss before tax:	**(14,386)**	**(17,230)**
Adjustments for:		
Depreciation and amortization expense	4,616	5,609
Loss/(profit) on disposal of property, plant and equipment & intangibles (including Impairment) (Net)	(234)	14
Impairment of investment in subsidiaries (exceptional item)	1,760	14,694
Fair value of investment through profit and loss (including loss on sale of investments)	711	1,009
Fair value of derivative through profit or loss	(38)	-
Income on scope reduction in lease assets	(74)	-
Dividend income	-	(654)
Finance income from investment and other interest received	(1,752)	(3,880)
Interest income from deposits and others	(1,010)	(679)
Income from Government grants	(60)	(60)
Loss/(profit) on sale of Investment Properties	169	(1)
Unclaimed balances/liabilities written back (net)	(116)	(24)
Interest cost on debts and borrowings	2,445	5,696
Share based payment expense	27	-
Unrealized foreign exchange gain	(99)	(200)
Impairment of investment properties	271	1,137
Impairment for doubtful debts and advances (includes bad debts written off)	516	467
Cash flows from operating activities before changes in following assets and liabilities	**(7,254)**	**5,898**
Changes in operating assets and liabilities		
(Increase)/Decrease in trade receivables	8,262	(799)
(Increase)/Decrease in inventories	(2,691)	1,502
(Increase)/Decrease in current and non-current financial assets and other current and non-current assets	(530)	657
Increase/(Decrease) in current and non-current financial liabilities and other current and non-current liabilities & provision	427	(5,703)
Cash generated from operations	**(1,786)**	**1,555**
Refund received/(Income taxes paid)	1,781	(391)
Net cash from/(used in) operating activities (A)	**(5)**	**1,164**
Cash flows from investing activities:		
Payment for purchase of property, plant and equipment & intangible assets	(309)	(749)
Proceeds from sale of property, plant and equipment & intangible assets	3,217	96
Purchase of investment properties	(799)	(2,749)
Proceeds from sale of investment properties	606	986
Purchase of investments	(7,117)	(49,176)
Proceeds from sale of investments	16,053	56,385
Purchase of investments in subsidiaries/fellow subsidiary	(300)	(10,548)
Inter corporate deposits given	(750)	(900)
Dividend received	-	654
Finance income from investment and other interest received	4,027	9,078
Deposits matured(net)	330	4,402
Net cash from investing activities (B)	**14,958**	**7,479**
Cash flows from financing activities:		
Repayment of lease liability	(1,370)	(2,237)
Proceeds from borrowings	100,455	250,640
Repayment of borrowings	(110,152)	(251,447)
Interest paid	(2,540)	(4,843)
Dividend paid	-	(647)
Dividend distribution tax paid	-	(57)
Net cash flows used in financing activities (C)	**(13,607)**	**(8,591)**
Net decrease in cash and cash equivalents (D= A+B+C)	1,346	52
Cash and cash equivalents at the beginning of the period (E)	2,374	6,263
Cash and cash equivalents at period end (D+E)	**3,720**	**6,315**
Components of cash & cash equivalents as at end of the period		
Cash and cheques on hand	538	3,820
Balances with banks		
- on deposit accounts	2,794	2,260
- in current accounts	388	235
Cash and cash equivalents as per Cash Flow Statement	**3,720**	**6,315**

* Refer Note 10

For and on behalf of the Board of Directors

Shobhana Bhartia
Chairperson & Editorial Director

New Delhi
November 27, 2020

HT MEDIA LIMITED

TRUSTED VOICE OF EVOLVING INDIA

ANNUAL REPORT
2019-20

CORPORATE OVERVIEW

Board of Directors

Smt. Shobhana Bhartia
Chairperson & Editorial Director

Shri Ajay Relan

Smt. Rashmi Verma*

Shri Vikram Singh Mehta

Shri Vivek Mehra

Shri Priyavrat Bhartia

Shri Shamit Bhartia

Shri Praveen Someshwar
Managing Director &
Chief Executive Officer

Group Chief Financial Officer

Shri Piyush Gupta

Group General Counsel & Company Secretary

Shri Dinesh Mittal

Statutory Auditor

B S R and Associates
Chartered Accountants

Registered office

Hindustan Times House
18-20, Kasturba Gandhi Marg
New Delhi - 110 001, India
Tel: +91 11 6656 1608
Fax: +91 11 6656 1445
Email: investor@hindustantimes.com
Website: www.htmedia.in

Registrar and Share Transfer Agent

KFin Technologies Private Limited
Selenium Tower-B
Plot Nos. 31 - 32, Financial District
Nanakramguda, Serilingampally
Hyderabad - 500 032
Tel: +91-40-67162222
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Email: einward.ris@kfintech.com
Website: www.kfintech.com

* Appointed w.e.f. July 28, 2020

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Cautionary statements

Certain statements in the MDA section concerning future prospects may be forward-looking statements which involve a number of underlying identified / non identified risks and uncertainties that could cause actual results to differ materially. In addition to the changes in the macro-environment, the Covid-19 pandemic may pose unforeseen, unprecedented, unascertainable and constantly evolving risk(s), inter-alia, to the Company and the environment in which it operates. The results of these assumptions, relying on available internal and external information, constitute the basis for determining certain facts and figures stated in the report. Since the factors underlying these assumptions are subject to change over time, the estimates on which they are based, are also subject to change accordingly. These forward-looking statements represent only the Company's current intentions, beliefs or expectations, and any forward-looking statement speaks only as of the date on which it was made. The Company assumes no obligation to revise or update any forward-looking statements, whether as a result of new information, future events, or otherwise.

Disclaimer: *All data used in the initial sections of the report (including MD&A) are primarily based on publicly available sources, and discrepancies, if any, are incidental and unintentional.*

With a rich legacy spanning 96 years, HT Group has grown today to become one of India's largest media conglomerates. It brings across to the audience the most authentic and relevant news, through its print publications Hindustan Times, Hindustan and Mint, unmatched entertainment in over 15 cities via its radio channels, a leading jobs portal and robust advertising platforms.

The leading print brands of HT Group have amassed over 5.8 crore readers across India. Similarly, the Radio Broadcasts are tuned in by more than 3.1 crore listeners. HT Media also has a highly engaged community across all social media platforms.

The media landscape has undergone immense transformation in the past decade and despite the testing times, HT Media, backed by its ethos of clarity and credibility has continued to make strides as the - *Trusted Voice of an Evolving India*, especially in today's information-addled world.

Source: Print- IRS Q4 2019 (Total Readership) (TR) ; Radio- RAM for the week ending March 14 2020

HT MEDIA LIMITED

HT GROUP – AN OVERVIEW

HT Group is today one of India's leading conglomerates operating in the Media & Entertainment industry.

It is a prominent media house with presence in English, Hindi and Business newspaper categories, through its prestigious brands like Hindustan Times, Hindustan and Mint. It operates FM radio stations under the brands Fever, Radio Nasha and Radio One. It also has a distinguished presence in the recruitment market through the job portal, Shine.com. As a responsible organization, it is committed in the resolve to bring about a positive change in the lives of readers, listeners and job seekers. HT Media has also forayed into the podcast market with the launch of HT Smartcast which is a one-stop audio destination for sports, markets, fashion and news.

Key Brands

hindustantimes | हिन्दुस्तान | mint | hindustantimes BRUNCH | htcafé htcity

नंदन कादम्बिनी | Fever FM | Radio Nasha | 94.3 Radio One | HT smartcast | shine.com

Print

Hindustan Times

#2
English newspaper in India

#1
In Delhi-NCR for 19th time in a row

#1
In Punjab (including Chandigarh)

#2
In Mumbai

Hindustan

#1
In Bihar

#1
In Uttarakhand

#1
In Bihar and Jharkhand combined

#2
In Jharkhand, Delhi

Mint

#2
Business daily in India

Note: Rankings for print publications are based on Average Issue Readership (AIR) as per IRS Q4 2019, unless otherwise stated

Radio

Fever FM

#1
In listenership in Delhi, Mumbai & Bengaluru (non-Kannada)

Radio Nasha

#1
Retro station in Delhi

Note: Radio rankings are based on RAM share % for Q4 FY2019-20 (till March 14, 2020)

Digital

Shine.com

#2
Job portal in India

36 million
Strength of job-seekers' database

HT MEDIA LIMITED

OUR BUSINESS MODEL – CREATING VALUE FOR ALL

We deliver incisive and credible news to our readers through our print publications, music and entertainment through our radio channels & podcast content, and recruitment solutions that cater to an ever- growing market of aspirational job-seekers.

As an organisation, we always strive to give more to our consumers and partners.

Our value philosophy

Courage	To encourage the ability that meets opposition with skill, competence and fortitude
Responsibility	Be accountable for results in line with the company's objectives, strategies and values
Empowerment	Support our people and give them the freedom to perform, to provide our readers with information that influence their environment
Continuous Self Renewal	Determination to constantly re-examine and re-invent ourselves for further innovation and creativity
People Centric	People are our greatest asset. We invest in them and know that the rest will follow

Our revenue generation framework

Advertising

Offers new and customized solutions beyond regular advertising which is also amplified through user engagement

Circulation

Revenue is primarily generated from the sale of our English and Hindi dailies, which continue to command leading positions in key markets

Job Portal

Provides end-to-end recruitment solutions by accurately matching candidate profiles to relevant job openings

Our stakeholders

Customers

Delivering genuine, high value and quality content to our audience, along with innovative solutions to our advertisers

Investors

Long term value creation for shareholders

Communities

Sharing value created to stimulate growth and development in host communities by investing in socio-economic projects and promoting preferential local procurement

Employees

Providing employment and the opportunity to earn a living, to develop skills and learn in a safe working environment

CHAIRPERSON'S MESSAGE

Dear Shareholders,

We are happy to share with you our Annual Report for FY 2019-20.

HT Media Group has always been about empowering and enriching people by providing them credible, accurate, independent and timely news and information. This means our responsibilities become all the more important during times of crisis, such as the one that we are witnessing now with the outbreak of the COVID-19 pandemic in India, and across the world. I want to assure you that in these testing times, we remain as committed, if not even more, to our mission.

Looking back at the year, HT Media held its own despite softening economic growth in the country. Growth was hit by both global and local factors, and both cyclical and structural reasons. As a result, both investment and consumption suffered. According to the government, India's GDP is estimated to have grown 4.2% in FY 2019-20, compared to 6.1% the previous fiscal. The Media & Entertainment industry was impacted by the economic slowdown, with advertisers exercising prudence when it came to advertising budgets. The outbreak of the COVID-19 pandemic further intensified the challenges faced by the economy during the last quarter for FY 2019-20.

Overall revenues declined for the group in FY 2019-20 given the subdued advertising environment. Throughout the year, we adapted

our plans and focused on factors within our control to offset the decline in advertising revenue. Hence, despite the pressure on revenue, earnings grew sharply. The strength of our balance sheet and our comfortable liquidity position held us in good stead in these unprecedented times enabling us to maintain smooth functioning of operations. Our treasury operations performed exceedingly well in the year, despite a volatile market and without any credit linked incidents. We continue to be extremely prudent on cash utilisation. We are focussed on investing in new organic and inorganic initiatives to create businesses of the future for the Group, but we will do this in a measured manner.

Despite the current economic scenario, we have resiliently moved forward in the pursuit of excellence. Newer technologies, shifting consumer preferences and a competitive business environment are bringing about changes which are reshaping the media landscape. As a result, we continue to focus on customer reach and engagement, leveraging technology, and adopting prudent pricing mechanisms to drive value. We are also very conscious that we need to keep innovating when it comes to providing solutions to our advertisers.

In print segment, we cater to a large audience with our diverse portfolio of English and Hindi newspapers. Hindustan Times, our English daily, continues to enjoy a prominent position in the market along with our Hindi daily, Hindustan. This has been demonstrated with the IRS Q4 2019 results. For our business readers, we have consistently delivered meaningful news and insights through our business daily, Mint.

During the year under review, we retained our premium positioning in key markets. Our publications continued to be among the top newspapers in their key markets, collectively reaching 5.63 crore readers in India on the basis of Total Readership (TR), as per the IRS Q4 2019 survey. All our publications continue to offer a compelling proposition for advertisers owing to our extensive reach and a large reader base.

Fiscal 2019-20 was a landmark year for our radio business as we added 'Radio One' to our portfolio through the acquisition of Next Mediaworks.

> OUR PUBLICATIONS CONTINUED TO BE AMONG THE TOP NEWSPAPERS IN THEIR KEY MARKETS, COLLECTIVELY REACHING 5.63 CRORE READERS IN INDIA ON THE BASIS OF TOTAL READERSHIP (TR), AS PER THE IRS Q4 2019 SURVEY.

This has enabled us to build a robust portfolio of radio stations in the top cities of the country. The company now has 22 stations and a national footprint covering 15 cities. We have strengthened our presence in this segment with an excellent combination of Radio brands – Fever, Nasha and Radio One. As per RAM ratings for Q4 FY 2019-20, Fever FM is the No. 1 station in Delhi, Mumbai, and Bengaluru (non-Kannada), while, Radio Nasha continues to be the No. 1 retro station in Delhi.

The secret to our success lies in the hard work and dedication of each and every member of the HT Media family. I am proud of our passionate team that is always ready to learn new skills and pursue emerging opportunities. The commitment of our employees during this period exhibits their strong sense of duty towards the nation, especially in the face of unprecedented challenges. We have heightened efforts to ensure safety and well-being of our employees. We have built an inclusive culture with a diverse workforce, and have undertaken various initiatives to increase engagement with our employees, to help them strike a work-life balance, and have provided them opportunities to grow and emerge as leaders of tomorrow.

We continue to be hopeful of the future, once the impact of pandemic subsides. We remain absolutely prepared to rise to the challenges we face and capitalize on opportunities to add value to our offerings. We will continue to uphold our principles of integrity, objectivity and fairness, and produce contemporary newspapers true to the values of good journalism.

I wish to extend my heartfelt thanks to each and every employee of HT Media for their hard work and dedication. I would also like to extend my appreciation to the Board of Directors, investors, shareholders, customers and readers for their continued trust in us.

Regards,

Shobhana Bhartia
Chairperson and Editorial Director

LETTER FROM MD & CEO

Dear Readers,

It gives me immense pleasure to write to you again and take you through the progress we have made during the year under review. During the last fiscal, print media witnessed both disruptions and opportunities. The softening of newsprint prices provided a boost to our operating profits. On the other hand, we faced headwinds such as weak economic environment, slowdown in commercial business activities and customs duty imposition. The black swan in the form of outbreak of Novel coronavirus has also brought forth a new set of challenges.

Sector-wise Performance

Print

The IRS Q4 2019 results have once again displayed our dominant position in key markets, and reaffirm that our newspapers are a preferred choice of readers. Our premium English daily 'Hindustan Times' and Business daily 'Mint', continued to maintain strong presence and both were ranked No. 2 in their respective categories in India. Further, our Hindi daily 'Hindustan' has a wide reach and attracted AIR of 1.3 crore readers.

Our Print segment saw a relatively good festive season during the year. On the circulation front, we took cover price hike in key markets. We brought forth numerous product and editorial innovations during the year. We redesigned few of our publications, which were welcomed by our younger readers, who found both the format and the content engaging. Our focus has also been on longer narratives that take readers behind the news and offer in-depth explanation of key issues.

Radio

Our three radio brands – Fever, Nasha and Radio One, continued to engage listeners across cities. We successfully managed the acquisition of Radio One and integrated it with our existing radio portfolio. Radio One has operations spread across 7 metro cities including Delhi, Mumbai, Bengaluru, Kolkata, Chennai, Pune and Ahmedabad. With this acquisition, we are counted amongst the top radio companies in

the country and the leader in metro markets.

Shine

Shine is the 2nd largest job portal in India, with a sizeable share of the industry traffic through mobile platforms. It has shown good traction in revenue during the year. We have made significant investments to leverage Artificial Intelligence (AI) and Machine Learning (ML) algorithms to simplify the overall system in order to improve the recruitment process of the portal. Shine is currently focusing on further developing its technology platform to provide an enhanced search experience to its recruiters. Alongside, there is a key focus on developing Shine Learning as an upskilling platform.

New initiatives

Podcast

This is a new vertical that we entered during the year, with credible, fun yet down-to-business audio content on sports, markets, fashion, news and everything in between. We also launched our podcasting platform – htsmartcast.com.

Others

Our strong balance sheet and liquidity position enabled us to maintain smooth functioning of operations in these exceptional times. We have been judicious in our cash management. We managed to turn in a very good treasury performance for the year. We would continue to invest in building new business streams for the company through both organic and inorganic initiatives.

> THE IRS Q4 2019 RESULTS HAVE ONCE AGAIN DISPLAYED OUR DOMINANT POSITION IN KEY MARKETS, AND REAFFIRM THAT OUR NEWSPAPERS ARE A PREFERRED CHOICE OF READERS.

COVID-19 and the road ahead

As you are aware, the COVID-19 pandemic has brought an unprecedented set of challenges in all aspects of businesses across the globe. We are committed towards building a healthy and sustainable business while navigating through this crisis. The health and safety of our employees remains a top priority during this time. We are taking the necessary steps to manage the short and medium term financial impact on the company, including measures such as cost rationalisation, product reconfiguration and productivity improvement.

Notwithstanding the challenges that it brings, we intend to utilize this crisis as an opportunity to embrace technology across verticals, re-examine our cost model, simplify processes for faster response to rapidly evolving situations, and reimagine the work place, by categorising Work from Office, Roster jobs and Work from home.

I firmly believe that we will overcome the challenges and emerge even stronger because we have great products which have stood the test of time, committed shareholders who believe in the fundamental strength of our business model, readers and listeners who are loyal to our brands because of the unique proposition they offer and a set of deeply committed employees.

We are confident with the continued support of all the stakeholders, we will not only successfully navigate through these troubled times, but also transform the company, and build a sustainable business model of the future.

Regards,

Praveen Someshwar
Managing Director & CEO

PLATFORMS OF CHANGE

The events organised under the HT Media banner, strive to inform, educate and entertain the participants, audiences and our partners. Moreover, these events have strengthened the brand name, and have become a steady source of revenue.

Hindustan Times Leadership Summit (HTLS)

Started in 2003, The Hindustan Times Leadership Summit aims to enhance the level of discourse on critical issues, encourage interaction among leaders in important areas and present international quality thought-platforms aimed at solutions. Today, the Summit has grown in stature to be counted amongst the most prestigious conferences in India. The theme of the Hindustan Times Leadership Summit 2019 was 'Conversations for a Better Tomorrow'. The summit brought together world leaders from many walks of life – politics, business, film and sport – and provided invigorating discussions on how to fashion a more fulfilling future. Among those who attended were Prime Minister Narendra Modi, Finance Minister Nirmala Sitharaman, Delhi Chief Minister Arvind Kejriwal, legendary Olympian Michael Phelps, celebrated actor Michael Douglas and other renowned personalities. The Summit saw a footfall of 1500+ high profile delegates from across industries and included CEOs, politicians, bureaucrats and industrialists, amongst others.

Hindustan Shikhar Samagam

A marquee event for Hindustan, the 5th edition of the Hindustan Shikhar Samagam was held in February 2020 with the theme 'Naye Daur Ka Naya Nazariya'. The event had 15 speakers and 8 impactful sessions by renowned personalities like Smriti Irani, Ayushmann Khurrana, Yogi Adityanath, and Akhilesh Yadav among others, as key speakers. The event was widely featured on digital platforms including Facebook, Twitter & Podcast while being extensively covered in Print, Radio and Television. Over the last 5 years, the event has become an extremely coveted program. The Samagam resonates with our brand promise and offers a new take on issues impacting people.

HT Palate Fest

An all-encompassing food festival, HT Palate Fest is renowned as one of India's best culinary events. The event brought delicious food and new cooking lessons from renowned chefs. It also allowed people to taste delicious food from over 80 restaurants. Gripping performances from artists and celebrities were also seen during the event.

HT Most Stylish Awards

Hindustan Times India's Most Stylish Award is the biggest celebration of style in the country. The event brings together and honours people from bollywood, fashion, sports, music, art, culture and many more fields under one roof. The most glamorous awards night of the year was designed, decorated and curated on the 'Razzmatazz' theme - specially chosen by India's fashion mogul Manish Malhotra. The event saw the presence of the crème de la crème of the entertainment industry, setting benchmarks for others. It also witnessed the coming together of India's biggest designers, fashionistas and renowned names from bollywood like Shah Rukh Khan, Gauri Khan, Katrina Kaif, Kareena Kapoor Khan, Anushka Sharma and Ranveer Singh, among others.

HT GIFA

Started in 2015 as an effort to bring the community together and promote football at grassroots-level, HT GIFA (Hindustan Times Great Indian Football Action) today is India's biggest neighbourhood football tournament for kids. The opportunity is open to kids from class 5-8 in the junior category and class 9-12 in the senior category. The event collaborated with La Liga, the top division of Spanish Football League, and saw the presence of Akshay Kumar at the grand opening ceremony. It witnessed participation of 450 teams. The coaches from La Liga also selected the best footballers from the tournament and gave them once-in-a-lifetime opportunity to train at their football schools in India.

Mint Visionaries

The inaugural edition of Mint Visionaries was organized on November 17 2019. It seeks to delve deeper into the minds of people inspiring a new future. The event featured entrepreneur & philanthropist Bill Gates, who is also the co-chair of the Bill and Melinda Gates Foundation, sharing his thoughts with Wipro Ltd's Chairman Rishad Premji on the topic of "Technology for Social Inclusion". The event was attended by eminent people comprising CXOs of India's leading organizations.

Mint Annual Banking Conclave

Mint's marquee event in the banking ecosystem, Mint Annual Banking Conclave was organized on February 24 2020 in Mumbai. The 13th Mint Annual Banking Conclave was centred on the "$5 Trillion economy challenge". The event was attended by a highly esteemed audience from India's banking sector. The keynote was given by Shaktikanta Das, Governor, Reserve Bank of India. Other notable speakers included top leadership of leading banks like HDFC, Citi, Axis Bank and SBI, among others.

Mint India Investment Summit

An exemplary event, Mint India Investment Summit is an iconic platform in the Private Equity (PE) and Venture Capital (VC) sector. The event was organized in Mumbai and focused on India's revival story. Discussions were held on pertinent topics such as investment in PE/VC, real estate, and infrastructure. It was attended by renowned personalities from diverse sectors. The keynote address was given by Nitin Gadkari, Union Minister of Road Transport & Highways, Micro, Small & Medium Enterprises, Government of India.

Hindustan Olympiad

Since 2015,
Hindustan Media Ventures Limited in partnership with local schools has been organizing Hindustan Olympiad, an annual school level examination. This examination is designed to determine a student's general academic aptitude. Hindustan Olympiad has a strong reach in 2,500+ schools across the Indian states of Bihar, Jharkhand, Uttar Pradesh & Uttarakhand. The examination witnessed participation of 1.3 lakh+ students. The initiative has helped to identify talented students from various cities and even remote villages in India, who enjoy their moments of fame in our grand felicitation ceremonies. In this journey, we have received an overwhelming support from our partner schools and our sponsors.

Hindustan Mission Engineering

Hindustan Mission Engineering is a symposium targeting engineering aspirants from 12th Grade. The campaign includes a school contact program with top schools in selected cities, to solicit participation of science students. We also connect with top coaching centres to encourage students to participate in the symposium. It is conducted across 10 cities of Bihar & Jharkhand and in Delhi/NCR. As part of this campaign, we reached out to more than 600 schools across selected cities and 200 plus coaching centres, soliciting participation from 10,000+ students across 11 cities. Top dignitaries from State Educational Departments, Educational Boards, AICTE, CBSE and subject experts were part of the speaker panel.

Hindustan Kabaddi League - UP

Since the last two years, Hindustan Kabaddi League is being organized in Uttar Pradesh, in association with the Uttar Pradesh State Kabaddi Association. The Pro Kabaddi team of the state - UP Yoddha, owned by GMR Group, is also a strategic partner in this initiative. The tournament is for both men & women and is hosted in four zones of UP - Agra, Kanpur, Varanasi & Gorakhpur and the playoffs are conducted in Lucknow. A total of 35 men's teams and 8 women's teams participated in the 2nd edition held during Sep-Oct 2019. In total, almost 650 players participated in the tournament from various teams. The event is in compliance with the CSR objectives of the organisation and helps to promote the sport & players who participate in it.

OUR PEOPLE - OUR GREATEST ASSET

We firmly believe that our employees are one of our greatest assets. Our people strategy is founded on three pillars - creating an organizational context that inspires employees to do their best, enhancing the organization's effectiveness through capability building, and improving our brand as an employer. We are committed to enhancing the core skills and competencies of our people while also aiding their personal growth and development.

In order to ensure that our employees are well equipped with functional and technical skills, a host of training programs were conducted which included a rich and diverse mix of behavioural and functional modules. These training programs were imparted using blended models of instructor-led & digital platforms, purely classroom sessions, and digital modules.

57

Training sessions conducted in 2019-20

752

Participants trained during the year

RESPONSIBLY GIVING BACK TO SOCIETY & COMMUNITIES

At HT Media, we believe social responsibility is an integral part of our sustainability strategy to create positive social impact. We seek to provide financial aid and volunteering services for vulnerable sections of the society, partnering with the Government and various other organizations. We have been taking key initiatives in this direction to initiate extensive social change, which will accelerate the socio-economic development of India. Some of our social initiatives are highlighted below.

Fight against COVID-19

In an effort to control spread and impact of coronavirus, we have undertaken various measures including but not limited to, distributing sanitizers, masks and gloves to help combat the deadly Novel Coronavirus. We are also fumigating vehicles being used to carry essential goods and products . Masks and sanitizers were also distributed across 2 villages near Mathura – Lohvan and Gossna - supported under Atulya Gram program.

Shine Foundation

As a part of our community building efforts, we have developed a community development program - Shine Foundation that supports the education of 1000 children every year. It also helps to encourage financial independence in women. The program is conducted across the economically weaker areas of Ghijore (Noida), Lakkarpur (Faridabad) and Tughlakabad (Delhi), supporting and offering educational and nutritive support to women and children, for more than 5 years.

The focus areas of Shine's community service consist of:

- Education of marginalized children in alternative mode
- Skill Development & Entrepreneurship Development
- Counselling, Psycho-Social Support and Health Care

IPS Foundation

We support the IPS Foundation to create awareness among farmers in the Punjab belt on grave issues of stubble burning and its impact on the environment. The Foundation supports this cause by educating farmers about environmental sustainability. Additionally, the Foundation helps farmers to access government schemes that offer subsidies for avoiding stubble burning and adopting safer farming alternatives.

HT MEDIA LIMITED

BUILDING TRUST IN TOUGH TIMES – RESISTING COVID-19

The recent coronavirus outbreak has affected human lives around the world. To prevent its spread, lockdowns were imposed across the country, completely halting all kinds of activities. To ensure dispersal of authentic information and curb rumour mongering, we have undertaken various initiatives in these tough times.

Key initiatives

Spreading relevant messages

We undertook the responsibility of spreading relevant information which resulted in not only

fighting the fake news overload but also busting myths about the pandemic

Shaping opinions

We re-emphasized on safety of newspapers by shaping opinions and building communities

Driving right conversations

We drove suitable narratives as well as

saluted COVID warriors

Rallying support for the vulnerable

We launched #EldersFirst initiative to support senior citizens, in an effort to reach out to vulnerable people

Raising pertinent issues

We addressed concerns and raised pertinent issues

MANAGEMENT DISCUSSION AND ANALYSIS

Global Economy

The global economy witnessed slow growth amidst multiple headwinds, coming at 2.9% for CY 2019 as per International Monetary Fund (IMF). It was affected by increasing trade tensions between the US and China, rising oil prices and currency depreciation in Emerging Markets and Developing Economies (EMDEs). Global slowdown in the manufacturing sector, and pressure built around US – Iran hostility also added to the slowdown. Aided by supportive monetary policies from several central banks, inflation was largely controlled below target levels, especially in advanced economies. Growth in labour market and resilient service sector were showing the signs of recovery.

Outlook

The COVID-19 pandemic is impacting individuals, businesses and governments across the world. It has necessitated isolation, lockdowns, and closures to slow the spread of the virus, protect lives and allow the health care systems to cope, which has impacted economic activity. As a result of the pandemic, the global economy is expected to contract by 4.9% during CY 2020, as per IMF WEO June 2020. However, the global economy is expected to grow by 5.4% in CY 2021 as economic activity normalizes, with the aid of policy measures. The synchronized actions of large central banks is expected to generate the space for Emerging Market and Developing Economies (EMDEs) to use monetary policy to respond to domestic cyclical conditions.

(Source: IMF WEO)

World GDP growth rate (in %)

(Source: IMF WEO)

Indian Economy

As per World Economic Outlook (WEO) released by IMF in June 2020, the Indian GDP growth stood at at 4.2% in FY 2019-20. India's economy has become the fifth largest in the world, as measured using GDP at current US dollar prices, moving past United Kingdom and France. The overall size of the Indian economy was pegged at US $2.9 trillion in 2019. The country witnessed an investment-led slowdown which broadened into a weakening consumption-led slowdown. The slowdown in consumption is mainly on account of financial stress in rural income, stagnating agricultural wage, weak job creation and rising unemployment in the country. However, the government is trying to revive demand through various fiscal measures including corporate tax cuts, supporting farmer's income through MGREGA & Kisan Yojanas and easing monetary policies.

Outlook

It was widely expected that Indian economy would see a revival in consumption growth in FY 2020-21. However, the outbreak of COVID-19 is likely to hamper the growth, with projected GDP contraction for FY 2020-21 by 4.5% as per IMF WEO June 2020. The steps taken to contain the spread, such as nationwide restrictions and the lockdown, have resulted in a slowdown in economic activity and could impact consumption as well as investment. The spread of the virus is likely to result in near team supply and demand side pressures. The economic fallout would depend on factors including the pathway of the pandemic, the intensity and efficacy of containment efforts, the extent of supply disruptions, shift in spending patterns, behavioural changes, confidence effects, and volatile commodity prices. However, the IMF expects the Indian economy to sharply recover with a GDP growth of 6% in FY 2021-22.

(Source: IMF WEO, RBI, Economic Survey, KPMG Report)

Indian GDP growth (in %)

(Source: IMF WEO)

Industry Overview

Media & Entertainment Industry

The Indian Media and Entertainment (M&E) industry is the fastest growing among its global peers, and it is anticipated to continue its momentum, outperforming the global average. The industry witnessed a growth rate of 9% over previous year to reach ₹1.8 trillion in CY 2019.The growth can be attributed to increase in digital subscription and demand for innovative content across various media platforms. However, the industry also witnessed certain headwinds in terms of economic slowdown and changes in regulatory norms.

CY 2019 saw growth in the industry driven by subscription based business model and robustness of content production and post–production. Advertising revenue saw a nominal growth of 5.3% in CY 2019 while the revenue from subscription grew by 9.3%. The growth in advertising was impacted by slowdown in the economy, especially in the second half of the year leading to lower advertising spends during festive season.

Advertising and Subscription Revenue (₹ billion)

(Source: EY M&E Report)

Outlook

The M&E industry was expected to show a strong growth during CY 2019-22. However, the outbreak of COVID-19 is likely to impact the overall economic growth, which would percolate down to the M&E industry as well. The sector is likely to be affected due to impact on revenue from advertising, postponement of events, impact on theatrical revenues due to loss of weekends and delay of content production and post-production.

The growth of sector, once the impact of COVID-19 wears off, is expected to be driven by consumption of regional media content. Given the wide reach of traditional media, it would continue to be an attractive platform for SMEs and long-tail advertisers across the country. Bundled services are also likely to witness growth. Going forward, the industry is expected to focus on localization and further penetration of regional markets.

(Source: EY M&E Report, PWC Media Outlook)

Print Media

The size of the print media sector is estimated at ₹295.7 billion in CY 2019. It witnessed growth in revenue from circulation and increase in readership during the year under review. The revenue from advertising fell by 5% in CY 2019 which led to overall de-growth in the sector. However, in India, the print media has displayed resilience by continuing to stay relevant and gain readership due to its ability to adapt to changing consumer behaviour.

The print media continues to be the most credible and reliable source of information, gaining its reader's trust and faith. The segment also witnessed improvement in margin due to rationalization of newspaper prices and implementation of cost reduction measures.

Going forward, the sector is expected to focus on increasing subscription revenue through a combination of cover price actions and identification of new markets which are underpenetrated. It is also working towards building its image as an in-depth and accurate source of information, and not just provider of news and opinion. Additionally, revenue from regional dailies, especially Hindi newspapers, is expected to increase on the back of rising readership in the Hindi speaking belt and targeted advertising efforts.

(Source: EY M&E Report)

Advertising in Print

Print media is the 2nd largest contributor of revenue in the Indian advertisement market, accounting for around 30% of the total advertising expenditure in CY 2019. The Indian print industry performed quite well when compared to the global average, which declined 3% during the same period. India has bucked the global trend, by being the only country where print continues to have a dominant share of advertising expenditure at 30%.

In terms of volume, English and Hindi dailies together account for a dominant share of total newspaper advertising volume. Hindi dailies continued to be the largest contributor, as it has the largest reach as compared to other languages.

The majority of the advertising growth was witnessed in the first half of CY 2019. The effect of macroeconomic slowdown and a poor festive season led to a slowdown in the second half of the year. Marketing spends by the FMCG, automobile, education, real estate and retail sector continue to be major contributors in print advertising expenditure, with a share of approximately 50% in CY 2019. Further, during the year under review, the e-commerce industry emerged as the fastest growing sector with an advertising expenditure growth of 14% YoY.

(Source: Pitch Madison Report, EY M&E Report)

Circulation in Print

Circulation revenue increased by 2% over previous year, to ₹89.9 billion in CY 2019. In India, 38% of the people read news publications, 5% read magazines and two-third of all the readers belong to NCCS A-B-C. English and Hindi dailies together contribute 56% to the total circulated copies in the country. The total readership of English dailies showed a marginal increase over previous year, even as Hindi dailies are the most popular in terms of circulation as well as readership. With the constant growth of literacy in the country, regional editions and vernacular publications have attracted readers, which has resulted into growth in circulation of newspapers, and the same trend could be expected to continue.

(Source: EY M&E Report)

Circulation Revenue (₹ billion)

(Source: EY M&E Report)

Radio

The Indian radio segment reached a size of ₹31.1 billion in CY 2019. The radio revenue of private FM players grew by 5% in the first half of CY 2019, but witnessed a sharp slowdown in the second half of the year, due to slowdown in the economy. There were over 1100 operational radio stations across the country in CY 2019. As per the IRS Q4 2019, the listenership base of radio, has remained fairly stable across the last three studies. The proportion of urban radio listeners remains almost twice that of the rural listener base.

Delhi-NCR, followed by Maharashtra, have emerged as the leading markets for FM radio in the country, mainly due to a large audience base in these regions. Over 800 radio channel licenses are expected from the upcoming Phase-III auction across 227 new cities. It is expected to significantly improve the reach of FM radio in tier-2 and tier-3 cities in the coming years.

Being a popular local medium of communication, radio was extensively used by government. The e-commerce sector was the main contributor to advertising expenditure growth, followed by FMCG, BFSI, education & retail categories. The millennial population has contributed to the growth of this industry and it is expected to sustain the momentum on account of innovative content, digital communities, music streaming and promotion of traditional events.

(Source: EY M&E Report, Pitch Madison Report, TechSci Research report)

Radio Listenership (listened to radio in last 1 month, % of respondents)

(Source: IRS)

Recruitment

The recruitment industry has not just grown but, has evolved into a mature market. The demand for recruiters has grown by 63%, between CY 2016 and CY 2019. It has led to a demand for expert recruitment solutions capable of bridging the gap between candidates and recruiters. Talent is one of the most important business drivers and organizations are increasingly finding value in partnerships with specialist firms and job portals.

(Source: Antal International Report, Trading Economics Report)

Company Overview

One of India's largest media companies, HT Media Limited (HT Media), has evolved into a diversified Media and Entertainment conglomerate. The Company's rich legacy dates back to 1924, when its flagship product Hindustan Times was launched by Mahatma Gandhi.

In the print segment, the Company has an established presence with its key brands including English daily 'Hindustan Times', Hindi daily 'Hindustan' and Business daily 'Mint'. The publications are renowned for their editorial prowess and innovative approach, due to which they have emerged as a formidable force in the market.

The marquee brands of the Company have an extensive Total Readership (TR) base of 5.63 Crore in India as per IRS Q4 2019.

The Company has strong presence in the radio segment through brands like 'Fever', 'Nasha' and 'Radio One'. The Company also operates a recruitment solutions portal Shine.com, to cater to requirements of recruiters and candidates.

Product Mix (At Group Level)

Print

Hindustan Times

Hindustan Times is one of India's leading and most reputed English dailies in India. It offers a compelling proposition for advertisers on account of strong brand value and an exclusive and premium reader base. 85% of its readers are from NCCS A validating the premium reader profile. As per IRS Q4 2019, it is the 2nd most read English daily in India with an Average Issue Readership (AIR) of 27 Lacs. During the year, Hindustan Times continued to make strides in all the major markets, which validates the faith of the readers who have made it the No. 1 daily in Delhi-NCR for 19th time in a row, the No. 1 daily in Punjab including Chandigarh and a strong No. 2 in Mumbai.

Hindustan

Hindustan has a wide reach with Total Readership of 5 Crore readers as per IRS Q4 2019, and continues to enjoy a prominent position in the Indian market. In Bihar, Hindustan continues to dominate the Hindi dailies with AIR of 37 Lacs, including the No. 1 position in Patna. It continues to be a strong player in Uttar Pradesh with AIR of 71 Lacs. It is also the 2nd most read newspaper in Jharkhand and Delhi. Catering to a broad reader base, the Hindi daily is extremely popular across age groups and is a preferred choice of advertisers. Hindustan has a median reader age of 30 years, which indicates its popularity across age groups and adds to its attractiveness for advertisers.

Mint

Mint is one of India's premium business news publications providing in-depth financial and economic analysis. Mint has held to its No. 2 position among the leading business dailies in India, attracting 2.6 Lacs readers on AIR basis as per IRS Q4 2019. It has the most premium reader profile with maximum share of NCCS A1 readers among all business dailies.

Radio

Fever FM

Fever FM is the No.1 station in Delhi, Mumbai, Bengaluru (non-Kannada), as per RAM ratings for Q4 FY20 (till 14 March 2020). Since its inception, Fever FM has consistently topped RAM charts and is a preferred choice of listeners due to its varied content. Fever FM caters to listeners in 13 cities. It has been an undisputed leader in Delhi for over 8 years, and has enjoyed similar success in Mumbai for more than 3 years. When it comes to listenership scores, the RAM domination of the stations is a testimony to its market leadership across states.

Over the years, the brand kept innovation at its core, drove thought leadership and introduced a variety of content (music and non-music), across genres. Fever has truly redefined entertainment on radio through radio dramas, sports, CSR or bollywood. During the year under review, Fever was also appreciated by Prime Minister Narendra Modi for its #PlasticSeBreakUp campaign. Fever is the only radio station to be recognized by PMO for its innovative campaign to ensure reduced usage of single-use plastic.

Radio Nasha

Radio Nasha continues to be the No. 1 retro station in Delhi, as per RAM ratings for Q4 FY20 (till March 14 2020). It is India's first cool retro station to pay rich tribute to the excitement, romance and attitude of the magical era of the 70's, 80's, 90's & 2000's. Its unique positioning has helped the brand to carve a niche for itself. With a passion to 'invoke nostalgia', it is renowned for its remarkable listener engagement.

Radio One

Radio One is a new entrant to HT Media's noteworthy radio portfolio. It has operations in 7 Indian metro cities including Delhi, Mumbai, Bengaluru, Kolkata, Chennai, Pune and Ahmedabad. It has India's largest International format Radio Network in Delhi, Mumbai and Bengaluru; the Contemporary Hit Radio (CHR) formats in Pune and Ahmedabad; Hindi Retro format in Kolkata, and Tamil format in Chennai. Radio One appeals to the intelligent and evolved listeners, successfully building communities around food, music, sports, travel and fitness.

Recruitment Solutions

Shine.com

Shine.com is the 2nd largest job portal in India. It has made significant investments in, and plans to leverage, Artificial Intelligence (AI) and Machine Learning (ML) algorithms to simplify the overall system in order to better the recruitment process of the portal.

To further augment its growth and market share, Shine is focusing on the following areas:

- Building a robust candidate database
- Focusing on experienced as well as entry-level candidates
- Enhancing search algorithms through advanced analytics
- Investing in skill up-gradation programs

HT Smartcast

HT Smartcast is one of the nation's fastest growing podcast platform and the largest content catalogue from a single publisher with over 80 hours of content, ranging from film to markets and politics to fashion. Conceptualised in October 2019, HT Smartcast marked the Company's foray into the podcasting universe with a vision to add this growing medium to its already robust portfolio.

Within a span of 6 months, HT Smartcast has successfully brought more than 25 top podcasting platforms within its ambit. It has also launched more than 3500 episodes, spanning across 100 shows in varied platforms. The content was sourced from multiple groups (from print, radio and other specially curated content), demonstrating a high degree of cross-functional collaboration. Insights from our podcast platform partners and secondary research led to the selection of a wide array of content for our diverse consumers. The platform has gained around 2.5 million+ listens from India and around the world in a span of 6 months between October 2019 and March 2020.

Financial Overview

Revenue from operations

The broad-based slowdown in the economy during the year impacted the discretionary spend by key advertising categories, due to which both print and radio businesses faced pressure on revenue. Accordingly, revenue from operations remained muted at ₹2083 Crore in FY 2019-20 as compared to ₹2,199 Crore in the previous year.

Profitability

In FY 2019-20, the Company's Operating EBITDA witnessed a sharp turnaround to reach ₹143 Crore from loss of ₹16 Crore in FY 2018-19. The Operating EBITDA Margin for the year stood at 6.9%, which is an improvement of 8% over last year, due to lower newsprint prices and tight control on costs. The loss after tax stood at ₹342 Crore in FY 2019-20, compared to a profit after tax of ₹16 Crore in the previous year. The decline is mainly because of impairment loss towards intangible assets and goodwill, which have been recognised as an exceptional item. Return on Net Worth has reduced from -0.5% in FY 2018-19 to -16% in FY 2019-20 led by increase in losses.

Current Ratio

Current Ratio has decreased from 1.3 times as on March 31 2019 to 0.9 times as on March 31 2020. This is primarily due to a decrease in current investments and cash.

Interest Coverage Ratio

Interest Coverage Ratio has improved by 92% from 1.0 times as on March 31 2019 to 1.9 times as on March 31 2020, due to the cumulative impact of increase in operating profits and decrease in finance cost.

Inventory Turnover Ratio

Inventory Turnover Ratio decreased from 5.4 times as on 31 March 2019 to 3.7 times as on 31 March 2020, due to a decrease in the Cost of Goods Sold (COGS).

Marketing Initiatives

In order to strengthen its brand recall and market presence, HT Media took various marketing initiatives to further augment its growth. Few of the initiatives are listed below.

My First Vote

A 90-days, high visible campaign was initiated by the Company to encourage the Indian youth to register and cast their votes in

the 2019 general elections. The campaign resulted in huge user engagement and registered around 20K views on the website.

HT Read Blue

A unique campaign, whereby Hindustan Times newspapers turned blue for India's World Cup matches. Engaging its audience through print, radio and on-ground contests, this campaign generated a lot of enthusiasm in Delhi-NCR, Mumbai and Punjab.

HT School Edition

With a vision to create a world class product for the next generation, we completely revamped the HT School edition. Designed to attract students of all age groups, we have fine-tuned the product to make it appealing and engaging. Keeping in mind their diverse requirements, HT School edition is now packed with colourful, vibrant, info-graphic content, incorporating fun facts/trivia, news around science & technology, entertainment, games & puzzles and sports.

HT Weekend

HT weekend is a first-of-its kind 8 page tabloid available every Sunday, along with the HT main edition in Delhi-NCR and Mumbai. The product is designed to deliver a complete infotainment package for a weekend read to our leisure readers. HT Weekend has been curated as the 'Perfect Hangout Partner'.

Bappa Beat

A unique campaign launched to celebrate the 10 days of Ganesh Chaturthi festival in Mumbai, it helped to create a special connection with Mumbaikars. Bappa Beat touched more than 1 Lac people in Mumbai and helped to improve the brand's NPS score.

HT Scholarship

We started the Hindustan Times Scholarship Program in 2010 to recognize and reward Mumbai's brightest young minds. The initiative has entered its 10th year and we have received 1.4 Lacs entries from 500 schools, this year. The idea behind the campaign is to reach out to parents and students, and enable them to realize their child's true potential by helping them to achieve their goals and objectives.

Editorial Highlights

The Company has undertaken several initiatives in its journey of constant improvement in its editorial standards, during the year. The focus has been on producing, every day, with consistency, fair and balanced editions across the country, raising the quality of news reporting, features and opinion pages. Besides, the Company is focused on 360 degree coverage of events to reach a greater audience.

India – The internet shutdown capital of the world

During FY 2019-20, ~67% of the world's documented shutdowns took place in India. For the first time, Mint Lounge studied the anatomy of network disruptions and the impact they had on lives and livelihoods of people.

Why Indian women VCs get a raw deal

The campaign shed light on the Indian venture capital (VC) segment being predominantly male-dominated.

Climate Tracker

Mint Lounge launched an important campaign to raise awareness about the impact of climate change to apprise readers and nations of the looming issue through this weekly column.

Specials

General Elections

The general election held in CY 2019 was one of the most significant in the history of modern India. From its announcement to results day, HT fanned out across the country, reporting from the ground, capturing trends, offering commentary, weaving stories around data from every part of India. The 'Results Day' edition was a great culmination of this extraordinary effort.

Interim Budget

The Mint Budget issue maintained a laser sharp focus on every aspect of the budget. It offered insights and analysis of major economic issues discussed during the Interim Budget. It also featured a graphic edition on the 200 days that defined Budget 2020. The publication featured interesting interpretations of the economy by Madhubani artists and included cutting-edge graphics.

Human Resource

The Company believes that its employees are the key to its success and their well-being is a priority. HT Media has a comprehensive performance management system, matrix reporting structures and feedback lines to improve the appraisal

process. The Company strives to build an agile culture. To successfully tread into the future, the Company lays a sharp focus on digitization and automation to leverage opportunities.

Going forward, it intends to focus on the introduction of comprehensive online HR workflows and platforms like Talent Management, Employee Engagement, Learning & Development, Expense Management, Reward & Recognition through AI and ML capabilities. The intent now is to primarily move to digital learning, complemented by instructor-led classroom training programs to enhance skills and competencies of our employees. The focus will be on creating a leaner structure and promoting synergies by collaboration among various businesses, not only in our style of working but also amongst different products. With a total strength of 1,891 members, HT Media Limited is marching ahead to achieve its goals.

Women at workplace

The Company has in place, strict policies for women's safety in the workplace. It is fully compliant with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The Company's formulated policy in this regard, is available on the employee intranet portal. The Internal Committee (IC) is in place. Three complaints were reported during FY 2019-20, and they were adequately dealt with by IC. The Company conducts regular training sessions for employees and Internal Committee members. The Company has rolled-out an online module for employees to increase awareness. All employees at the time of their joining, as a part of their induction, have to mandatorily complete online awareness module on the Prevention of Sexual Harassment policy.

Risk Management Framework

HT Media has a robust risk management framework to identify and mitigate risks arising from external and internal factors. A risk identification exercise is carried out periodically across business units to identify various strategic, operational, financial and compliance related risks. These are evaluated for their likelihood and potential impact. Few risks and uncertainties that can affect the business include changing consumer preferences, increasing digitization and adverse macroeconomic conditions influencing revenue growth. The risk of newsprint price fluctuation and supply constraints resulting in higher direct costs also cannot be overlooked. Further, heightened competition in key markets for print and radio businesses, along with a dynamic regulatory landscape remain some of the key risks faced by the Company.

Potential risks are reviewed on an ongoing basis and mitigating controls are deliberated upon as an integral part of decision-making. To stay ahead of the competition and minimise exposure to risk, the Company has taken various initiatives like continuous investment and diversification into newer businesses, greater management focus on increasing readership/circulation copies based on strength of differentiated content and brand, periodic review of cost structures, use of dynamic mix of local and imported newsprint along with optimized use of different grades, and usage of an automated compliance tool to monitor status of statutory compliances across all locations/functions.

Further, in light of the COVID-19 scenario, the Company is continuously evaluating the evolving situation and taking necessary steps to mitigate its impact, while ensuring business continuity. The Company is also taking cost optimization efforts across businesses and functions.

Internal Control

The Company has an effective system of internal controls corresponding with its size, nature of business and complexity of operations. The internal control mechanism comprises of a well-defined organizational structure with clearly defined authority and responsibility levels and comprehensive documented policies, guidelines and procedures governing the operations of respective business areas and functions. These controls have been designed to safeguard the assets and interests of the Company and its stakeholders and also ensure compliance with Company's policies, procedures and applicable regulations. Owing to continuously evolving business practices, these controls are regularly updated by the management. However, there have been some weaknesses identified in the internal controls in specific revenue stream, including override of certain internal controls by senior management officials, which too have since been addressed and appropriate actions have been/are being undertaken to tighten controls.

A robust Enterprise Resource Planning (ERP) system is used for accounting across locations. The Company also has Shared Service Centre (SSC) and Customer Relationship Management (CRM) application supporting centralized and standardized procurement, payment and approval processes. These systems enhance the reliability of financial and operational information by facilitating system-driven control activities, segregation of duties and enabling stricter controls. The Company is continuously exploring systemic improvements to its current processes, including integration of systems/applications, minimization of manual intervention with high focus on centralization of activities, wherever possible.

The internal control system is supplemented by an extensive program of internal audits and their reviews by the management. The in-house internal audit function supported by professional external audit firms conducts comprehensive risk focused audits and evaluates the effectiveness of the internal control structure across locations and functions on a regular basis. In addition to internal audit activities, Company has also developed an internal financial control framework to periodically review the effectiveness of controls laid down across all critical processes. The Company uses an online compliance management tool, and a concurrent audit mechanism of the same through a professional audit firm for ensuring effective compliance oversight. Further, the Company has the Audit Committee of Directors which meets at least once in every quarter to review internal control systems, accounting processes, financial information and other related areas.

Way Ahead

The outbreak of COVID-19 pandemic would have an impact on the advertising expenditures by businesses as companies look to trim discretionary spends. Due to this, the Company is expected to witness a reduction in the advertising revenue during the lockdown period. We continue to focus on enriching customer engagement, increasing the reach and providing ground breaking & exclusive coverage to our readers. The Company would focus on adoption of cost rationalisation measures to build savings and provide long term benefits to the Company. In these testing times, we would continue to uphold the principles of courage and responsibility enshrined in our values. We expect an uptick in advertising sentiments as the lockdown restrictions are lifted, and economic activity starts to return towards normalcy.

BOARD'S REPORT

Dear Members,

Your Directors are pleased to present their revised Report, together with the revised Audited Financial Statements (Standalone and Consolidated) for the financial year ended on March 31, 2020.

FINANCIAL RESULTS

The Company received a whistleblower complaint in August, 2020 from a named employee of the radio business on his last working day (WB Complaint). The WB Complaint alleged anomalies resulting in deficiencies in certain financial reporting processes of the radio business. The Company, in accordance with its whistleblower policy, and as confirmed by the Audit Committee appointed an independent law firm which worked closely with two independent accounting firms, for an in-depth comprehensive review. The said investigation brought out practices indicating the following deficiencies and lapses during financial years 2017-18, 2018-19, 2019-20 and 2020-21:

1. Practice of pre-billing (i.e. billing and booking revenue for services yet to be consumed/ delivered) resulting in reporting of higher revenue in financial results. Such billing remained unconsumed/ undelivered.

2. Potential manipulation of debtor ageing by issuance of inappropriate credit notes and additional invoices to avoid higher provisioning for bad debts.

3. Circulating improper balance confirmation requests (by including invoices without delivery/ requests for advertisement) to customers (with such balances either remaining unconfirmed or disputed) resulting in reporting higher revenue.

4. Potentially improper credit approvals including forced/ credit approval under protest at the instructions of senior management of the Radio business.

Further, based on a very detailed investigation performed, the investigating team and the management concluded that the above mentioned findings were confined to a particular stream of revenue ('pure money') of radio business only, and were not pervasive across other financial statement captions. The said investigation did not reveal existence of any personal profiteering or siphoning of funds or embezzlement or misappropriation of funds.

The final findings of the investigation were presented to the Audit Committee and Board of Directors of the Company, including multiple status update briefings in the interim.

Your Company has accordingly undertaken certain actions – remedial and otherwise, with special focus on the radio business, to improve and augment internal control mechanism that can detect and prevent occurrence of any anomalous practices in radio and / or other business. Further, special initiatives have been taken to strengthen the governance mechanism. All the initiatives being undertaken by your Company are listed below:

- Revision of financial statements (Standalone and Consolidated) for the financial year ended on March 31, 2020.
- Actions against the personnel identified as responsible for the misdemeanor
- Further strengthening internal control framework and centralized revenue assurance function
- Strengthening governance and communication around Whistleblower and Code of Conduct process
- Redefine values and culture for the organisation and digitize the program
- Automation/ system integration between business systems and SAP.

In view of the above, your Company's performance during the financial year ended on March 31, 2020, along with previous year's figures is summarized below:

(₹ in Lac)

Particulars	Standalone		Consolidated	
	2019-20 (Revised)	2018-19	2019-20 (Revised)	2018-19
Total Income	**1,35,212**	**1,44,683**	**2,30,966**	**2,43,471**
Earning before interest , tax , depreciation and amortization (EBITDA) from continuing operations	**22,706**	**12,123**	**36,989**	**21,996**
Add: Exceptional Items	(44,274)	(11,211)	(43,222)	(3,480)
Less: Depreciation	11,345	8,269	18,221	10,776
Less: Finance cost	10,345	9,844	9,913	11,350
Profit/ (Loss) before tax from continuing operations	**(43,259)**	**(17,201)**	**(34,367)**	**(3,610)**
less: Tax Expense				
• Current Tax	541	426	3,795	1,606
• Deferred tax charge/ (Credit)	(4,531)	(3,733)	(3,977)	(6,805)
Total tax expense	**(3,990)**	**(3,307)**	**(182)**	**(5,199)**
Profit for the year	**(39,268)**	**(13,894)**	**(34,185)**	**1,589**
Add: Share of loss of joint ventures (net of tax) (accounted for using equity method)	-	-	(267)	-
Profit for the year after share of loss of joint ventures	(39,268)	(13,894)	(34,452)	1,589
Add: Other comprehensive income (net of tax)				
a) Items that will not be reclassified to profit or loss	37	(29)	(442)	(27)
b) Items that will be reclassified to profit or loss	915	(982)	900	(1,277)
Total Comprehensive income for the year (Net of tax)	**(38,316)**	**(14,905)**	**(33,994)**	**285**
Opening Balance in retained earnings	**1,12,888**	**1,33,283**	**1,79,929**	**1,81,954**
Add: Adjustment pursuant to scheme of arrangement	-	-	-	319
Add: Profit/(loss) for the year	(39,268)	(13,894)	(34,585)	(1,205)
Adjustments related revision	(956)	-	(956)	-
Less: Item of other comprehensive income recognized directly in retained earnings				
• Remesurment of post employement benefit obligation (net of tax)	140	(29)	(215)	(26)
Less : Amounts reclassified from fair value through other comprehensive income	-	(5,493)	-	-
Less: Dividend paid	(931)@	(931)	(922)@	(922)
Less: Tax on Dividend	(57)	(57)	(191)	(191)
Add: Adjustment of accumalted surplus of HT media employee welfare trust	9	9	-	-
Add: Adjustment for change in non controlling interest in HMVL pursuant to scheme of arrangement	-	-	142	-
Total Retained Earning	**71,825**	**1,12,888**	**1,43,202**	**1,79,929**

@ dividend pertaining to FY-19, declared and paid during FY-20

DIVIDEND

During the last quarter of FY-20, the country witnessed nation-wide lockdown due to COVID-19 pandemic, which has adversely impacted the economy. Consequently, the Company's printing & publishing and radio business is witnessing a significant decline in revenue and resultant cash burn. In view of the economic uncertainty, the Board of Directors do not recommend any dividend on the Equity Shares of the Company for the financial year ended on March 31, 2020.

The Dividend Distribution Policy framed pursuant to the provisions of Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") is appearing as "***Annexure - A***", and is also available on the Company's website viz. www.htmedia.in.

COMPANY PERFORMANCE AND FUTURE OUTLOOK

A detailed analysis and insight into the financial performance and operations of your Company for the year under review and future outlook, is appearing in Management Discussion and Analysis, which forms part of the Annual Report.

SCHEME OF ARRANGEMENT

Entertainment & Digital Innovation Business

With a view to create a separate entity to support the 'Entertainment & Digital Innovation Business' of the Company, and to capitalize the growth opportunities in a focussed manner, the Board of Directors approved a Scheme of Arrangement u/s 230 to 232 read with Section 66 and other applicable provisions of the Companies Act, 2013 between the Company and Digicontent Limited and their respective shareholders and creditors ("Scheme") which, *inter-alia*, envisaged demerger of 'Entertainment & Digital Innovation Business' (Demerged Undertaking) of the Company, and transfer and vesting thereof to and in Digicontent Limited, on a 'going concern' basis.

The Scheme was sanctioned by Hon'ble National Company Law Tribunal ('NCLT') New Delhi Bench on March 7, 2019, and has become effective from the Appointed Date i.e. March 31, 2018 (close of business hours). Accordingly, in terms of the Scheme, the eligible shareholders of the Company have been allotted equity shares of Digicontent Limited in the ratio of 4:1. The said equity shares have been listed on National Stock Exchange of India Limited (NSE) & BSE Limited (BSE) and trading has commenced w.e.f. June 18, 2019.

Consequent upon effectiveness of the Scheme, Digicontent Limited and HT Digital Streams Limited have ceased to be subsidiaries of the Company.

ACQUISITION OF MAJORITY STAKE IN NEXT MEDIAWORKS LIMITED AND NEXT RADIO LIMITED

With a view to consolidate the FM Radio business of the Company; HT Music and Entertainment Company Limited (Wholly owned subsidiary); Next Mediaworks Limited (NMW); and Next Radio Limited (NRL) (subsidiary of NMW), a Composite Scheme of Arrangement under the Companies Act 2013, (Scheme) was approved by the Board of Directors on August 8, 2018. Keeping in view the wider interest of all stakeholders and after considering all the relevant factors, the Board decided to withdraw from the Scheme on December 20, 2018.

Thereafter, on December 20, 2018, the Board decided to acquire majority equity stake in NMW (i.e. 51%) by way of a combination of Open Offer under SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 to the public shareholders of NMW and direct acquisition of NMW's shares from the existing promoters of NMW. The Board also approved acquisition of 48.6% equity stake in NRL.

Upon conclusion of acquisition of majority equity stake in NMW on April 15, 2019, NMW, NRL and Syngience Broadcast Ahmedabad Ltd. have become subsidiaries of your Company. Further, your Company has also completed acquisition of 48.6% equity stake in NRL on November 15, 2019.

NRL operates FM Radio stations under the brand name "Radio One" in Delhi, Mumbai, Chennai, Kolkata, Bengaluru, Pune and Ahmedabad.

ACQUISITION OF MOSAIC MEDIA VENTURES PRIVATE LIMITED

The Board of Directors at its meeting held on July 28, 2020 and November 27, 2020, approved the proposal to acquire 100% share capital of Mosaic Media Ventures Private Limited (Mosaic) held by its existing promoters at a consideration of ₹ 6 Crore. Mosaic is engaged in the business of operating news platform (viz. VCCircle and TechCircle), providing subscription based research databases (viz. VCCEdge and SalesEdge) and event business. Consequent upon acquisition, Mosaic will become wholly-owned subsidiary of the Company.

RISK MANAGEMENT

Your Company has a risk management framework to identify, evaluate and mitigate business risks. The Company has constituted a Risk Management Committee of Directors which reviews the identified risks and appropriateness of management's response to significant risks. A detailed statement indicating development and implementation of a risk management policy for the Company, including identification of various elements of risk, is appearing in the Management Discussion and Analysis.

EMPLOYEE STOCK OPTION SCHEME

The information required to be disclosed pursuant to the provisions of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 read with SEBI's circular no. CIR/CFD/POLICYCELL/2/2015 dated June 16, 2015 ("SEBI ESOP Regulations") is available on the Company's website viz. www.htmedia.in. During the year under review, there is no change in the Employee Stock Option (ESOP) Schemes of the Company, and the 'HTML Employee Stock Option Scheme' and 'HTML Employee Stock Option Scheme – 2009' are in compliance with SEBI ESOP Regulations. In accordance with SEBI ESOP Regulations, voting rights on the shares of the Company held by HT Media Employee Welfare Trust were not exercised during the year under review. Further, during the year under review, 15,19,665 options were granted to the eligible employees (each option representing one equity share of ₹ 2/- each) under "HTML Employee Stock Option Scheme 2009" and 3,63,260 options expired during the period under review.

SUBSIDIARY COMPANIES

The Scheme of Arrangement under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013, between two subsidiary companies viz. India Education Services Private Limited (IESPL/Demerged Company) and Hindustan Media Ventures Limited (HMVL) and their respective shareholders, for demerger of Business-to-Consumer business (B2C) of IESPL (demerged undertaking) and transfer & vesting thereof to HMVL on a 'going concern' basis, was sanctioned by Hon'ble National Company Law Tribunal ('NCLT'), Kolkata Bench and New Delhi Bench on August 5, 2019 (amended vide order dated August 28, 2019) and October 22, 2019, respectively, and became effective from October 1, 2017 (Appointed Date). Accordingly, in terms of the Scheme, 2,77,778 fully paid-up equity shares of ₹ 10/- each of HMVL, have been allotted to the equity shareholders of IESPL (including 2,74,999 Equity Shares to HT Media Limited), whose name appeared in the register of members of IESPL as on the record date i.e. December 4, 2019. These equity shares of HMVL were admitted for trading on National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) w.e.f. January 30, 2020.

The Board of Directors of HT Music and Entertainment Company Limited (wholly-owned subsidiary company) (HT Music) at its meeting held on April 4, 2019 approved the application for reduction of its paid-up share capital from ₹ 334 Crore divided into 334 Crore equity shares of Re. 1/- each, to ₹ 34 Crore divided into 34 Crore equity shares of Re. 1/- each. Hon'ble National Company Law Tribunal, Mumbai Bench (NCLT), sanctioned the said capital reduction vide order dated February 6, 2020. In terms of the NCLT order, HT Music returned ₹ 300 Crore to its shareholders viz. HT Media Limited on February 27, 2020.

With a view to simplify the group structure by consolidation of legal entities with no material business, seven subsidiaries of the Company namely, Firefly E-Ventures Limited (FEVL), HT Digital Media Holdings Limited (HTDMH), HT Education Limited (HEL), HT Learning Centers Limited (HTLC), India Education Services Private Limited (IESPL) and Topmovies Entertainment Limited (TEL) (collectively referred to as Transferor Companies) and HT Mobile Solutions Limited (HTMS) (Transferee Company) at their respective Board meetings held on March 18, 2020, approved a Scheme of Amalgamation u/s 230 to 232 read with Section 66 of the Companies Act 2013, in terms whereof, Transferor Companies will be merged into the Transferee Company. NCLT vide order dated October 12, 2020 has directed to convene meetings of equity shareholders of FEVL, HTDMH, IESPL and HTMS and unsecured creditors of HTMS on December 7, 2020. The said scheme is subject to sanction by Hon'ble National Company Law Tribunal, New Delhi Bench and other necessary regulatory approvals, if any.

On March 31, 2020, the Company acquired, 13,10,000 fully paid-up ordinary shares of SGD 1 each, representing 8.48% of the paid-up share capital of HT Overseas Pte. Ltd. (HTOS) (subsidiary company) from HT Digital Media Holdings Limited (subsidiary company). Consequent upon the aforesaid acquisition of shares, HTOS became a wholly-owned subsidiary of the Company.

Shine HR Tech Limited (Shine HR) was incorporated as wholly owned subsidiary on November 26, 2019. Since its incorporation, Shine HR has not commenced any business activity, accordingly an application has been filed with the Registrar of Companies, Delhi (ROC) on September 4, 2020 for striking off the name of Shine HR from the register of companies.

During the year under review, HT Global Education Private Limited (HTGE), a wholly owned subsidiary company, filed an application with Registrar of Companies, Delhi (ROC) to strike-off its name from the register of companies, as it could not commence operations. Consequently, ROC has struck off the name of HTGE from its register and HTGE stand dissolved w.e.f. August 14, 2020.

The subsidiary companies viz. Syngience Broadcast Ahmedabad Limited (SBAL) and Next Radio Limited (NRL) filed a joint application before Hon'ble National Company Law Tribunal, Mumbai Bench (NCLT) on May 21, 2020 for recall of NCLT's earlier order dated October 5, 2017 sanctioning the Scheme of Arrangement between NRL & SBAL and their respective shareholders & creditors (Scheme) for transfer of Ahmedabad FM Radio Broadcasting business of NRL into SBAL; and reverse all actions that may have been taken on the basis of said NCLT's order including any corporate actions, changes to issued capital, filing with any regulatory authority etc. The said joint application was filed as NRL did not receive approval of Ministry of Information & Broadcasting (MIB) for transfer of Ahmedabad FM Radio license from NRL to SBAL pursuant to the Scheme and as a result of which the Scheme did not come into effect. The joint application was allowed by NCLT vide order passed on September 22, 2020. Accordingly, the allotment of 1,82,10,000 equity shares of ₹ 10/- each by SBAL to NRL on November 27, 2017 pursuant to the Scheme was void ab-initio, and the paid-up share capital of SBAL was reduced to ₹ 1,55,00,000 comprising of 15,50,000 equity shares of ₹ 10/- each, which has also been updated on MCA portal on November 6, 2020.

In terms of the applicable provisions of Section 136 of the Companies Act, 2013, Financial Statements of subsidiary / associate companies for the financial year ended on March 31, 2020 are available for inspection at Company's website viz. www.htmedia.in.

A report on the performance and financial position of each of the subsidiary / associates companies in prescribed Form AOC-1, is annexed to the Consolidated Financial Statements and hence, not reproduced here. The 'Policy for determining Material Subsidiary(ies)', is available on the Company's website viz. www.htmedia.in.

The contribution of subsidiary / associates companies to the overall performance of your Company is outlined in note no. 49 of the Consolidated Financial Statements for the financial year ended March 31, 2020.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

The Board of Directors, on the recommendation of Nomination & Remuneration Committee and after considering expertise, experience and integrity of Directors, accorded its approval to the following:

(a) re-appointment of Shri Vikram Singh Mehta (DIN: 00041197) as Non-executive Independent Director w.e.f. April 1, 2020, for a second term of 5 consecutive years, upto March 31, 2025, which was approved by the Members at the Annual General Meeting (AGM) held on September 26, 2019.

(b) appointment of Smt. Sindhushree Khullar (DIN: 01493839) as Non-executive (Woman) Independent Director, w.e.f. May 10, 2019 for a period of 5 (five) years upto March 31, 2024, which was approved by the Members at the AGM held on September 26, 2019.

Later on, Smt. Sindhushree Khullar tendered resignation from the Board of Directors of the Company w.e.f. September 30, 2019. The Board places on record its deep appreciation for the valuable contribution made by Smt. Sindhushree Khullar during her brief tenure on the Board of Directors of the Company.

(c) appointment of Smt. Aruna Sundararajan (DIN: 03523267) as an Additional Director (Non-Executive Woman Independent Director) w.e.f. March 31, 2020, to hold office upto the date of ensuing AGM. Smt. Sundararajan was also appointed as an Independent Director for a period of 5 consecutive years up to March 30, 2025, not liable to retire by rotation (subject to approval of the members).

Subsequently, Smt. Sundararajan tendered resignation from the Board of Directors of the Company w.e.f. June 15, 2020. The Board places on record its deep appreciation for the valuable contribution made by Smt. Aruna Sundararajan during her brief tenure on the Board of Directors of the Company.

(d) appointment of Shri Shamit Bhartia (DIN: 00020623) as an Additional Director (Non-Executive) w.e.f. March 31, 2020 to hold office upto the date of ensuing AGM of the Company. Earlier, Shri Shamit Bhartia had tendered resignation from the Board of Directors of the Company w.e.f. December 30, 2019, in order to enable the Company to comply with the requirement of SEBI Listing Regulations, of atleast one half of the Board of Directors to comprise of Independent Director, upon resignation of Smt. Sindhushree Khullar.

(e) appointment of Smt. Rashmi Verma (DIN: 01993918) as an Additional Director (Non-Executive Woman Independent Director) w.e.f. July 28, 2020, to hold office upto the date of ensuing AGM. Smt. Rashmi Verma was also appointed as an Independent Director for a period of 5 consecutive years up to March 30, 2025, not liable to retire by rotation (subject to approval of the members).

The Board commends the appointment of Shri Shamit Bhartia as Non-executive Director and Smt. Rashmi Verma as Non-executive Woman Independent Director, for approval of Members at the ensuing AGM.

In accordance with the provisions of the Companies Act, 2013, Shri Praveen Someshwar (DIN: 01802656) retires by rotation at the ensuing AGM and, being eligible, has offered himself for re-appointment. Your Directors commend re-appointment of Shri Praveen Someshwar for approval of the Members at the ensuing AGM.

All the Independent Directors of the Company have confirmed that they meet the criteria of independence as prescribed under both, the Companies Act, 2013 and SEBI Listing Regulations, alongwith declaration of compliance of Rules 6(1) and 6(2) of the Companies (Appointment and Qualification of Directors) Rules, 2014 with respect to their registration on the data bank of Independent Directors maintained by Indian Institute of Corporate Affairs. The Independent Directors have also confirmed that they have complied with the 'Code of Conduct' of the Company.

Brief resume, nature of expertise, details of directorship held in other companies, of the Directors proposed to be appointed / re-appointed at the ensuing AGM, along with their shareholding in the Company, as stipulated under Secretarial Standard-2 and Regulation 36 of the SEBI Listing Regulations, is provided in the Notice convening the ensuing AGM.

There was no change in Key Managerial Personnel during the year under review.

PERFORMANCE EVALUATION

In line with the requirements under the Companies Act, 2013 and the SEBI Listing Regulations, the Board undertook a formal annual evaluation of its own performance and that of its Committees & Directors.

Nomination & Remuneration Committee framed questionnaires for evaluation of performance of the Board as a whole, Board Committees (viz. Audit Committee, Stakeholders' Relationship Committee, Corporate Social Responsibility Committee and Nomination & Remuneration Committee); Directors and the Chairperson, on various criteria outlined in the 'Guidance Note on Board Evaluation' issued by SEBI on January 5, 2017.

The Directors were evaluated on various parameters such as, value addition to discussions, level of preparedness, willingness to appreciate the views of fellow directors, commitment to processes which include risk management, compliance and control, commitment to all stakeholders (shareholders, employees, vendors, customers etc.), familiarization with relevant aspects of company's business / activities, amongst other matters. Similarly, the Board as a whole was evaluated on parameters which included its composition, strategic direction, focus on governance, risk management and financial controls.

A summary report of the feedback of Directors on the questionnaire(s) was considered by the Nomination & Remuneration Committee and the Board of Directors. The Board would endeavour to use the outcome of the evaluation process constructively, to improve its own effectiveness and deliver superior performance.

AUDIT & AUDITORS

Statutory Auditor

During the year under review, Price Waterhouse & Co Chartered Accountants LLP (PwC) [Firm Registration No. 304026E/E-300009] tendered resignation as Statutory Auditor of the Company vide their letter dated July 5, 2019. To fill the casual vacancy caused by

resignation of PwC, on July 11, 2019 the Board of Directors, on the recommendation of Audit Committee, accorded approval to the appointment of B S R and Associates, Chartered Accountants [Firm Registration No. 128901W] ("BSR") as Statutory Auditor, to hold office as such upto the conclusion of the AGM held on September 26, 2019.

Further, in accordance with the provisions of Section 139 and other applicable provisions of the Companies Act, 2013, members of the Company, at their AGM held on September 26, 2019, have approved the appointment of BSR as Statutory Auditor of the Company to hold office from the conclusion of the said AGM till the conclusion of AGM to be held in the calendar year 2024.

The reports of BSR on revised Annual Financial Statements (Standalone and Consolidated) for the financial year ended on March 31, 2020, is a modified opinion regarding compliance with IND-AS in relation to restatement of comparative period figures, and contains adverse opinion on internal financial control.

Qualification by Statutory auditor on compliance with Ind-AS:

Refer qualified opinion given by Statutory Auditors for compliance with IND-AS in relation to restatement of comparative period. (Refer Basis of Qualified Opinion in Statutory Auditor's report)

Management comments on above:

The Company has taken cognizance of the certain anomalies alleged by the whistleblower, which have been affirmed by the investigation conducted by a reputed law firm who in turn also appointed two leading accounting firms. The anomalies affirmed are restricted to the pure money transaction segment of radio business of the Company and its subsidiary company viz. NRL.

Accordingly, to reflect true and fair view of the Company's financials, the financial statements for the year ended 2019-20 have been revised. In respect of anomalies pertaining to periods on or before March 31, 2019, financial impact has been assessed and adjusted against the retained earnings as on April 1, 2019 on ground of materiality instead of restating comparative period.

Adverse opinion on Internal Financial Control by Statutory auditor:

Refer adverse opinion given by Statutory auditors on Internal financial control (refer Annexure A to the Independent Auditor's report)

Management comments on above:

The investigation findings concluded that the anomalous practices were limited only to the pure money segment of the radio business. The Management has accordingly undertaken certain actions – remedial and otherwise, with special focus on the radio business, to improve and augment internal control mechanism that can detect and prevent occurrence of any anomalous practices in radio and / or other business. Actions against the personnel identified as responsible for the misdemeanor have been taken as recommended by the Audit Committee. The Company has also taken steps to strengthen the governance and communication around whistle blower and code of conduct process.

Secretarial Auditor

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and rules made thereunder, the Board of Directors appointed Shri N.C. Khanna, Company Secretary-in-Practice (C.P. No. 5143) as Secretarial Auditor, to conduct Secretarial Audit for the financial year ended March 31, 2020. The Secretarial Auditor issued the audit report dated June 11, 2020, which was followed by an addendum dated November 27, 2020 in reference to the WB Complaint received by the Company in August, 2020, alleging anomalies resulting in deficiencies in certain financial reporting processes of the radio business. The Secretarial Audit Report read with said addendum does not contain any qualification, reservation or adverse remarks, and are annexed herewith as ***"Annexure - B"***.

Cost Auditor

In terms of the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014, and on the recommendation of Audit Committee, the Board of Directors had appointed M/s. Ramanath Iyer & Co., Cost Accountants (Firm Registration No. 000019) as Cost Auditor to carry out cost audit of records maintained by the Company for its FM Radio business in relation to the financial year ended March 31, 2020.

During the year under review, Statutory Auditor, Secretarial Auditor and Cost Auditor have not reported any instance of fraud to the Audit Committee pursuant to Section 143(12) of the Companies Act, 2013 and rules made thereunder, therefore, no details are required to be disclosed under Section 134(3)(ca) of the Companies Act, 2013. However, Statutory Auditor and Secretarial Auditor, in their respective reports (forming part of this Annual Report) have, *inter-alia*, referred to the WB Complaint received by the Company in August, 2020, alleging anomalies resulting in deficiencies in certain financial reporting processes of the radio business.

RELATED PARTY TRANSACTIONS

All contracts/arrangements/transactions entered into by the Company with related parties during the year under review, were in ordinary course of business of the Company and on arms' length terms. The related party transactions were placed before the Audit Committee for review and/or approval. During the year, the Company did not enter into any contract/arrangement/transaction with related party, which could be considered material in accordance with the Company's 'Policy on Materiality of and dealing with Related Party Transactions' and accordingly, the disclosure of related party transactions in Form AOC-2 is not applicable. The aforesaid Policy is available on the Company's website viz. www.htmedia.in.

Reference of Members is invited to note nos. 36 and 36A of the Standalone Financial Statements, which sets out the related party disclosures as per IND AS-24.

CORPORATE SOCIAL RESPONSIBILITY

As a responsible corporate citizen, your Company is committed to undertake socially useful programmes for welfare and sustainable development of the community at large. The Corporate Social Responsibility (CSR) Committee of Directors is in place in terms of Section 135 of the Companies Act, 2013. The composition and terms of reference of the CSR Committee are provided in the 'Report on Corporate Governance', which forms part of this Annual Report. The CSR Committee has formulated and recommended to the Board, a CSR Policy outlining CSR projects/activities to be undertaken by the Company, during the year under review. The CSR Policy is available on the Company's website viz. www.htmedia.in. The Annual Report on CSR for FY-20 is annexed herewith as "***Annexure - C***".

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134 of the Companies Act, 2013, your Directors state that:

i. in the preparation of the annual accounts for the financial year ended on March 31, 2020, the applicable Accounting Standards have been followed and there were no material departures. However, there were certain adjustments pertaining to periods on or before March 31, 2019. Considering that these were not material, the Company has given effect to such adjustments in the retained earnings as on April 1, 2019 instead of restating the amounts/balances of comparative periods;

ii. such accounting policies have been selected and applied consistently and judgments and estimates have been made; that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as on March 31, 2020; and of the loss of the Company for the year ended on March 31, 2020;

iii. proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

iv. the annual accounts have been prepared on a 'going concern' basis;

v. proper internal financial controls were in place and such internal financial controls were adequate and operating effectively except certain weaknesses which were identified relating to a particular stream of revenue of the radio business (being 'pure

money'), these weaknesses have since been addressed and appropriate actions are being undertaken to strengthen the internal financial controls; and

vi. proper systems have been devised to ensure compliance with the provisions of all applicable laws and such systems were adequate and operating effectively.

DISCLOSURES UNDER THE COMPANIES ACT, 2013

Borrowings and Debt Servicing: During the year under review, your Company has met all its obligations towards repayment of principal and interest on loans availed.

Particulars of loans given, investments made, guarantees /securities given: Details of investments made and loans/ guarantees/ securities given, as applicable, are given in the note no. 46 of the Standalone Financial Statements.

Board Meetings: Yearly calendar of board meetings is prepared and circulated in advance to the Directors. During the financial year ended on March 31, 2020, the Board met six times on April 15, 2019, May 10, 2019, July 23, 2019 (Strategy Board Meeting), July 23, 2019, November 4, 2019 and January 23, 2020. For further details of these meetings, Members may please refer Report on Corporate Governance which forms part of this Annual Report.

Committees of the Board: At present, seven standing committees of the Board of Directors are in place viz. Audit Committee, Nomination & Remuneration Committee, CSR Committee, Banking & Finance Committee, Investment Committee, Stakeholders' Relationship Committee and Risk Management Committee. During the year under review, recommendations of the respective committees were accepted by the Board. For further details of the committees of the Board, members may please refer 'Report on Corporate Governance' which forms part of the Annual Report.

Remuneration Policy: The Remuneration Policy of the Company on appointment and remuneration of Directors, Key Managerial Personnel & Senior Management, as prescribed under Section 178 (3) of the Companies Act, 2013 and the SEBI Listing Regulations, is available on the Company's website *viz.* www.htmedia.in. The Remuneration Policy includes, *inter-alia*, criteria for appointment of Directors, KMPs, Senior Management Personnel and other covered employees, their remuneration structure and disclosures in relation thereto.

Vigil Mechanism: The Vigil Mechanism, as envisaged in the Companies Act, 2013 & rules made thereunder and the SEBI Listing Regulations, is addressed in the Company's "Whistle Blower Policy". In terms of the Policy, directors/employees/stakeholders of the Company may report concerns about unethical behaviour, actual or suspected fraud or any violation of the Company's Code of Conduct and any incident of leak or suspected leak of Unpublished Price Sensitive Information (UPSI). The Policy provides for adequate safeguards against victimization of the Whistle Blower. The Policy is available on the Company's website viz. www.htmedia.in.

Particulars of employees and related disclosures: In accordance with the provisions of Section 197(12) of the Companies Act, 2013 read with Rule 5(2) & (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, details of employees remuneration are set out in "***Annexure - D***" to this Report. In terms of the provisions of Section 136(1) of the Companies Act, 2013, the Board's Report is being sent to the Members without this annexure. Members interested in obtaining such information may write to the Company Secretary.

Disclosures under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed herewith as "***Annexure - E***".

Extract of Annual Return: Extract of the Annual Return for the financial year ended on March 31, 2020 in Form MGT-9 is annexed herewith as "***Annexure - F***", and is also available on the website of the Company viz. www.htmedia.in. The Annual Return will be hosted on Company's website after certification by Company Secretary-in-practice and filing thereof with Registrar of Companies.

Corporate Governance: The report on Corporate Governance in terms of the SEBI Listing Regulations, forms part of this Annual Report. The certificate issued by Company Secretary-in-Practice is annexed herewith as "***Annexure - G***".

Conservation of energy, technology absorption and foreign exchange earnings & outgo: The information on conservation of energy, technology absorption and foreign exchange earnings & outgo is annexed herewith as "***Annexure - H***".

BUSINESS RESPONSIBILITY REPORT

In compliance with the provisions of Regulation 34 of SEBI Listing Regulations, the revised Business Responsibility Report for the financial year ended on March 31, 2020 outlining the initiatives taken by the Company from environmental, social and governance perspective is annexed herewith as "***Annexure - I***".

SECRETARIAL STANDARDS

Secretarial Standards (i.e. SS-1 and SS-2) relating to 'Meetings of the Board of Directors' and 'General Meetings', have been duly followed by the Company.

PREVENTION OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE

Your Company adheres to a strict policy to ensure the safety of women employees at workplace. The Company is fully compliant with the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and has constituted an Internal Committee (IC) to redress complaints received regarding sexual harassment. The Company's policy in this regard, is available on the employee intranet portal. The Company conducts regular training sessions for employees and members of IC and has also rolled-out an online module for employees to increase awareness. Three complaints were reported during the year under review, and they were adequately dealt with by IC.

GENERAL

Your Directors state that during the year under review no disclosure is required in respect of the following matters, as there were no transactions/events in relation thereto:

1. Details relating to deposits covered under Chapter V of the Companies Act, 2013.
2. Issue of equity shares with differential rights as to dividend, voting or otherwise.
3. Issue of shares (including sweat equity shares) to employees of the Company under any scheme of the Company.

There was no change in the share capital of the Company during the year under review.

The Company has not transferred any amount to the General Reserve during the year under review.

No material changes/commitments have occurred after the end of financial year 2019-20 and till date of this report, which affect the financial position of your Company, other than those already mentioned in this report.

No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the 'going concern' status and Company's operations in future.

INTERNAL FINANCIAL CONTROL

Your Company has adequate internal financial controls in place with reference to the financial statements. The internal control system is supplemented by an extensive program of internal audits and their reviews by the management. The in-house internal audit function supported by professional external audit firms conduct comprehensive risk focused audits and evaluate the effectiveness of the internal control structure across locations and functions on a regular basis. In addition to internal audit activities, Company has also developed an internal financial control framework to periodically review the effectiveness of controls laid down across all critical processes. The Company has instituted an online compliance management tool with a centralized repository, to cater to its statutory compliance requirements.

However, in view of a whistleblower complaint received in August, 2020 from a named employee of the radio business on his last working day, alleging anomalies resulting in deficiencies in certain financial reporting processes of the radio business, an independent law firm was appointed which worked closely with two independent accounting firms for an in-depth comprehensive review. The investigation findings concluded that the anomalous practices were limited only to the pure money segment of the radio business. The Management has accordingly undertaken certain actions – remedial and otherwise, with special focus on the

radio business, to improve and augment internal control mechanism that can detect and prevent occurrence of any anomalous practices in radio and / or other business. Further, the Company has taken special initiatives to strengthen governance mechanism.

During the year, Statutory Auditor has given adverse opinion on Internal Financial Control (refer Annexure A to the Independent Auditor's report).

ACKNOWLEDGEMENT

Your Directors place on record their sincere appreciation for the co-operation extended by all stakeholders, including Ministry of Information & Broadcasting and other government authorities, shareholders, investors, readers, advertisers, browsers, listeners, customers, banks, vendors and suppliers. Your Directors also place on record their deep appreciation of the committed services of the executives and employees of the Company.

For and on behalf of the Board

(Shobhana Bhartia)
Chairperson & Editorial Director
DIN: 00020648

Place: New Delhi
Date: November 27, 2020

ANNEXURE - A TO THE BOARD'S REPORT

DIVIDEND DISTRIBUTION POLICY

1.0 PREFACE

1.1 HT Media Limited ("*the Company*") has adopted the Dividend Distribution Policy ("*the Policy*") for due consideration thereof, while recommending/declaring, interim and/or final/special dividend to its shareholders.

1.2 The Policy is neither an alternative nor in any way abrogates the powers of the Board of Directors to recommend or declare dividend taking into consideration any other relevant factor(s) not outlined herein.

1.3 The Policy has been framed and adopted in compliance of Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "*Listing Regulations*").

1.4 The Policy has been adopted by the Board of Directors (the "*Board*") of the Company in its meeting held on January 24, 2017.

1.5 The Policy shall come into force for accounting periods commencing from April 1, 2016.

2.0 OBJECTIVE

2.1 The Policy addresses the requirement of the Listing Regulations to outline the following –

- circumstances under which shareholders of the Company may or may not expect dividend;
- the financial parameters that shall be considered while declaring dividend;
- internal and external factors that shall be considered for declaration of dividend;
- policy as to how the retained earnings shall be utilized; and
- parameters that shall be adopted with regard to various classes of shares.

3.0 CIRCUMSTANCES UNDER WHICH SHAREHOLDERS OF THE COMPANY MAY OR MAY NOT EXPECT DIVIDEND

3.1 Dividend will generally be recommended by the Board of Directors once in a year, after the announcement of the full year results and before the Annual General Meeting (AGM) of the members, as may be permitted under the law. The Board of Directors may also declare interim dividend as may be permitted by law. Further, the Board of Directors may additionally recommend special dividend in special circumstances.

3.2 The circumstances wherein shareholders of the Company may or may not expect dividend shall depend upon one or more factors outlined hereunder and/or any other consideration that may emerge from time to time.

4.0 FINANCIAL PARAMETERS THAT SHALL BE CONSIDERED WHILE DECLARING DIVIDEND

4.1 Dividend shall be recommended/declared only in case of adequacy of profit calculated in the manner prescribed under the Companies Act, 2013.

4.2 Only in exceptional circumstances, including but not limited to loss after tax in any particular financial year, the Board of Directors may consider utilizing retained earnings for declaration of dividend, subject to the provisions of law in the said behalf.

4.3 The financial parameters to be considered while recommending/declaring dividend shall include, amongst others, profits earned (standalone), distributable reserves, Earning Per Share (EPS); Return on Assets (RoA); Return on Capital Employed (RoCE), alternative use of cash, debt repayment schedule etc.

5.0 INTERNAL AND EXTERNAL FACTORS THAT SHALL BE CONSIDERED FOR DECLARATION OF DIVIDEND

5.1 While determining the quantum of dividend pay-out, the Board of Directors shall take into account, amongst others, one or more of the following factors.

Internal factors: Profitability, cash flow position, accumulated reserves, earnings stability, dividend history, payout sustainability, capex/opex plans, merger/acquisition, investment in new business, deployment of funds in short-term marketable investments, funds required to service debt, cost of raising fund from alternate source, etc.

External factors: Economic environment, business cycles, tax regime, industry outlook, interest rate structure, economic and regulatory framework, government policies etc.

6.0 POLICY AS TO HOW THE RETAINED EARNINGS SHALL BE UTILIZED

6.1 Subject to the provisions of applicable laws and regulations, retained earnings may be utilized for one or more permitted heads, including but not limited to declaration of dividend (interim/final), capitalization of shares, buy-back of shares, repayment of debt, capex/opex, organic and/or inorganic growth, investment in new business, general corporate purposes (including contingencies) etc.

7.0 PARAMETERS THAT SHALL BE ADOPTED WITH REGARD TO VARIOUS CLASSES OF SHARES

7.1 At present, the Company has issued only one class of shares i.e. Equity Shares. These Equity Shares rank *pari-passu* with each other.

ANNEXURE -B TO THE BOARD'S REPORT

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2020

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To
The Members
HT Media Limited
CIN - L22121DL2002PLC117874
18-20, Kasturba Gandhi Marg
New Delhi 110001.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **HT MEDIA LIMITED** (hereinafter called the 'Company'). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification *(to the extent possible due to the lockdown announced by Government of India on account of COVID – 19 pandemic)* of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company, and also the information, explanations and clarifications provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, during the audit period covering the financial year ended on March 31, 2020, the Company has complied with the statutory provisions listed hereunder, and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the company for the financial year ended on March 31, 2020, according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial borrowings;

(v) The Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') which includes the following:-

   (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

   (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

   (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018*;

   (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;

   (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client. ***Not applicable as the Company is not registered as Registrar to Issue and Share Transfer Agent during the financial year under review;***

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009*; and

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018*;

**[Not applicable as there was no reportable event held during the financial year under review];*

(vi) Other laws applicable to the Company.

We have examined the framework, processes and procedures of compliance of Environmental Laws, Labour Laws & other General Laws. The reports, compliances etc. with respect to these laws have been examined by us on reasonable basis.

Industry specific laws applicable to the Company#-

The Company has identified the following laws as specifically applicable to the Company:

1. The Press and Registration of Books Act, 1867 & Rules;
2. Press Council Act, 1978;
3. Telecom Regulatory Authority of India Act, 1997;
4. Indian Telegraphy Act, 1885
5. Indian Wireless Telegraphy Act, 1993; and
6. Information Technology Act, 2000

#the Company has proper monitoring system for compliance of Industry specific laws.

We have also examined the compliances with the applicable clauses of the following:

(i) Secretarial Standards issued by the Institute of Company Secretaries of India.

(ii) The Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR").

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that-

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors (including Woman Independent Director). The changes in the composition of the Board of Directors that took place during the period under review, were carried out in compliance with the provisions of the Act/SEBI LODR.

Adequate notices were given to all directors to schedule the Board/Committee Meetings along with agenda & detailed notes on agenda in accordance with applicable statutory provisions and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting, for meaningful participation thereat.

All decisions at Board/Committee meetings were carried out unanimously as recorded in the minutes of the meetings of the Board of Directors /Committees of the Board, as the case may be.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period, following *inter alia* major events have occurred:-

(i) Pursuant to the Scheme of Arrangement (Demerger) between the Company and Digicontent Limited (DCL), sanctioned by Hon'ble National Company Law Tribunal ('NCLT'), New Delhi Bench vide its order dated March 7, 2019 & received certified copy of the same on March 27, 2019 and filed with Registrar of Companies on April 5, 2019, the 'Entertainment & Digital Innovation Business' of HTML was transferred to & vested in DCL w.e.f. Appointed Date (i.e. March 31, 2018) with inter alia following effects:-

a) Consequent upon cancellation of entire investment of the Company in the equity shares of DCL, the Company ceased to be holding company of DCL.

b) Entire Investment of the Company in equity shares of HT Digital Streams Limited has been transferred to DCL.

(ii) The Company has acquired majority equity stake (i.e. 51%) in Next Mediaworks Limited (NMW) by way of a combination of open offer to the public shareholders of NMW and direct acquisition of NMW's equity shares from the then promoters of NMW. The Company also acquired 48.60% equity stake in Next Radio Limited, subsidiary of NMW.

(iii) The shareholders at their Annual General Meeting ("AGM") held on September 26, 2019 confirmed the appointment of M/s B S R and Associates, Chartered Accountants [Firm Registration No. 128901W] ("BSR") as Statutory Auditor to fill the casual vacancy caused due to resignation of M/s. Price Waterhouse & Co, Chartered Accountants LLP [Firm Registration No. 304026E/E-300009] and also approved the appointment of BSR as the Statutory Auditor of the Company for a term of five consecutive years from the conclusion of 17th AGM until the conclusion of AGM to be held in the calendar year 2024.

(iv) A wholly-owned subsidiary company viz. 'Shine HR Tech Limited' was incorporated on November 26, 2019.

(v) HT Overseas Pte. Ltd.[HTOS] (incorporated in Singapore) has become a wholly owned subsidiary of the Company consequent upon completion of the acquisition of balance 8.48% equity stake in HTOS by the Company.

(vi) Seven unlisted subsidiaries of the Company i.e. Firefly e-Ventures Limited (FEVL), HT Digital Media Holdings Limited (HTDM), HT Education Limited (HEL), HT Learning Centers Limited (HTLC), India Education Services Private Limited (IESPL) and Topmovies Entertainment Limited (TMEL) (hereinafter collectively referred to as "Transferor Companies") and HT Mobile Solutions Limited (HTMS) (hereinafter referred to as "Transferee Company") at their respective meetings of Board of Directors held on March 18, 2020 have considered and approved a draft Scheme of Amalgamation ('Scheme') under Sections 230 to 232 r/w Section 66 of the Companies Act 2013, in terms whereof, Transferor Companies will be merged into Transferee Company.

(vii) Ms. Sindhushree Khullar (DIN: 01493839), Independent Director, resigned from the Board of Directors of Company w.e.f. September 30, 2019 and Ms. Aruna Sundarajan (DIN: 03523267) was appointed as Woman Independent Director (Additional Director) w.e.f. March 31, 2020 for a period of 5 consecutive years up to March 31, 2025, subject to approval of members in ensuing AGM to be held in the calendar year 2020.

(viii) Shri Shamit Bhartia (DIN 00020623), Non-executive Director resigned from the Board of the Company w.e.f. December 30, 2019 and again appointed as Additional Director (Non-Executive) w.e.f March 31, 2020 to hold office upto the date of ensuing Annual General Meeting to be held in the calendar year 2020.

Sd/-
N C Khanna
Company Secretary-in-Practice
CP No. 5143
Membership No. F4268
UDIN: F004268B000334906

Place: New Delhi
Date: June 11,2020

This Report is to be read with our letter of even date which is annexed as Annexure A to this Report and forms an integral part of this Report.

Annexure - A to the Secretarial Audit Report

To
The Members
HT Media Limited
CIN - L22121DL2002PLC117874
18-20, Kasturba Gandhi Marg
New Delhi 110001.

Our Secretarial Audit Report of even date, for the financial year ended March 31, 2020 is to be read along with this letter.

Management's Responsibility

1. It is the responsibility of the management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

Auditor's Responsibility

2. Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.
3. We believe that audit evidence and information obtained from the Company's management is adequate and appropriate for us to provide a basis of our opinion.
4. Wherever required, we have obtained the management's representation about the compliance of laws, rules and regulations and happening of events etc.

Disclaimer

5. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.
6. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.

Sd/-
N C Khanna
Company Secretary-in-Practice
CP No. 5143
Membership No. F4268
UDIN: F004268B000334906

Place: New Delhi
Date: June 11,2020

To
The Members
HT Media Limited
CIN - L22121DL2002PLC117874
18-20, Kasturba Gandhi Marg
New Delhi 110001.

Subject: Addendum to our Secretarial Audit Report dated June 11, 2020 for the financial year ended March 31, 2020 is to be read along with this Addendum.

Whistle Blower Complaint

Post our Secretarial Audit Report mentioned above, the Company informed that it has received a whistle blower complaint from a named employee of the radio business on his last working day with the Company i.e. August 6, 2020, alleging anomalies in certain practices adopted in the radio business, having financial implications.

In accordance with the Company's whistle blower policy, and as confirmed by the Audit Committee, an investigation was commenced in the matter by appointing an independent law firm which worked closely with independent accounting firms for an in-depth comprehensive review.

The said investigation affirmed the following anomalies:-

- Practice of pre-billing (i.e. billing and booking revenue for services yet to be consumed/ delivered or burnt) for reporting higher revenue. Such billing remaining unconsumed/ undelivered
- Debtor ageing management by issuance of credit notes and new invoices to avoid higher provisioning for bad debts.
- Improper balance confirmation processes to establish audit trails, which largely remained unconfirmed during the confirmation process.
- Internal tracking of pre-billing amounts not reflecting in the system software like SAP.
- Potentially improper credit approvals including forced/ credit approval under protest at the instructions of leadership of the radio business.

The Investigation did not reveal existence of personal profiteering or siphoning of funds or embezzlement or misappropriation of funds or corruption or similar financial indiscipline. Further, the alleged practices are restricted to pure money segment of the radio business and thus, is restricted only to the radio business of the Company and the personnel working in the said business division.

Financial Impact

As per outcome of the investigation, the cumulative overstated revenue of the Company including its wholly-owned subsidiary company viz. HT Music and Entertainment Company Limited is ₹ 28.2 Crore, and in the case of a subsidiary company viz. Next Radio Limited is ₹ 4.3 Crore.

Accordingly, the Board of Directors at its meeting held on November 27, 2020 has approved the revised financial statements for the year ended on March 31, 2020.

On receipt of further details on the course of action being taken by the Company, we will relate the same to the shareholders in our next report.

For N C Khanna, Company Secretaries

N C Khanna
FCS No. 4268
CP No. 5143
UDIN: F004268B001329504

Place: New Delhi
Date: November 27, 2020

ANNEXURE - C TO THE BOARD'S REPORT

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) FOR FY-20

1. **A brief outline of the Company's CSR Policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs:**

   The Company strives to achieve excellence when it comes to undertaking business in a socially, ethically and environmentally responsible manner. The formulation of Corporate Social Responsibility (CSR) policy, is one such step forward in that direction. The Policy outlines the Company's philosophy as a responsible corporate citizen and also lays down the guidelines and mechanism for undertaking socially useful programs for welfare & sustainable development of the community, in and around area of operations of the Company and other parts of the country. The policy applies to all CSR projects or programs undertaken by the Company in India, in relation to one or more activities outlined in Schedule VII of the Companies Act, 2013.

   The overview of projects or programs undertaken during the year under review, is provided in the table at item 5(c) below.

   The CSR policy is available on the Company's website: www.htmedia.in

2. **Composition of CSR Committee** – The CSR Committee of Directors comprises of Smt. Shobhana Bhartia (Chairperson), Shri Ajay Relan and Shri Priyavrat Bhartia.

3. **Average Net profit of the Company for the last 3 financial years** – ₹ 7,001 Lac

4. **Prescribed CSR Expenditure (2% of amount as in item 3 above)** – ₹ 140.02 Lac

5. **Details of CSR spent during the financial year:**

   a. Total amount to be spent for the Financial year – ₹ 140.02 Lac

   b. Amount unspent as at March 31, 2020 – Nil

c. Manner in which the amount spent during the FY-20 is detailed below:

Sl. No.	CSR Project or activity identified	Sector in which the Project is covered	Projects or programs (1) Local area or other (2) Specify the State and district where projects or program were undertaken	Amount outlay (budget) project or programs wise (₹ in Lac)	Amount spent on the projects or programs Sub-heads: (1) Direct expenditure on projects or programs (2) Overheads (₹ in Lac)	Cumulative expenditure upto the reporting period (₹ in Lac)	Amount spent: Direct or through implementing agency
1.	Integrated Community Development Program - Through Accelerated Learning Centre, early childhood care & development programme, mid-day meal, non-primary education to the identified children and imparting vocational training to youth and women.	Clause (ii) of Schedule VII - Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, the differently abled and livelihood enhancement projects.	Faridabad (Haryana) Noida (Uttar Pradesh) & Delhi (Local Area)	75	(1) 71.56 (2) 3.44	75	Through Implementing Agency (Shine Foundation)*

Sl. No.	CSR Project or activity identified	Sector in which the Project is covered	Projects or programs (1) Local area or other (2) Specify the State and district where projects or program were undertaken	Amount outlay (budget) project or programs wise (₹ in Lac)	Amount spent on the projects or programs Sub-heads: (1) Direct expenditure on projects or programs (2) Overheads (₹ in Lac)	Cumulative expenditure upto the reporting period (₹ in Lac)	Amount spent: Direct or through implementing agency
2.	To build engagement and create awareness around stubble burning issue in certain locations and develop a sustainable agriculture input solution model.	Clause (ii) of Schedule VII - Promoting education	Delhi NCR and Punjab (Local Area)	50	(1) 50	50	Through Implementing agency (HT Foundation for Change)*
3.	Initiative to control spread / impact of Coronavirus - To support various measures to control spread/impact of Coronavirus, including but not limited to distribution of sanitizers, masks, gloves etc. to persons engaged in delivery of essential goods, services etc.; fumigation of public vehicles ferrying essential goods/ commodities etc.	Clause (i) & (xii) of Schedule VII - Preventive care & disaster management including relief, rehabilitation and reconstruction activities	Delhi, Mumbai and Punjab (Local Area)	25	(1) 19.42	19.42	Direct
	Total			**150**	**144.42**	**144.42**	

**Amount contributed to the implementation agencies is being utilised in phased manner.*

6. **In case the Company has failed to spend the two per cent of the average net profit of the last 3 financial years or any part thereof, the Company shall provide the reasons for not spending the amount in its Board's Report** – Not Applicable

7. **The responsibility statement of the Corporate Social Responsibility Committee of the Board of Directors of the Company is given below:**

'The implementation and monitoring of Corporate Social Responsibility (CSR) Policy, is in compliance with CSR objectives and policy of the Company'.

Praveen Someshwar (Managing Director & Chief Executive Officer)

Priyavrat Bhartia **Ajay Relan** (Members of CSR Committee)

Shobhana Bhartia (Chairperson of CSR Committee)

Place: New Delhi
Date: November 27, 2020

ANNEXURE - E TO THE BOARD'S REPORT

Details pertaining to remuneration as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

(i) The Ratio of remuneration of each Director to the median remuneration of the employees and percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer and Company Secretary in the financial year ended on March 31, 2020, is as under –

Name of Director/KMP & designation	Remuneration for FY-20 (₹/Lac)	% increase in remuneration in FY-20	Ratio of remuneration of each Director to median remuneration of employees in FY-20 @
Smt. Shobhana Bhartia *Chairperson & Editorial Director*	667.08	(0.16%)	93.56
Shri Vivek Mehra *Independent Director*	9.40*	Not Comparable&	1.32
Shri Ajay Relan *Independent Director*	18.30*	Not Comparable&	2.57
Shri Vikram Singh Mehta *Independent Director*	5.80*	Not Comparable&	0.81
Smt. Sindhushree Khullar% *Independent Woman Director*	3.00*	Not applicable	0.42
Shri Praveen Someshwar *Managing Director & CEO*	378.19	Not Comparable**	53.04
Shri Dinesh Mittal *Group General Counsel & Company Secretary*	277.15	(30.89%)	Not Applicable
Shri Piyush Gupta *Group Chief Financial Officer*	321.42	(2.91%)	Not Applicable

@Median remuneration of employees of the Company during FY-20 was ₹ 7.13 Lac

**Comprises of sitting fee for attending Board/Committee meetings*

&Not comparable as sitting fee was increased to ₹1 Lac and ₹ 50,000 per board and committee meeting respectively, from ₹ 30,000 per meeting w.e.f. May 10, 2019 . Also, profit related commission pertaining to FY-18 was paid to the Independent Directors during FY-19, however, no such commission pertaining to FY-19 was approved by the Board.

%Appointed and ceased to be Independent Director w.e.f. May 10, 2019 and September 30, 2019, respectively

***Not comparable as appointed as Managing Director & CEO w.e.f. August 1, 2018*

Note: Perquisites have been valued as per Income Tax Act, 1961

(ii) There was an increase of 1.86% in the median remuneration of employees of the Company in FY-20.

(iii) As on March 31, 2020, there were 1,891 permanent employees on the rolls of the Company.

(iv) Average percentage increase in remuneration of employees, other than managerial personnel, during FY-20 is 7.60%. During the same period, the average percentage change in remuneration of managerial personnel is given in table above, which was lower than the percentage increase in the remuneration of employees other than managerial personnel.

(v) It is hereby affirmed that the remuneration is as per the Remuneration Policy of the Company.

For and on behalf of the Board

(Shobhana Bhartia)
Chairperson & Editorial Director
DIN: 00020648

Place: New Delhi
Date: November 27, 2020

ANNEXURE - F TO THE BOARD'S REPORT

Form No. MGT-9

For the financial year ended March 31, 2020

[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

Sl. No.	Particulars	Details
i.	Corporate Identification Number (CIN)	L22121DL2002PLC117874
ii.	Registration Date	December 3, 2002
iii.	Name of the Company	HT Media Limited
iv.	Category/ Sub-Category of the Company	Public Company/ Limited by Shares
v.	Address of the Registered Office and contact details	Hindustan Times House 18-20, Kasturba Gandhi Marg New Delhi – 110001 Tel: +91-11-66561608 Fax: +91-11-66561445 Email : investor@hindustantimes.com
vi.	Whether listed company	Yes/~~No~~
vii.	Name, address and contact details of Registrar and Transfer Agent	KFin Technologies Private Limited Selenium Tower B, Plot no. 31-32 Financial District, Nanakramguda Serilingampally Mandal Hyderabad - 500032 Tel: +91-40-67162222, Fax: +91-40-23001153 Toll Free No.: 18003454001 Email : einward.ris@kfintech.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the Company shall be stated:

Sl. No.	Name and Description of main products / services	NIC Code of the products/ service*	% to total turnover of the Company
1.	Printing and Publishing of Newspapers	181 & 581	84%
2.	Radio Broadcasting	601	12%

**Source: National Industrial Classification-2008*

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No.	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of equity shares held	Applicable Section
1.	The Hindustan Times Limited *HT House, 18-20, Kasturba Gandhi Marg* *New Delhi-110001*	U74899DL1927PLC000155	Holding	69.50	2(46)
2.	Hindustan Media Ventures Limited *Budh Marg, Patna – 800001*	L21090BR1918PLC000013	Subsidiary	74.40	2(87)

Sl. No.	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of equity shares held	Applicable Section
3.	Next Mediaworks Limited *Unit 701 A, 7th Floor, Tower 2, Indiabulls Finance Centre, Senapati Bapat Marg, Elphinstone Road Mumbai - 400013*	L22100MH1981PLC024052	Subsidiary	51.00	2(87)
4.	HT Music and Entertainment Company Limited *Unit 701 A, 7th Floor, Tower 2, Indiabulls Finance Centre, Senapati Bapat Marg, Elphinstone Road Mumbai - 400013*	U92131MH2005PLC313653	Subsidiary	100.00	2(87)
5.	Next Radio Limited[&] *Unit 701 A, 7th Floor, Tower 2, Indiabulls Finance Centre, Senapati Bapat Marg, Elphinstone Road Mumbai - 400013*	U32201MH1999PLC122233	Subsidiary	48.60	2(87)
6.	HT Digital Media Holdings Limited *Hindustan Times House, Second Floor 18-20, Kasturba Gandhi Marg New Delhi-110001*	U74900DL2007PLC168717	Subsidiary	99.99	2(87)
7.	HT Education Limited *Hindustan Times House, 2nd Floor 18-20, Kasturba Gandhi Marg New Delhi-110001*	U80902DL2008PLC177056	Subsidiary	100.00	2(87)
8.	HT Learning Centers Limited[@] *Hindustan Times House, 2nd Floor 18-20, Kasturba Gandhi Marg New Delhi-110001*	U80900DL2010PLC198772	Subsidiary	67.22	2(87)
9.	Firefly e-Ventures Limited[#] *Hindustan Times House 18-20, Kasturba Gandhi Marg New Delhi-110001*	U74140DL2007PLC164566	Subsidiary	0.00	2(87)
10.	HT Mobile Solutions Limited[^^] *Hindustan Times House, 2nd Floor 18-20, Kasturba Gandhi Marg New Delhi-110001*	U74900DL2009PLC187795	Subsidiary	8.43	2(87)
11.	HT Noida (Company) Limited[^] *Hindustan Times House, 2nd Floor 18-20, Kasturba Gandhi Marg New Delhi 110001*	U70200DL2020PLC361660	Subsidiary	0.00	2(87)
12.	HT Content Studio LLP* *Hindustan Times House, 2nd Floor 18-20, Kasturba Gandhi Marg New Delhi 110001*	AAQ-3225	Associate	0.00	2(6)
13.	Shine HR Tech Limited (under the process of strike-off) *Hindustan Times House, 2nd Floor 18-20, Kasturba Gandhi Marg New Delhi 110001*	U74900DL2019PLC358043	Subsidiary	100.00	2(87)
14.	HT Overseas Pte. Ltd. *30 Cecil Street, 23-03/04 Prudential Towers Singapore-049712 (Incorporated in Singapore)*	20101750W	Subsidiary	100.00	2(87)
15.	India Education Services Private Limited *Hindustan Times House, Second Floor 18-20, Kasturba Gandhi Marg New Delhi-110001*	U80301DL2011PTC226705	Subsidiary	99.00	2(87)

Sl. No.	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of equity shares held	Applicable Section
16.	Syngience Broadcast Ahmedabad Limited$ *I-18, Floor-10th, Plot-156, Everest Apt Pandit Madan Mohan Malviya Marg,Tardeo Mumbai - 400034*	U93090MH2017PLC293674	Subsidiary	0.00	2(87)
17.	Topmovies Entertainment Limited *Hindustan Times House, 2nd Floor 18-20, Kasturba Gandhi Marg New Delhi-110001*	U92120DL2013PLC252652	Subsidiary	100.00	2(87)
18.	HT Global Education Private Limited% *Hindustan Times House, 2nd Floor 18-20, Kasturba Gandhi Marg New Delhi-110001*	U80904DL2011PTC219159	Subsidiary	100.00	2(87)

& 51.40% equity stake held by Next Mediaworks Limited
@32.78% equity stake held by HT Education Limited
 # Indirect subsidiary (99.99% equity stake held by HT Digital Media Holdings Limited)
^^ Indirect subsidiary (90.73% equity stake held by HT Digital Media Holdings Limited)
^ Indirect subsidiary (100% equity stake held by Hindustan Media Ventures Limited)
** Associate of Hindustan Media Ventures Limited*
$ Indirect subsidiary (100% equity stake held by Next Radio Limited)
% Struck off from the register of Registrar of Companies w.e.f. August 14, 2020

IV. SHAREHOLDING PATTERN (Equity share capital breakup as percentage of total equity)

i) Categorywise Shareholding

Sl. No.	Category of Shareholders	No. of Equity Shares held at the beginning of the year (as on 01/04/2019)				No. of Equity Shares held at the end of the year (as on 31/03/2020)				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(A)	PROMOTERS									
(1)	INDIAN									
(a)	Individual /HUF	22@	0	22@	0.00	3	0	3	0.00	0.00
(b)	Central Government	0	0	0	0.00	0	0	0	0.00	0.00
(c)	State Government(s)	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Bodies Corporate	16,17,54,490	0	16,17,54,490	69.50	16,17,54,490	0	16,17,54,490	69.50	0.00
(e)	Banks/Financial Institutions	0	0	0	0.00	0	0	0	0.00	0.00
(f)	Any Others	0	0	0	0.00	0	0	0	0.00	0.00
	Sub-Total A(1)	**16,17,54,512**	**0**	**16,17,54,512**	**69.50**	**16,17,54,493**	**0**	**16,17,54,493**	**69.50**	**0.00**
(2)	FOREIGN									
(a)	NRIs -Individuals	0	0	0	0.00	0	0	0	0.00	0.00
(b)	Other-Individuals	0	0	0	0.00	0	0	0	0.00	0.00
(c)	Bodies Corporate	22,581	0	22,581	0.01	22,600	0	22,600	0.01	0.00
(d)	Banks/Financial Institutions	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Others	0	0	0	0.00	0	0	0	0.00	0.00
	Sub-Total A(2)	**22,581**	**0**	**22,581**	**0.01**	**22,600**	**0**	**22,600**	**0.01**	**0.00**
	Total shareholding of Promoters A=A(1)+A(2)	**16,17,77,093**	**0**	**16,17,77,093**	**69.51**	**16,17,77,093**	**0**	**16,17,77,093**	**69.51**	**0.00**
(B)	PUBLIC SHAREHOLDING									
(1)	INSTITUTIONS									
(a)	Mutual Funds	1,44,61,965	0	1,44,61,965	6.21	110,46,869	0	110,46,869	4.75	(1.47)
(b)	Banks/ Financial Institutions	2,41,410	0	2,41,410	0.10	30	0	30	0.00	(0.10)
(c)	Central Government	0	0	0	0.00	0	0	0	0.00	0.00
(d)	State Government(s)	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
(f)	Insurance Companies	56,65,000	0	56,65,000	2.43	1,05,479	0	1,05,479	0.05	(2.38)
(g)	Foreign Institutional Investors (FIIs)	1,33,74,897	0	1,33,74,897	5.75	93,94,629	0	93,94,629	4.04	(1.71)
(h)	Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
(i)	Others	0	0	0	0.00	0	0	0	0.00	0.00
	Sub-Total B(1):	**3,37,43,272**	**0**	**3,37,43,272**	**14.50**	**2,05,47,007**	**0**	**2,05,47,007**	**8.83**	**(5.67)**

Sl. No.	Category of Shareholders	No. of Equity Shares held at the beginning of the year (as on 01/04/2019)				No. of Equity Shares held at the end of the year (as on 31/03/2020)				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(2)	**NON-INSTITUTIONS**									
(a)	**Bodies Corporate**									
	(i) Indian	93,56,358	0	93,56,358	4.02	57,59,789	0	57,59,789	2.47	(1.55)
	(ii) Overseas	0	0	0	0.00	0	0	0	0.00	0
(b)	**Individuals**									
	(i) Individual shareholders holding nominal share capital upto ₹ 1 Lac	1,44,10,633	16,812	1,44,27,445	6.20	1,67,47,239	14,368	1,67,61,607	7.20	1.00
	(ii) Individual shareholders holding nominal share capital in excess of ₹ 1 Lac	87,65,075	0	87,65,075	3.77	2,20,37,528	0	2,20,37,528	9.47	5.70
(c)	**Others**									
	(i) Clearing Members	1,61,902	0	1,61,902	0.07	3,06,072	0	3,06,072	0.13	0.06
	(ii) NBFC	3,870	0	3870	0.00	0	0	0	0.00	0.00
	(iii) Foreign Nationals	536	0	536	0.00	536	0	536	0.00	0.00
	(iv) Non Resident Indians	23,21,871	0	23,21,871	1.00	33,67,813	0	33,67,813	1.45	0.45
	(v) Trusts	1,840	0	1,840	0.00	140	0	140	0.00	0.00
	(vi) Trustee of HT Media Employee Welfare Trust*	21,78,290	0	21,78,290	0.94	21,78,290	0	21,78,290	0.94	0.00
	(vii) I E P F	10,762	0	10,762	0.00	12,439	0	12,439	0.01	0.00
	Sub-Total B(2)	**3,72,11,137**	**16,812**	**3,72,27,949**	**15.99**	**5,04,09,846**	**14,368**	**5,04,24,214**	**21.66**	**5.67**
	Total Public Shareholding B=B(1)+B(2)	**7,09,54,409**	**16,812**	**7,09,71,221**	**30.49**	**7,09,56,853**	**14,368**	**7,09,71,221**	**30.49**	**0.00**
(C)	**SHARES HELD BY CUSTODIANS FOR GDR(s) & ADR(s)**	0	0	0	0	0	0	0	0	0
	GRAND TOTAL (A+B+C) :	**23,27,31,502**	**16,812**	**23,27,48,314**	**100.00**	**23,27,33,946**	**14,368**	**23,27,48,314**	**100.00**	**0.00**

@ 19 shares held as nominee of Go4i.com (Mauritius) Limited

** In terms of SEBI (Share Based Employee Benefits) Regulations, 2014, the shareholding of Trustee of HT Media Employee Welfare Trust has been categorized as 'Non-Promoter Non-Public' category in stock exchange fillings. However, to conform to the format of Form MGT-9, the same has been categorized under 'Public' category.*

(ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year (as on 01/04/2019)			Shareholding at the end of the year (as on 31/03/2020)			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares pledged / encumbered to total shares	
1	The Hindustan Times Limited	16,17,54,490	69.50	0.00	16,17,54,490	69.50	0.00	0.00
2	Go4i.Com (Mauritius) Limited	22,581	0.01	0.00	22,600	0.01	0.00	0.00
3	Smt. Shobhana Bhartia	20*	0.00	0.00	1	0.00	0.00	0.00
4	Shri Priyavrat Bhartia	1	0.00	0.00	1	0.00	0.00	0.00
5	Shri Shamit Bhartia	1	0.00	0.00	1	0.00	0.00	0.00
	Total	**16,17,77,093**	**69.51**	**0.00**	**16,17,77,093**	**69.51**	**0.00**	**0.00**

**19 shares held as nominee of Go4i.com (Mauritius) Limited*

(iii) Change in Promoters' Shareholding

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1.	Smt. Shobhana Bhartia				
	At the beginning of the year	20	0.00	20	0.00
	Bought during the year	0	0.00	20	0.00
	Sold during the year	19#	0.00	1	0.00
	At the end of the year	1	0.00	1	0.00
2.	Go4i.com (Mauritius) Limited				
	At the beginning of the year	22,581	0.01	22,581	0.01
	Bought during the year	19#	0.00	22,600	0.01
	Sold during the year	0	0.00	22,600	0.01
	At the end of the year	22,600	0.01	22,600	0.01

#19 equity shares held by Smt. Shobhana Bhartia as nominee of Go4i.com (Mauritius) Limited ("Go4i") were transferred to Go4i

Notes:

1. Year in the above table means the period from April 1, 2019 to March 31, 2020
2. Any member desirous of obtaining date-wise particulars of sale/purchase by the above Promoters may write to the Company Secretary

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and holders of GDRs and ADRs):

Sl. No.	Name of the Shareholder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1.	Franklin India Smaller Companies Fund				
	At the beginning of the year	1,10,46,869	4.75	1,10,46,869	4.75
	Bought during the year	0	0.00	1,10,46,869	4.75
	Sold during the year	0	0.00	1,10,46,869	4.75
	At the end of the year	1,10,46,869	4.75	1,10,46,869	4.75
2.	Government Pension Fund Global				
	At the beginning of the year	69,60,000	2.99	69,60,000	2.99
	Bought during the year	0	0.00	69,60,000	2.99
	Sold during the year	0	0.00	69,60,000	2.99
	At the end of the year	69,60,000	2.99	69,60,000	2.99
3.	Hardik B. Patel*				
	At the beginning of the year	8,745	0.00	8,745	0.00
	Bought during the year	26,89,604	1.16	26,98,349	1.16
	Sold during the year	0	0.00	26,98,349	1.16
	At the end of the year	26,98,349	1.16	26,98,349	1.16
4.	Karma Capital Advisors Private Limited*				
	At the beginning of the year	0	0.00	0	0.00
	Bought during the year	25,50,000	1.10	25,50,000	1.10
	Sold during the year	0	0.00	25,50,000	1.10
	At the end of the year	25,50,000	1.10	25,50,000	1.10
5.	Ruchit Bharat Patel*				
	At the beginning of the year	0	0.00	0	0.00
	Bought during the year	24,18,857	1.04	24,18,857	1.04
	Sold during the year	0	0.00	24,18,857	1.04
	At the end of the year	24,18,857	1.04	24,18,857	1.04
6.	Rohini Nilekani				
	At the beginning of the year	22,32,900	0.96	22,32,900	0.96
	Bought during the year	0	0.00	22,32,900	0.96
	Sold during the year	0	0.00	22,32,900	0.96
	At the end of the year	22,32,900	0.96	22,32,900	0.96

Sl. No.	Name of the Shareholder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
7.	Trustee of HT Media Employee Welfare Trust				
	At the beginning of the year	21,78,290	0.94	21,78,290	0.94
	Bought during the year	0	0.00	21,78,290	0.94
	Sold during the year	0	0.00	21,78,290	0.94
	At the end of the year	21,78,290	0.94	21,78,290	0.94
8.	Nihar Nilekani*				
	At the beginning of the year	10,45,432	0.45	10,45,432	0.45
	Bought during the year	10,00,000	0.43	20,45,432	0.88
	Sold during the year	0	0.00	20,45,432	0.88
	At the end of the year	20,45,432	0.88	20,45,432	0.88
9.	Janhavi Nilekani*				
	At the beginning of the year	0	0	0	0
	Bought during the year	20,00,000	0.86	20,00,000	0.86
	Sold during the year	0	0.00	20,00,000	0.86
	At the end of the year	20,00,000	0.86	20,00,000	0.86
10.	Nandan M Nilekani				
	At the beginning of the year	19,31,561	0.83	19,31,561	0.83
	Bought during the year	0	0.00	19,31,561	0.83
	Sold during the year	0	0.00	19,31,561	0.83
	At the end of the year	19,31,561	0.83	19,31,561	0.83
11.	ICICI Lombard General Insurance Company Limited#				
	At the beginning of the year	56,65,000	2.43	56,65,000	2.43
	Bought during the year	0	0.00	56,65,000	2.43
	Sold during the year	56,65,000	2.43	0	0.00
	At the end of the year	0	0.00	0	0.00
12.	Finquest Securities Private Limited#				
	At the beginning of the year	46,45,600	2.00	46,45,600	2.00
	Bought during the year	0	0.00	46,45,600	2.00
	Sold during the year	46,45,600	2.00	0	0.00
	At the end of the year	0	0.00	0	0.00
13.	Reliance Capital Trustee Co. Ltd- A/C Reliance Small Cap Fund#				
	At the beginning of the year	34,15,096	1.47	34,15,096	1.47
	Bought during the year	0	0.00	34,15,096	1.47
	Sold during the year	34,15,096	1.47	0	0.00
	At the end of the year	0	0.00	0	0.00
14.	Bajaj Allianz Life Insurance Company Limited#				
	At the beginning of the year	16,77,226	0.72	16,77,226	0.72
	Bought during the year	0	0.00	16,77,226	0.72
	Sold during the year	16,77,226	0.72	0	0.00
	At the end of the year	0	0.00	0	0.00
15.	Danske Invest Sicav - Sif - Emerging And Frontier Markets#				
	At the beginning of the year	13,48,281	0.58	13,48,281	0.58
	Bought during the year	0	0.00	13,48,281	0.58
	Sold during the year	13,48,281	0.58	0	0
	At the end of the year	0	0.00	0	0

**Not in the list of top 10 shareholders as on April 1, 2019. The same has been reflected above as the shareholder was one of the top 10 shareholders as on March 31, 2020.*

#Ceased to be in the list of Top 10 shareholders as on March 31, 2020. The same is reflected above as the shareholder was one of the Top 10 shareholders as on April 1, 2019.

Notes:

1. Year in the above table means the period from April 1, 2019 to March 31, 2020
2. Any member desirous of obtaining date-wise particulars of sale/purchase by the above shareholders may write to the Company Secretary

(v) Shareholding of Directors and Key Managerial Personnel (KMP)

Sl. No.	Name of the Directors/KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1.	Smt. Shobhana Bhartia (Chairperson & Editorial Director)				
	At the beginning of the year	20	0.00	20	0.00
	Bought during the year	0	0.00	20	0.00
	Sold during the year	19#	0.00	1	0.00
	At the end of the year	1	0.00	1	0.00
2.	Shri Priyavrat Bhartia (Director)				
	At the beginning of the year	1	0.00	1	0.00
	Bought during the year	0	0.00	1	0.00
	Sold during the year	0	0.00	1	0.00
	At the end of the year	1	0.00	1	0.00
3.	Shri Shamit Bhartia (Director)				
	At the beginning of the year	1	0.00	1	0.00
	Bought during the year	0	0.00	1	0.00
	Sold during the year	0	0.00	1	0.00
	At the end of the year	1	0.00	1	0.00
4.	Shri Dinesh Mittal (KMP)				
	At the beginning of the year	1	0.00	1	0.00
	Bought during the year	0	0.00	1	0.00
	Sold during the year	0	0.00	1	0.00
	At the end of the year	1	0.00	1	0.00

 # 19 equity shares held by Smt. Shobhana Bhartia as nominee of Go4i.com (Mauritius) Limited ("Go4i") were transferred to Go4i

Note: Year in the above table means the period from April 1, 2019 to March 31, 2020

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

(₹ in Lac)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year 2019-20				
i) Principal Amount	23,884.83	1,08,710.43	-	1,32,595.26
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	79.27	558.17	-	637.44
Total (i+ii+iii)	**23,964.09**	**1,09,268.60**		**1,33,232.70**
Change in Indebtedness during the financial year 2019-20				
• Additions	48,885.24	4,15,983.93		4,64,869.17
• (Reduction)	(36,998.81)	(4,94,020.29)		(5,31,019.11)
Net Change	**11,886.43**	**(78,036.36)**	**-**	**(66,149.93)**
Indebtedness at the end of the financial year 2019-20				
i) Principal Amount	35,850.52	31,232.24	-	67,082.76
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	140.93	290.33	-	431.26
Total (i+ii+iii)	**35,991.45**	**31,522.57**	**-**	**67,514.03**

Note: Arithmetic difference in the above table is attributed to the different exchange rates considered for conversion of foreign currency denominated loans into Indian rupees.

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

(₹ in Lac)

Sl No.	Particulars of Remuneration	Name of MD/WTD/Manager		Total
		Smt. Shobhana Bhartia (Chairperson & Editorial Director)	Shri Praveen Someshwar (Managing Director & CEO)^	
1.	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-Tax Act, 1961	620.60	357.67	**978.27**
	(b) Value of perquisites under section 17(2) of the Income Tax Act, 1961	0.40	-	**0.40**
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-	**-**
2.	Stock Option (No. of options granted during the year)	-	-	**-**
3.	Sweat Equity	-	-	**-**
4.	Commission	-	-	**-**
5.	Others- Retirement Benefits	46.08	20.52	**66.60**
	Total (A)	**667.08**	**378.19**	**1,045.27**
	Ceiling as per the Act$		*Please refer note below$*	

^ Key Managerial Personnel (KMP) in terms of the Companies Act, 2013

$ The net profit for FY-20 computed as per Section 198 of the Companies Act, 2013 was inadequate for the purpose of payment of Managerial Remuneration in FY-20. In terms of the provisions of Section 197 read with Schedule V of the Companies Act, 2013, the Company has obtained approval of the members by way of special resolution passed on March 28, 2019 for payment of above managerial remuneration. Thus, the ceiling on managerial remuneration as per the Companies Act, 2013 is not applicable.

B. Remuneration to other directors

(₹ in Lac)

Sl No.	Particulars of Remuneration	Non-executive Directors				Total
		Smt. Sindhushree Khullar@	Shri Ajay Relan	Shri Vikram Singh Mehta	Shri Vivek Mehra	
1	Fee for attending Board /committee meetings	3.00	18.30	5.80	9.40	**36.50**
2	Commission	-	-	-	-	**-**
3	Others	-	-	-	-	**-**
	Total (B)	**3.00**	**18.30**	**5.80**	**9.40**	**36.50**
	Total Managerial Remuneration (A+B)					**1,045.27&**
	Overall ceiling as per the Act**					

@ appointed and ceased to be Director w.e.f. May 10, 2019 and September 30, 2019, respectively

& does not include fee paid to Non-executive Directors for attending Board/Committee meetings

***not applicable as explained above*

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		
		Shri Piyush Gupta (Group CFO)	Shri Dinesh Mittal (Group General Counsel & CS)	Total
1.	Gross salary			
	(a) Salary as per Provisions contained in section 17(1) of the Income-tax Act, 1961	310.87	267.75	**578.62**
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961	0.40	0.40	**0.80**
	(c) Profits in lieu of salary under section 17(3) of the Income-tax Act, 1961	-	-	**-**
2.	Stock Option*	-	-	**-**
3.	Sweat Equity	-	-	**-**
4.	Commission	-	-	**-**
5.	Others- Retirement Benefits	10.15	9.00	**19.15**
	Total	**321.42**	**277.15**	**598.57**

** During the year, Shri Dinesh Mittal was granted 3,39,888 stock options under "HTML Employee Stock Option Scheme 2009", each option representing 1 equity share of the Company of ₹ 2/- each.*

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: Nil

For and on behalf of the Board

(Shobhana Bhartia)
Chairperson & Editorial Director
DIN: 00020648

Place: New Delhi
Date: November 27, 2020

ANNEXURE - G TO THE BOARD'S REPORT

CERTIFICATE OF COMPLIANCE OF CORPORATE GOVERNANCE

To,
The Members
HT MEDIA LIMITED
CIN:- L22121DL2002PLC117874
18-20, Kasturba Gandhi Marg
New Delhi -110001

I have examined the compliance of conditions of Corporate Governance by **HT Media Limited** (hereinafter referred to as 'the Company.') for the year ended on March 31, 2020, as stipulated under the Securities and Exchange Board of India(Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations") for the period from April 1, 2019 to March 31, 2020.

The compliance of conditions of Corporate Governance is the responsibility of the management. My examination was limited to the procedures and implementation thereof, adopted by the Company, for ensuring compliance with the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In my opinion and to the best of my information & examination of relevant records according to the explanations given to me, I certify that the Company has complied with the conditions of Corporate Governance as prescribed in the above mentioned Listing Regulations.

I further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Sd/-
NC Khanna
Company Secretary in Practice
CP No. 5143
Membership No.: F4268
UDIN: F004268B000258247

Place: New Delhi
Date: May 19, 2020

ANNEXURE - H TO THE BOARD'S REPORT

Information on conservation of energy, technology absorption, foreign exchange earnings & outgo as per Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014

(A) Conservation of energy-

(i) Steps taken or impact on conservation of energy:

Energy saving initiatives taken during earlier years was further progressed during FY-20. At present, 98% (approx.) of the lighting across all print locations has been converted to LED. Internal energy audit in factories has been taken up and energy saving projects *(Major projects – demand reduction, alteration & optimization of Chiller & air handling unit (AHU) operation, converting DC motors to energy efficient AC motors, energy efficient pumps on HVAC system (Air Conditioning System), spray dampening system, optimization of UPS systems)* have been identified for implementation during FY-21, which are likely to deliver savings of ~₹ 70 Lacs/ year.

(ii) Steps taken by the Company for utilizing alternate sources of energy:

The Company has further stepped up use of green energy (Solar project). Company has entered into a Power Purchase Agreement (PPA) with Amplus Solar on 5 MWp to provide open access solar power which is expected to reduce electricity bill of Greater Noida plant by ~₹ 75 Lacs/ year. This project is a spill over project of FY 2019-20. The project has been commissioned and ready to deliver.

(iii) Capital investment on energy conservation equipment:

In line with the Company's strategy to optimise capex deployment, energy saving initiatives are being generated largely on opex model and profit sharing with vendors.

(B) Technology absorption-

(i) Efforts made towards technology absorption:

- CTP system has upgraded to latest version of "Jetnet software - version 7", which is user friendly and will enable the Company to improve productivity, with more utility programs & enable the Company to make plates as per lower web width across Greater Noida & Mumbai Plants.
- Introduction of a new version of digital monitoring screening in newspaper printing, which gives better ink mileage, reduced Total Ink Coverage (TIC), better print quality and cost saving.
- Use of Viogreen plates for elimination of hazardous waste and water consumption.

(ii) Benefits derived like product improvement, cost reduction, product development or import substitution:

- "Jetnet Software – version 7" was adopted to overcome obsolescence of the older version, and to stay ahead of technology.
- Enhanced print quality.
- Cost saving by way of 2-3 % optimization of colour ink consumption, without any impact on product quality.

(iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year):

a) Details of technology imported:
b) Year of import:
c) Whether the technology being absorbed:
d) If not fully absorbed, areas where absorption has not taken place, and the reasons thereof:

} Not Applicable

(iv) Expenditure incurred on Research and Development : NIL

(C) Foreign exchange earnings and outgo-

- Foreign Exchange earned in terms of actual inflows during the year: ₹ 1,564.28 Lac
- Foreign Exchange outgo during the year in terms of actual outflows: ₹ 19,492.06 Lac

For and on behalf of the Board

(Shobhana Bhartia)
Chairperson & Editorial Director
DIN: 00020648

Place: New Delhi
Date: November 27, 2020

ANNEXURE - I TO THE BOARD'S REPORT

BUSINESS RESPONSIBILITY REPORT

Section A: General Information about the Company

Corporate Identity Number (CIN) of the Company	L22121DL2002PLC117874
Name of the Company	HT Media Limited
Registered Address	Hindustan Times House, 18-20, Kasturba Gandhi Marg New Delhi - 110 001
Website	www.htmedia.in
Email Id	investor@hindustantimes.com
Financial Year reported	April 1, 2019- March 31, 2020
Sector(s) that the Company is engaged in (industrial activity code-wise)*	Printing and Publishing of Newspapers (NIC Code – 181, 581), FM radio broadcasting (NIC Code – 601), Digital (NIC Code – 631) and Education (NIC Code – 853 & 854) via subsidiaries
List three key products / services that the Company manufactures/provides (as in balance sheet):	• Printing and publishing of newspapers • Radio and entertainment
Total no. of locations where business activity is undertaken by the Company: a) No. of international locations b) No. of National locations	International locations: Singapore and Kuala Lumpur, (Malaysia) Indian operations of the Company are carried out through multiple offices across states. Key states / regions include Uttar Pradesh, Delhi National Capital Region, Mumbai, Bengaluru, Hyderabad, Chennai and Chandigarh
Markets served by the Company – Local / State / National / International	• Newspapers and magazines serve national markets • Radio serves local markets • Mint Asia serve international markets

*Source: National Industrial Classification - 2008

Section B: Financial Details of the Company

Paid-up Capital	₹ 46.55 Crore
Total Turnover	₹ 1,352.12 Crore
Total Profit after taxes	₹ (392.68) Crore
Total spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	₹ 1.44 Crore (allocated ₹ 1.50 Crore) [2% of profit after tax - ₹ 1.40 Crore]
List of activities in which CSR expenditure has been incurred	Our CSR programs cover under-privileged sections of the society and support initiatives towards promoting education, including special education, employment enhancing vocation skill development, especially among children, women, elderly, the differently abled and supporting livelihood enhancement projects. Some of the initiatives which have made an impact in the last year include - 1. Stubble burning – HT has worked along with IPS Foundation to create awareness among farmers on the grave issues and impact of stubble burning, and supported the cause of environmental sustainability 2. SHINE Foundation – HT has supported the initiatives of SHINE Foundation towards development of marginalized urban slums.

Section C: Other Details

Does the Company have any Subsidiary Company / Companies?	Yes, the Company has 17 subsidiaries (16 Indian & 1 Foreign) as on March 31, 2020
Do the Subsidiary Company / Companies participate in the BR initiatives of the parent Company? If yes, then indicate the number of such subsidiary company(s)	Yes, most subsidiaries of the Company either directly or along with the Company, participate in BR initiatives
Do any other entity / entities (e.g. suppliers, distributors etc.) that the Company does business with participate in the BR initiative of the Company? If yes, then indicate the percentage of such entity / entities?	No

Section D: BR Information

1. DETAILS OF DIRECTOR/DIRECTORS RESPONSIBLE FOR BR:

a) Details of the Director/Directors responsible for implementation of the BR policy/policies:

1. DIN Number 01802656
2. Name Mr. Praveen Someshwar
3. Designation Managing Director & CEO

b) Details of the BR Head

Sr. No.	Particulars	Details
1	DIN	08711910
2	Name	Mr. Sandeep Rao
3	Designation	Chief Strategy Officer
4	Contact details	+91-11-6656 1608
5	E-mail Id	investor@hindustantimes.com

2. Principle-wise BR Policy/ Policies

a) Details of Compliance (Reply Y/N)

Sr. No	Questions	Business Ethics	Product Responsibility	Employee Wellbeing	Stakeholder Engagement	Human Rights	Environment Protection	Public & Regulatory Policy	CSR	Customer relation
		P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have a Policy / Policies for (*)	Y	Y	Y	Y	Y	Y	Y	Y	Y
2	Has the Policy been formulated in consultation with the relevant stakeholders (*)	Y	Y	Y	Y	Y	Y	Y	Y	Y

Sr. No	Questions	Business Ethics	Product Responsibility	Employee Wellbeing	Stakeholder Engagement	Human Rights	Environment Protection	Public & Regulatory Policy	CSR	Customer relation
		P1	P2	P3	P4	P5	P6	P7	P8	P9
3	Does the policy conform to any national /international standards? (**)	Y	Y	Y	Y	Y	Y	Y	Y	Y
4	Has the policy been approved by the board? If yes has it been signed by MD/ CEO appropriate Board Director? (***)	Y	N	N	Y	N	N	N	Y	Y
5	Does the Company have a specified committee of the Board/ Director/ Official to oversee implementation of the policy? (***)	Y	Y	Y	Y	Y	Y	N	Y	Y
6	Indicate the link for the policy to be viewed online	Following policies can be viewed on our website www.htmedia.in: 1) Corporate Governance 2) Mint Code of Conduct 3) Corporate Social Responsibility 4) Whistle Blower Policy 5) Code of Conduct of the Company								
7	Has the policy been formally communicated to all relevant internal and external stakeholder?	Yes								
8	Does the Company have in house structure to implement the policies?	Yes								
9	Does the Company have a grievance redressal mechanism related to the policy to address stakeholders' grievances related to the policy?	Yes								
10	Has the Company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	Policies are evaluated regularly for implementation by CEO and Business Leaders as part of their regular business reviews. Currently, there is no formal process of an independent audit and evaluation of working of these policies.								

** While no formal written policy may exist for certain principles, the Company has robust procedures / practices as well as standard operating procedures, which are uniformly communicated to the team, and regularly reviewed by CEO and respective Business Leaders for adherence.*

*** The policies materially conform and are aligned to applicable legal and regulatory requirements, guidelines, SEBI regulations and our internal guidelines.*

**** Within the overall guidance of Board of Directors, the Company's policies are framed and modified from time to time. As and when these policies are approved, these are released for implementation. These policies are administered under the overall supervision of CEO and Audit Committee. Policies which requires mandatory approval of the Board have been approved as such.*

b) If answer to the question at Sr No 1 against any principle, is "No", please explain why:

No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	The Company has not understood the principles									
2	The Company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles									
3	The Company does not have financial or manpower resources available for the task				Not Applicable					
4	It is planned to be done within next six month									
5	It is planned to be done within next one year									
6	Any other reason (Please specify)									

3. Governance related to BR:

a) *Indicate the frequency with which the Board of Directors, Committee of the Board or CEO assesses the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year –*

The assessment of BR performance is done on an ongoing basis by the concerned persons, as part of the business review for various business in the Company. CSR Committee of the Board reviews the social performance of the Company on a periodic basis that also includes monitoring current projects, efficient and timely utilization of allocated grants, and takes into account the interests of shareholders, clients, employees, communities and regulators.

b) *Does the Company publish a BR or Sustainability Report? What is hyperlink for viewing this report? How frequently it is published?*

The Company published the BR report for FY-17 as per SEBI requirement, and it is hosted on the website www.htmedia.in under 'Investor Relations' section. This report for FY-20 is also hosted on the website.

Section E: Principle-wise Performance

Principle 1: Businesses should conduct and govern themselves with Ethic, Transparency and Accountability

1. *Does the policy relating to ethics, bribery and corruption cover only the Company? Does it extend to the Group / Joint Ventures / Suppliers / Contractors / NGOs / Others?*

The Company considers Corporate Governance as an integral part of management. The Code of Conduct adopted by the Board of Directors is applicable to the Board of Directors and Senior Management. The HR policies deal with ethics, bribery and corruption. They are applicable to employees at all levels, including those of subsidiaries.

2. *How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof.*

As mentioned in the Report on Corporate Governance, no investor complaints were received during the year. Additionally, complaints from other stakeholders are addressed and dealt with by respective functions in the Company.

Principle 2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle

1. *List upto 3 of your products or services whose design has incorporated social or environmental concerns, risks and / or opportunities.*

   The Company publishes newspapers and magazines and we use state-of-the-art technology and innovative techniques to make the best use of the material and minimize wastage. Further, our endeavor is to minimize impact on the environment and its protection.

2. *For each such product, provide the following details in respect of resource use (energy, water, raw materials etc.) per product (optional):*

   We continuously update our technology and machines to make best use of the material and minimize wastage. Regular safety and compliance audits are conducted in all print factories, and corrective actions are taken as per recommendations to use the resources optimally.

   Total consumption of newsprint is tracked at the newspaper level and by source (domestic / international).

   Environment conservation is the responsibility of all, and we make continuous efforts at our end to conserve the natural resources.

   We conserved and recycled 13% water per metric ton of newsprint in FY-20 as compared to FY-19, by water conservation & waste-water recycling initiatives.

   We did significant work to cut down on our CO2 emissions by installing 100 KVA Solar power at Mohali plant which resulted in reduction of CO2 emissions by 11% (including re-occurring CO2 emission reduction from Greater Noida & Mumbai Solar Plants).

   Other efficiency improvement projects such as plant LED light implementation, VFD installation on ETP / STP plant, reduction in contract demand, compressor efficiency improvement, rationalized Air-conditioning, chiller and HVAC operations, running machine on single motor & power factor improvement have helped us reduce CO2 emissions by 3.5 % (298 Ton).

3. *Does the Company have a procedure in place for sustainable sourcing (including transportation)? If yes, what percentage of your inputs was sourced sustainably?*

   Yes, the Company has a procedure for sustainable sourcing for all its raw material.

   The Company has been working to enhance the degree of sustainability associated with its sourcing practices. This includes strategy of sourcing from tightly knit clusters, optimizing logistics to reduce fuel consumption, emissions and carbon footprint, re-working packaging to minimize waste and maximize re-use. The sustainability road map of the Company covers these areas, and the Company has taken steps to ensure that its sourcing methods are sustainable.

4. *Has the Company taken any steps to procure goods and services from local and small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve the capacity and capability of local and small vendors?*

   Yes, the Company regularly procures goods and services from local producers / vendors. The Company continuously endeavors to manage its International: Domestic procurement ratio by investing in machines and technologies to improve efficiencies.

5. *Does the Company have a mechanism to recycle products and waste? If yes, what is the percentage of recycling of products and waste. (Separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.*

   The Company recognizes that natural resources are finite and therefore, need to be conserved and recycled. Therefore, we have taken multiple steps in this direction, including upgrading of our technologies and processes, water conservation, reduction of wastage, etc. It is a continuous process, with an intent to minimize waste and recycle products. Newspaper & printing waste are 100% recyclable.

Principle 3: Business should promote the well-being of all employees

1. *Please indicate the total number of employees:* 1,891

2. *Please indicate the total number of employees hired on temporary / contractual / casual basis:* 1,150

3. *Please indicate the number of permanent women employees:* 326

4. *Please indicate the number of permanent employees with disabilities:* Nil

5. *Do you have employee association that is recognized by management?* No

6. *What percentage of your permanent employees is member of this recognized employee associations?* Not applicable

7. *Please indicate the number of complaints relating to child labor, forced labor, involuntary labor, and sexual harassment in the last financial year and pending as on the end of the financial year.*

   Three complaints were received by the Internal Committee (IC) under The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, and they were adequately dealt with by IC.

8. *What percentage of your under mentioned employees were given safety and skill up-gradation training in the last year?*

   Each year a 'Safety Week' is celebrated across all locations wherein extensive fire safety mock drills, first-aid training, advance safety training and training on correct use of personal protective equipment (PPEs) is conducted, covering 100% factory staff and 60% office staff on rotation basis. 'Continuous self-renewal' is one of our organization values, within which skill up-gradation is innate in our annual Performance Management and Talent Development program.

Principle 4: Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.

1. *Has the Company mapped its internal and external stakeholders?*

   Yes, the Company has a well-established process for identifying and engaging with both internal and external stakeholders, viz. employees, consumers, vendors, government authorities and shareholders etc.

2. *Out of the above, has the Company identified the disadvantaged, vulnerable and marginalized stakeholders?*

   We do not consider any of our stakeholders as disadvantaged, vulnerable or marginalized.

3. *Are there any special initiatives taken by the Company to engage with the disadvantaged, vulnerable and marginalized stakeholders? If so, provide details thereof*

   Not applicable

Principle 5: Businesses should respect and promote human rights

1. *Does the policy of the Company on human rights cover only the Company or extend to the Group / Joint ventures / suppliers / contractors / NGOs / Others?*

   The Company adheres to all statues that embody the principles of human rights, such as prevention of child labour, women empowerment, etc. We promote the awareness of these rights among our vendors and the value chain, and discourage instance of any abuse. Whistle blower policy provides an opportunity to all stakeholders to raise instances of abuse of human rights as well.

2. *How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the Management?*

   The Company has not received any complaint on human rights violation.

Principle 6: Businesses should respect, protect and make efforts to restore the environment

1. *Does the policy related to Principle 6 cover only the Company or extends to the Group / Joint Ventures / Suppliers / Contractors / NGOs / Others?*

   The Company adheres to and makes effort to respect and protect environment. We do not have direct control over the external stakeholders. However, the endeavour is to do business with entities that echo our principles and policies.

2. *Does the Company have strategies / initiatives to address global environmental issues such as climate change, global warming, etc.? Y/N. If yes, please give hyperlink for webpage etc.*

   To minimize impact on the environment, the Company continuously improves its products, upgrades technology and recycles scrap.

3. *Does the Company identify and assess potential environmental risks? Y/N*

   Yes, the Company regularly reviews its environmental risks and undertakes initiatives to mitigate them.

4. *Does the Company have any project related to Clean Development Mechanism? If so, provide details thereof in about 50 words or so. Also, if yes, whether any environmental compliance report is filed?*

   The Company continuously seeks to improve its environment performance by adopting cleaner production methods, promoting use of energy efficient and environment friendly technologies, as well as renewable energy. Some examples of these initiatives are as follows:

   - Use of Solar Energy,
   - Reduction in hazardous waste.

   Currently, Company has not registered any project for Clean Development Mechanism, so submission of compliance report is not required.

5. *Has Company undertaken any other initiative on – clean technology, energy efficiency, renewable energy etc.? Y/N. If yes, please give hyperlink to web page etc.*

   Green energy generation 100 KVA (Solar energy) project has been installed at Mohali Plant, which generates 370 Kwh / day. Existing solar plants in Greater Noida & Mumbai is generating 3200 Kwh / day. These lead to CO2 reduction of 1,034 ton /annum.

6. *Are the Emissions/Waste generated by the Company within permissible limits given by CPCB / SPCB for the financial year being reported?*

   All plants of the Company now are "Zero Disposal" factories. We recycle all the waste-water that is generated in factories to create a green cover. Further, the hazardous waste is routed to authorized agencies to dispose the same as per government recommended guidelines so that, emissions/ waste remain within permissible limits.

7. *Number of show cause/legal notices received from CPCB / SPCB which are pending (i.e. not resolved to satisfaction) as of end of financial year.*

   Nil

Principle 7: Businesses, when engaged in influencing public, clients and regulatory policy, should do so in a responsible manner

1. *Is your Company a member of any trade and chambers or association? If yes, name only those major ones that your business deals with.*

   The Company is a member of the following major trade bodies, Chambers and Associations that our businesses deal with: -

   a. Confederation of Indian Industry (CII),

   b. Federation of Indian Chambers of Commerce & Industry (FICCI),

   c. Indian Newspaper Society (INS)

   d. International News Media Association (INMA)

   e. World Economic Forum (WEF)

   f. World Association of Newspapers and News Publishers (WAN IFRA)

   g. Audit Bureau of Circulations (ABC)

   h. Association of Radio Operators for India (AROI)

2. *Have you advocated/lobbied through above associations for advancement or improvement of public good? Yes/No; if yes, specify the broad areas*

   Yes, the Company, through these associations, has supported/advocated for advancement of public good along with industry peers. Such work mainly consists of creating awareness, voicing concerns and inclusive development of the industry.

Principle 8: Businesses should support inclusive growth and equitable development

1. *Does the Company have specified programs / initiatives / projects in pursuit of the policy related to Principle 8?*

   The Company has taken several initiatives in formulating and implementation of policies which support inclusive growth and equitable development, as part of its Corporate Social Responsibility. Our programs cover under-privileged sections of the society and support initiatives towards promoting education, including special education, employment enhancing vocation skills development, especially among children, women, elderly, the differently abled and supporting livelihood enhancement projects. Some of the initiatives which have made an impact in the last year include -

   1. **Stubble burning** – HT has worked along with IPS Foundation to create awareness among farmers on the grave issue and impact of stubble burning, and supported the cause of environmental sustainability

   2. **SHINE Foundation** – HT has supported the initiatives of SHINE Foundation towards the development of marginalized urban slums.

2. *Are the programs / projects undertaken through in-house team / own foundation / external NGO / government structures/ any other organization?*

   The programs / projects are undertaken in a variety of ways. These can be through in-house teams, own foundation (HT Foundation for Change), external NGOs or any other organization, depending on what is best suited in that situation and creates maximum impact.

3. *Have you done any impact assessment of your initiative?*

   Impact assessment is an important element of all our projects and initiatives. Resolving social problems require the same rigor and discipline as business operations, and we acknowledge this responsibility. The CSR team of the Company tracks progress by regular meetings with the concerned implementing agencies. The CSR team also visits the project sites to ensure execution of various initiatives.

4. *What is Company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken?*

   The Company has spent INR 1.5 crores in the year 2019-20. The projects undertaken are in the areas of disaster management, healthcare, education and vocational skill development.

5. *Have you taken steps to ensure that the community successfully adopts this community development initiative?*

   As an organization we start by paying attention to the needs and desires of the people involved with the project. After partnering with them, along with our chosen partners, we work towards making communities self-reliant; so that the community members become active participants. Our CSR team regularly engages with the community to educate them on adopting and maintaining the community assets constructed via these initiatives.

Principle 9: Businesses should engage with and provide value to their customers and consumers in a responsible manner

1. *What percentage of customer complaints/ consumer cases are pending as on the end of financial year?*

   No material consumer / customer complaints are outstanding as at the end of the financial year.

2. *Does the Company display product information on the product label, over and above what is mandated as per local laws?*

   The Company displays product information as required by Press and Regulation of Books Act, 1867.

3. *Is there any case filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and or anti-competitive behavior during the last five years and pending as of end of financial year?*

   No material cases have been filed and are pending as of end of financial year.

4. *Did your Company carry out any consumer survey/consumer satisfaction trends?*

   The Company regularly carries out consumer surveys to determine the satisfaction trend for our products, using a combination of internal resources and external agencies. KPI tracks and Net Promoter Score (NPS) survey is done for all our products across print and digital readers. In these, we benchmark the performance of our product viz-a-viz the competition. Finally, there are third party surveys like IRS and RAM that give readership and listenership of our newspapers and radio channels, respectively, in the market. In addition, we subscribe to third part surveys like Media Perception Monitor (MPM) which is done among advertisers and agencies to get their feedback about us and our key competitors.

REPORT ON CORPORATE GOVERNANCE

In your Company, Corporate Governance embraces the tenets of Trusteeship, Accountability and Transparency. Adherence to each of these principles has set a culture in the Company, wherein good Corporate Governance underlines interface with all stakeholders. With this belief, the Company has initiated and implemented significant measures for balanced care for all stakeholders.

A report on Corporate Governance, in accordance with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (''SEBI Listing Regulations''), is outlined below.

BOARD OF DIRECTORS

Composition of the Board

As on March 31, 2020, the Board comprised of eight Directors, including six Non-executive Directors. In accordance with the SEBI Listing Regulations, more than one-half of the Board of Directors comprises of Non-executive Directors. Your Company also complies with the requirement of at least one-half of the Board to comprise of Independent Directors including one woman Independent Director. The Chairperson of the Board is an Executive (Woman) Director.

The composition of the Board of Directors as on March 31, 2020 was as follows –

Name & Designation of Directors	Date of appointment	Relationship between Directors, *inter-se*	Director Identification Number (DIN)
PROMOTER DIRECTORS			
Smt. Shobhana Bhartia *Chairperson & Editorial Director* *(Designated as Managing Director)*	December 3, 2002	Mother of Shri Priyavrat Bhartia and Shri Shamit Bhartia	00020648
Shri Priyavrat Bhartia *Non-executive Director*	October 28, 2005	Son of Smt. Shobhana Bhartia and Brother of Shri Shamit Bhartia	00020603
Shri Shamit Bhartia* *Non-executive Director*	March 31, 2020	Son of Smt. Shobhana Bhartia and Brother of Shri Priyavrat Bhartia	00020623
NON-EXECUTIVE INDEPENDENT DIRECTORS			
Shri Ajay Relan	August 24, 2009	None	00002632
Shri Vikram Singh Mehta	June 20, 2015	None	00041197
Shri Vivek Mehra	January 12, 2018	None	00101328
Smt. Aruna Sundararajan@	March 31, 2020	None	03523267
MANAGING DIRECTOR & CEO			
Shri Praveen Someshwar	August 1, 2018	None	01802656

**resigned w.e.f. December 31, 2019 and appointed/re-inducted w.e.f. March 31, 2020*
@resigned w.e.f. June 15, 2020

During the year, Smt. Sindhushree Khullar, Independent Director, resigned from the Board of Directors w.e.f. September 30, 2019, due to personal reasons. She confirmed that there was no other material reason for her resignation.

Smt. Aruna Sundararajan tendered resignation from the Board of Directors w.e.f. June 15, 2020. In her letter she has stated that as her spouse is a Partner in a consultancy firm, which is related to the Statutory Auditor of the Company, it would be appropriate to step down from the Board of Directors of the Company to avoid any perception of conflict of interest, although there are no issues as regards this from regulatory perspective as far as the Company is concerned. She confirmed that there was no other material reason for her resignation.

Consequent upon Smt. Aruna Sundararajan's resignation from the Board of Directors, Smt. Rashmi Verma (DIN: 01993918) was appointed as Woman Independent Director w.e.f. July 28, 2020.

None of the Directors serve as Independent Director in more than seven listed companies or three listed companies, in case he/she serves as Whole-time Director in a listed company, as the case may be. The Non-executive Directors do not hold any shares in the Company, except Shri Priyavrat Bhartia and Shri Shamit Bhartia, who hold 1 equity share each.

Further, none of the Directors on the Board have been debarred or disqualified from being appointed or continuing as directors of companies by SEBI/ Ministry of Corporate Affairs or any other statutory authority. A certificate of Shri N.C. Khanna, Company Secretary-in-practice, certifying the same, is appearing in this report as "**Annexure – A**".

The Directors hold qualifications, and possess requisite experience in general corporate management, finance, legal, banking, economics and other allied fields, which enable them to contribute effectively to the Company. Detailed profile of each of the Directors is available on the Company's website viz. www.htmedia.in.

Matrix setting out the core skills/expertise/ competence of the Board

A matrix setting out the core skills/expertise/competencies of the individual Directors is given below:

Area of skill/expertise	Board of Directors as on March 31, 2020							
	Smt. Shobhana Bhartia	Shri Ajay Relan	Shri Vikram Singh Mehta	Shri. Vivek Mehra	Smt. Aruna Sundararajan	Shri Priyavrat Bhartia	Shri Shamit Bhartia	Shri Praveen Someshwar
Part A – Industry knowledge/ experience								
Knowledge of Media & Entertainment Industry	√	√	√	√	√	√	√	√
Understanding of laws, rules, regulations and policies applicable to Media & Entertainment Industry	√	√	-	√	√	√	√	√
Part B- Technical skills/experience								
General management	√	√	√	√	√	√	√	√
Accounting and Finance	√	√	√	√	√	√	√	√
Strategic planning/ business development	√	√	√	√	√	√	√	√
Information Technology	√	-	-	√	√	√	√	√
Talent management	√	√	√	√	√	√	√	√
Compliance & risk management	√	√	√	√	√	√	√	√
Part C: Behavioural competencies								
Integrity and ethical standards	√	√	√	√	√	√	√	√
Decision making	√	√	√	√	√	√	√	√
Problem solving skills	√	√	√	√	√	√	√	√

DIRECTORS' ATTENDANCE AND DIRECTORSHIPS HELD

Meetings of the Board are held in New Delhi. Six Board meetings were held during the financial year ended on March 31, 2020, details whereof are as follows:

Date of Board Meeting	Board strength	Number of Directors present	Number of Independent Directors present
April 15, 2019	7	7	3 out of 3
May 10, 2019	8	8	4 out of 4
July 23, 2019 (Strategy Board Meeting)	8	6	2 out of 4
July 23, 2019	8	7	3 out of 4
November 4, 2019	7	6	3 out of 3
January 23, 2020	6	6	3 out of 3

Attendance record of Directors at Board Meetings held during the year, and details of other Directorships/Committee positions held by them as on March 31, 2020, in Indian public limited companies, are as follows:

Name of the Director	No. of Board Meetings attended during FY-20	No. of other Directorships held	Committee positions held in other companies^		Directorships held in other listed companies and category
			Chairperson	Member[1]	
Smt. Shobhana Bhartia	6	6	1	-	Hindustan Media Ventures Limited - *NED* Ronson Traders Limited - *NED*
Shri Vivek Mehra	6	6	1	4	Jubilant Life Sciences Limited – *ID* DLF Limited – *ID* Chambal Fertilizers and Chemicals Limited - *ID* Digicontent Limited – *ID*
Shri Ajay Relan	4	6	4	3	Hindustan Media Ventures Limited - *ID* Capri Global Capital Limited - *ID* Next Mediaworks Limited - *ID* Digicontent Limited - *ID*
Shri Vikram Singh Mehta	5	6	1	3	Colgate-Pamolive (India) Limited - *ID* Mahindra and Mahindra Limited - *ID* Larsen and Toubro Limited - *ID* Apollo Tyres Limited - *ID* Jubilant Foodworks Limited - *ID*
Shri Priyavrat Bhartia	5	6	-	5	Hindustan Media Ventures Limited - *NED* Jubilant Life Sciences Limited - *NED* Jubilant Industries Limited - *NED* Digicontent Limited - *NED*
Shri Shamit Bhartia[@]	5	8	-	1	Hindustan Media Ventures Limited - *MD* Jubilant Foodworks Limited - *NED* Jubilant Industries Limited - *NED*
Shri Praveen Someshwar	6	9	1	5	Hindustan Media Ventures Limited - *MD* Next Mediaworks Limited - *NED* Digicontent Limited - *NED*
Smt. Sindhushree Khullar[#]	3	-	-	-	-
Smt. Aruna Sunadararajan[*]	-	-	-	-	None

^only Audit Committee and Stakeholders' Relationship Committee are considered

[1]does not include chairmanships

[@]resigned w.e.f. December 31, 2019 and appointed/ re-inducted w.e.f. March 31, 2020

[#]appointed and ceased to be director w.e.f. May 10, 2019 and September 30, 2019, respectively

[*]appointed and ceased to be director w.e.f. March 31, 2020 and June 15, 2020, respectively

Note: ID -Independent Director; NED - Non-executive Director; MD - Managing Director

The Directors are not members of more than ten board committees or Chairperson of more than five such committees. The number of Directorships, Committee membership(s)/ Chairmanship(s) of the Directors are within the respective limits prescribed under the Companies Act, 2013 and SEBI Listing Regulations.

Smt. Shobhana Bhartia, Shri Vivek Mehra (Chairman of Audit Committee), Shri Ajay Relan (Chairman of Nomination & Remuneration Committee and Stakeholders' Relationship Committee), Smt. Sindhushree Khullar, Shri Priyavrat Bhartia, Shri Shamit Bhartia and Shri Praveen Someshwar attended the last Annual General Meeting of the Members of the Company held on September 26, 2019.

BOARD PROCEDURE

Detailed agenda notes, setting out the business(es) to be transacted at Board/Committee meeting(s) are supplied in advance, and decisions are taken after due deliberations. In case where it is not practicable to forward the relevant document(s) with the agenda papers, the same are circulated before the meeting or placed at the meeting. The Directors are provided with video-conferencing facility, as and when desired by them, to enable them to attend/ participate in Board/Committee meeting(s).

Quality debates and participation by all Directors are encouraged at Board/Committee meetings. The Board engages with the management during business reviews, and provides constructive suggestions and guidance on various issues, including strategy, as required from time to time.

In order to meet business exigencies, matters which require board/committee approval, are approved by way of resolution(s) passed by circulation, only if the proposed resolution is permissible to be passed as such.

The Board gives due attention to governance and compliance related issues, including the efficacy of systems of internal financial controls, risk management, avoidance of conflict of interest, and redressal of employee/ stakeholder grievances, among others.

The information provided to the Board from time to time, *inter-alia*, include the item(s) mentioned under Regulation 17(7) of the SEBI Listing Regulations.

DETAILS OF REMUNERATION PAID TO DIRECTORS

During the financial year ended on March 31, 2020, the Board of Directors revised the sitting fee payable to Independent Directors from ₹ 30,000/- per meeting to ₹ 1,00,000/- and ₹ 50,000/- per Board and Committee meeting, respectively, w.e.f. May 10, 2019. The details of sitting fee paid to Independent Directors during FY-20 are as under-

(₹ in Lac)

Name of the Director	Sitting fee
Shri Ajay Relan	18.30
Shri Vikram Singh Mehta	5.80
Shri Vivek Mehra	9.40
Smt. Sindhushree Khullar	3.00
Smt. Aruna Sundararajan	-

Details of remuneration paid to Executive Directors during the financial year ended on March 31, 2020, are as under:

(₹ in Lac)

Name of the Director	Salary & Allowances	Perquisites	Retirement benefits	Total
Smt. Shobhana Bhartia	620.60	0.40	46.08	**667.08**
Shri Praveen Someshwar	357.67	-	20.52	**378.19**

Notes:

(1) Retirement benefits include contribution to Provident Fund
(2) As on March 31, 2020, none of the Directors hold stock options under ESOP Scheme(s) of the Company
(3) Perquisites include car, telephone, medical reimbursements, club fee etc., calculated as per Income Tax rules
(4) Remuneration excludes provision for leave encashment and gratuity
(5) There is no separate provision for payment of severance fees
(6) Salary allowances paid to Shri Praveen Someshwar include ₹ 106.67 Lac of variable pay viz. bonus for FY-19, which is linked to his personal performance and contribution during the said financial year

During the year under review, none of the Non-executive Directors had any material pecuniary relationship or transactions vis-à-vis the Company, other than payment of sitting fee and profit related commission, if any, as mentioned above.

BOARD COMMITTEES

As at year end, there were following seven standing committees of the Board of Directors, which were delegated requisite powers to discharge their functions.

(a) Audit Committee
(b) Stakeholders' Relationship Committee
(c) Nomination & Remuneration Committee
(d) Banking & Finance Committee

(e) Investment Committee

(f) Risk Management Committee

(g) Corporate Social Responsibility (CSR) Committee

The role and composition of the committees, particulars of meetings held during the financial year ended on March 31, 2020 and attendance of Directors thereat, are given hereunder.

(a) Audit Committee

Audit Committee of the Board of Directors comprises of four members, including three Independent Directors. The Audit Committee acts as a link between the Statutory and Internal Auditors and the Board of Directors of the Company.

The terms of reference of the Audit Committee are in accordance with the Companies Act, 2013 and the SEBI Listing Regulations which include, *inter-alia*, oversight of Company's financial reporting process and disclosure of financial information to ensure that the financial statements are correct, sufficient and credible; recommending the appointment, re-appointment, remuneration and terms of appointment of auditors and approval of payment for other services rendered by statutory auditors; reviewing with the management quarterly results and annual financial statements before submission to the Board for approval; approval or subsequent modification of transactions with related parties; review and monitor the auditor's independence and performance and effectiveness of audit process; scrutiny of inter-corporate loans and investments; valuation of undertakings or assets of the Company, whenever it is necessary; evaluation of internal financial controls and risk management system; reviewing with the management, performance of statutory and internal auditors and adequacy of the internal control systems; and reviewing the functioning of the whistle blower mechanism.

During the financial year ended on March 31, 2020, five meetings of the Audit Committee were held. The composition of Audit Committee, date on which the meetings were held and attendance of Directors at the meetings, was as follows:

Name of the Director	Category	Meetings attended				
		April 15, 2019	May 10, 2019	July 22, 2019	November 4, 2019	January 23, 2020
Shri Vivek Mehra *(Chairman)**	Non-executive Independent Director	√	√	√	√	√
Shri Ajay Relan	Non-executive Independent Director	√#	√	√	√	√
Shri Shamit Bhartia^	Non-executive Director	√	√	√	√	Not Applicable
Shri Vikram Singh Mehta@	Non-executive Independent Director	Not Applicable		√	√	√
Shri Priyavrat Bhartia&	Non-executive Director	← Not Applicable →				√
Shri Praveen Someshwar%	Managing Director & CEO	← Not Applicable →				

**designated as Chairman of Audit Committee w.e.f. May 10, 2019*

 # Shri Ajay Relan chaired the meeting

@ Inducted as member of Audit Committee w.e.f. May 10, 2019

^ Ceased to be member of Audit Committee w.e.f. December 30, 2019

& Inducted and ceased to be member of Audit Committee w.e.f. December 30, 2019 and March 30, 2020, respectively

% Inducted as member of Audit Committee w.e.f. March 30, 2020

Chairman of the Audit Committee is a Non-executive Independent Director and Chartered Accountant by qualification.

All the members of the Audit Committee are financially literate. The Audit Committee satisfies the criteria of two-third of its members being Independent Directors.

MD & CEO, Group Chief Financial Officer, Internal Auditor also attended the meetings of Audit Committee. Representatives of Statutory Auditors are permanent invitees to the meetings of Audit Committee.

Company Secretary acts as Secretary to the Committee.

(b) Stakeholders' Relationship Committee (SRC)

SRC of the Board of Directors comprises of three Directors. Chairman of the Committee is a Non-executive Independent Director.

The terms of reference of SRC are in accordance with Companies Act, 2013 and SEBI Listing Regulations, as amended. The role of SRC, *inter-alia*, includes resolving the grievances of the security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc; review of measures taken for effective exercise of voting rights by shareholders; review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent; and review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.

The Committee discharges such other function(s) as may be delegated by the Board from time to time.

During the financial year ended on March 31, 2020, six meetings of SRC were held. The composition of SRC, date on which the meetings were held and attendance of Directors at the meetings was as follows:

Name of the Director	Category	Meetings attended					
		May 10, 2019	June 6, 2019	June 12, 2019	July 18, 2019	September 3, 2019	October 23, 2019
Shri Ajay Relan *(Chairman)*	Non-executive Independent Director	√	√	√	√	√	√
Shri Priyavrat Bhartia	Non-executive Director	√	-	√	√	-	√
Shri Praveen Someshwar	Managing Director & CEO	√	√	-	-	√	√

Shri Dinesh Mittal, Group General Counsel & Company Secretary is the Compliance Officer of the Company.

During the year under review, the status of investor complaints was as follows:

Opening Balance	Received	Resolved	Closing Balance
Nil	Nil	Nil	Nil

(c) Nomination & Remuneration Committee (NRC)

NRC comprises of three Non-executive Directors. Chairman of NRC is a Non-executive Independent Director. Chairperson & Editorial Director is a permanent invitee to meeting(s) of NRC.

The terms of reference of NRC are in accordance with the requirements of the Companies Act, 2013 and the SEBI Listing Regulations, which include, *inter-alia*, identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board their appointment and removal; carry out evaluation of every director's performance; formulate the criteria for determining qualifications, positives attributes and independence of a director; and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees; recommended to the Board all remuneration in whatever form, payable to Senior management and administration and superintendence of the "HTML Employee Stock Option Scheme" and "HTML Employee Stock Option Scheme 2009".

The Board of Directors has adopted the Remuneration Policy for Directors, Senior Management Personnel including Key Managerial Personnel and other employees. The Remuneration Policy has been framed to attract, motivate and retain talent by offering an appropriate remuneration package, and also by way of providing a congenial & healthy work environment. Remuneration Policy is posted on Company's website viz. www.htmedia.in.

During the financial year ended on March 31, 2020, four meetings of NRC were held. The composition of NRC, date on which meetings were held and attendance of the Directors at the said meetings was as follows:

Name of the Director	Category	Meetings attended			
		May 6, 2019	July 22, 2019	October 24, 2019	January 23, 2020
Shri Ajay Relan *(Chairman)*	Non-executive Independent Director	√	√	√	√
Shri Vivek Mehra	Non-executive Independent Director	-	√	√	√
Shri Priyavrat Bhartia	Non-executive Director	√	√	-	√

(d) Banking & Finance Committee (BFC)

BFC of Board of Directors is entrusted with functions/ powers relating to banking and finance matters.

During the financial year ended on March 31, 2020, seven meetings of BFC were held. The composition of the Committee, date on which meetings were held and attendance of the Directors at the said meetings was as follows:

Name of the Director	Category	Meetings attended						
		May 27, 2019	August 14, 2019	October 11, 2019	October 31, 2019	December 16, 2019	February 13, 2020	February 27, 2020
Shri Ajay Relan[%] *(Chairman)*	Non-executive Independent Director	√^	√	√^	√	√	-	-
Smt. Shobhana Bhartia[$]	Chairperson & Editorial Director	-	√	-	√	√	√	√
Shri Shamit Bhartia*	Non-executive Director	√	-	√	√	-	Not Applicable	
Shri Priyavrat Bhartia[@]	Non-executive Director	← Not Applicable →					√	√
Shri Praveen Someshwar[#]	Managing Director & CEO	← Not Applicable →						

[%] designated as Chairman w.e.f. March 30, 2020

^Shri Ajay Relan chaired the meetings

[$]ceased to be Chairperson and member of BFC w.e.f. March 30, 2020

**ceased to be member of BFC w.e.f. December 30, 2019*

[@]inducted as member of BFC w.e.f. December 31, 2019

[#] inducted as member of BFC w.e.f. March 30, 2020

(e) Investment Committee

Investment Committee is entrusted with powers to recommend to the Board for approval, proposal(s) of prospective advertiser(s)/ body corporate(s) to invest in their share capital; approving proposals to acquire movable/ immovable property(ies) subject to specified limits; and approving proposal(s) of sale of equity related instruments, or movable / immovable property(ies) within the delegated powers of the Committee.

During the financial year ended on March 31, 2020, ten meetings of the Investment Committee were held. The composition of Investment Committee, date on which meetings were held and attendance of the Directors at the meetings, was as follows:

Name of the Director	Category	Meetings attended									
		April 3, 2019	May 10, 2019	June 26, 2019	July 30, 2019	August 26, 2019	October 1, 2019	November 1, 2019	December 17, 2019	January 7, 2020	January 27, 2020
Smt. Shobhana Bhartia *(Chairperson)*	Chairperson & Editorial Director	√	√	√	√	√	√	√	√	√	√
Shri Ajay Relan	Non-executive Independent Director	√	√	√	√	√	√	√	√	√	√
Shri Priyavrat Bhartia	Non-executive Director	-	√	-	-	√	√	√	-	-	√

(f) Risk Management Committee

Risk Management Committee is vested with the responsibility to oversee risk assessment and mitigation process in the Company.

During the financial year ended on March 31, 2020, one meeting of the Risk Management Committee was held. The composition of the Risk Management Committee and attendance of Directors at the said meeting was as follows:

Name of the Director	Category	Attendance at the meeting held on March 17, 2020
Shri Vivek Mehra *(Chairman)*	Non-executive Independent Director	√
Shri Priyavrat Bhartia	Non-executive Director	-
Shri Praveen Someshwar	Managing Director & CEO	√

Company Secretary acts as Secretary to the Committee.

(g) Corporate Social Responsibility (CSR) Committee

CSR Committee of the Board of Directors has been constituted in accordance with the requirements of Section 135 of the Companies Act, 2013.

The terms of reference of the CSR Committee include, *inter-alia*, formulation of CSR Policy indicating the activities to be undertaken by the Company covered under Schedule VII to the Companies Act, 2013; recommending to the Board the CSR Policy & amount of expenditure on CSR activities; and to monitor the CSR Policy of the Company from time to time.

During the financial year ended on March 31, 2020, two meetings of the CSR Committee were held. The composition of CSR Committee and attendance of the Directors at the said meetings was as follows:

Name of the Director	Category	Meetings attended	
		May 10, 2019	January 23, 2020
Smt. Shobhana Bhartia *(Chairperson)*	Chairperson & Editorial Director	√	√
Shri Ajay Relan	Non-executive Independent Director	√	√
Shri Priyavrat Bhartia	Non-executive Director	√	√

Group Chief Marketing Officer is a permanent invitee to the meetings of CSR Committee.

GENERAL BODY MEETINGS

Details of last three Annual General Meetings are as under:

Date & Time	September 26, 2019 at 11:00 A.M.	September 25, 2018 at 11:00 A.M.	September 25, 2017 at 11.00 A.M.
Venue	Siri Fort Auditorium I, A-25, Balbir Saxena Marg, Siri Fort Institutional Area, Gulmohar Park, New Delhi - 110 049		
Special resolution(s) passed	Re-appointment of Shri Vikram Singh Mehta, as an Independent Director, for a second term of 5 (five) consecutive years w.e.f. April 1, 2020	None	Offer or invite subscriptions to Non-Convertible Debentures/ Bonds aggregating upto ₹ 400 Crore (enabling resolution – not implemented)

No Extra-ordinary General Meeting was held during last 3 financial years.

Postal Ballot

During the year under review, no resolution was put through by Postal Ballot. At present, no special resolution proposed to be passed through Postal Ballot.

DISCLOSURES

During the financial year ended on March 31, 2020, all transactions entered into with the Related Parties as defined under the Companies Act, 2013 and Regulation 23 of the SEBI Listing Regulations were in ordinary course of business and on arm's length basis, and they do not attract the provisions of Section 188 of the Companies Act, 2013. There was also no materially significant related party transaction that may have a potential conflict with the interest of the Company at large. The Audit Committee reviews the statement containing details of transaction with the related parties, on quarterly basis.

The required disclosures on related parties and transactions with them, are appearing in note nos. 36 and 36A of Standalone Financial Statements. The Company has formulated the 'Policy on Materiality of and dealing with Related Party Transactions', which is hosted on the Company's website viz. www.htmedia.in.

No penalty or stricture was imposed on the Company by any stock exchange, SEBI or other statutory authority for non-compliance during last three years on any matter related to capital markets.

The Company has prepared the financial statements to comply in all material respects with the Accounting Standards notified under Section 133 of the Companies Act, 2013, read with Companies (Accounts) Rules, 2014, except for certain adjustments pertaining to periods on or before March 31, 2019 for which impact has been taken in the retained earnings as on April 1, 2019 on ground of materiality (instead of restating comparative period). The CEO & CFO certificate in terms of Regulation 17(8) of SEBI Regulations has been placed before the Board.

The Independent Directors have the requisite qualifications and experience which enable them to contribute effectively. Terms and conditions of appointment of Independent Directors are posted on Company's website viz. www.htmedia.in.

Further, the Independent Directors meet criteria of independence specified in Section 149 (6) of the Companies Act, 2013 and Regulation 16 of the SEBI Listing Regulations, and are independent of the management.

The Company has complied with some of the non-mandatory requirements of SEBI Listing Regulations on Corporate Governance. In the spirit of good corporate governance, the Company sends quarterly financial results via email to the members whose email address is registered with Depository Participant/Company, after they are approved by the Board of Directors and disseminated to the Stock Exchanges. The Statutory Auditor have given their Report with modified opinion on the revised financial statements for the financial year ended on March 31, 2020, details whereof have been outlined in the Board's report.

The Whistle Blower Policy provides opportunity to the directors/ employees/stakeholders of the Company to report concerns about unethical behaviour, actual or suspected fraud by any Director and/or employee of the Company or any violation of the Company's Code of Conduct and any incident of leak or suspected leak of Unpublished Price Sensitive Information (UPSI). The policy provides for adequate safeguards against victimization of the Whistle Blower. The Policy is posted on the Company's website viz.

www.htmedia.in. During FY-20, no person was denied access to the Audit Committee. The Company received a WB Complaint in August, 2020 from a named employee of the radio business, details whereof are provided in note no. 54 and note no. 53 of revised standalone and consolidated financial statements, respectively.

During the year under review, your Company has not raised any funds through preferential allotment or qualified institutional placement, as specified under Regulation 32(7A) of the SEBI Listing Regulations.

During the year under review, all the recommendations made by the committee(s) of directors have been duly accepted by the Board of Directors.

The subsidiary companies are Board managed, entrusted with the responsibility to manage the affairs in the best interest of the stakeholders. The Company has formulated "Policy for determining Material Subsidiary(ies)" in compliance of SEBI Listing Regulations, which is hosted on the Company's website viz. www.htmedia.in.

During the year under review, the Company has complied with all mandatory requirements specified in Regulations 17 to 27 and clause (b) to (i) of Regulation 46(2) of the SEBI Listing Regulations, as applicable.

COMMODITY PRICE RISK OR FOREIGN EXCHANGE RISK AND HEDGING ACTIVITIES

The Company is exposed to commodity risk mainly due to Newsprint. Details of exposure is given below-

Commodity Name	Exposure in ₹/Lac towards the particular commodity	Exposure in quantity terms towards the particular commodity (MT)	% of such exposure hedged through commodity derivatives				
			Domestic market		International market		Total
			OTC	Exchange	OTC	Exchange	
Newsprint							
Domestic	4,193	11,324	-	-	-	-	-
Import	18,120	47,472	-	-	-	-	-
Total	**22,313**	**58,796**	-	-	-	-	-

Newsprint is an important raw material consumed by the Company. The global supply & demand fluctuations determine newsprint price trends. Decrease in global demand in FY-20 led to a steady price reduction. The global mills adjusted the excess capacities by idling/shifting the grades/shutting the mills – however, demand deceleration was higher than supply reduction and prices remained soft.

With the outbreak of COVID–19 in the last quarter of FY-20, global supply chains were disrupted and newsprint was no exception. However, relationship with global value chain partners were leveraged to prioritize our shipments and ensured seamless supplies from mills outside India. Besides, optimizing the import & domestic newsprint mix, helped in mitigating supply chain risks.

Inventory norms are redefined in line with consumption trends and replenishment model is implemented to ensure sufficient stocks across print units.

The Company uses derivative products to hedge its forex exposure against imports, loans, investments and other payables, whenever required. The Company does not have any major forex exposure on account of exports, receivable and other income. The details of sensitivity to foreign exchange exposures as on March 31, 2020 are disclosed in note no. 40 to the Standalone Financial Statements.

PREVENTION OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE

During the year under review, the status of complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, is as follows:

Complaints filed during FY-20	Complaints disposed of during FY-20	Complaints pending as on end of FY-20
3	3	Nil

FEE PAID TO STATUTORY AUDITOR

Details of fee paid by the Company and its subsidiaries for FY-20, on a consolidated basis, to B S R and Associates, Chartered Accountants, Statutory Auditor and to all entities in the network firm/network entity of which the Statutory Auditor is a part, are as follows:

Particulars	Amount (₹ in Lac)*
Audit Fee	100.00
Limited Review	40.50
Tax Audit Fee	13.25
Certification Fee	18.00
Total fee	**171.75**

**excluding reimbursement of out of pocket expenses*

PERFORMANCE EVALUATION

The process followed for evaluation of performance of the Board, its Committees, individual Directors and the Chairperson for the financial year ended on March 31, 2020, alongwith criteria for evaluation of individual directors and Board is outlined in the Board's Report.

FAMILIARIZATION PROGRAMME

Your Company conducts induction and familiarization programme for Independent Directors. The Company, through such programme, familiarizes the Independent Directors with the background of the Company, nature of the industry in which it operates, business model, business operations, etc. The programme also includes interactive sessions with senior leadership team and business & functional heads for better understanding of business strategy, operational performance, product offerings, marketing initiatives etc. Details of familiarization programme for Independent Directors are hosted on the Company's website viz. www.htmedia.in.

MEETING OF INDEPENDENT DIRECTORS

During the year, a separate meeting of Independent Directors was held on January 23, 2020 without the presence of Non-Independent Directors and members of the management, wherein the performance of Non-Independent Directors, the Board as a whole and Chairperson was evaluated, taking into account the views of Executive Directors and Non-executive Directors.

CODE OF CONDUCT

The Company has adopted a "Code of Conduct" governing the conduct of Directors and Senior Management Personnel which is available on the website of the Company viz. www.htmedia.in.

The Board Members and Senior Management Personnel are expected to adhere to the Code, and have accordingly, affirmed compliance of the same during FY-20. The declaration of CEO affirming compliance of the Code by the Board Members and Senior Management Personnel of the Company during FY-20, is appearing at the end of this report as **"Annexure – B"**.

PROHIBITION OF INSIDER TRADING OF SHARES

In compliance of the SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company has adopted and amended from time to time, the "Code of Conduct to Regulate, Monitor and Report Trading by Designated Persons" and "Code for Fair Disclosure of Unpublished Price Sensitive Information".

CREDIT RATING

During the year under review, the credit rating agency CRISIL Limited has revised Non-Convertible Debentures rating at CRISIL AA/Stable (downgraded from 'CRISIL AA +/Negative') and reaffirmed Commercial Paper rating at CRISIL A1+. Further, credit rating agency ICRA Limited has reaffirmed Commercial Paper rating at ICRA A1+.

MEANS OF COMMUNICATION

- **Financial results** - The quarterly, half yearly and annual financial results of the Company are published in 'Hindustan Times' (English newspaper), 'Hindustan' (Hindi newspaper), and 'Mint' (English Business newspaper). The financial results are also sent to the investors via e-mail, where e-mail address is available. Investors are encouraged to avail this service / facility by providing their e-mail address to the Depository Participant (DP)/ Company.

- **Company's Website** – Important shareholders' information such as Annual Report, financial results etc. are displayed on the website of the Company viz. www.htmedia.in.

- **Official News releases, presentations etc.** – Official news releases, shareholding pattern, press releases and presentations made to Financial Analysts etc. are available on the Company's website viz. www.htmedia.in.

- **Stock Exchange filings** - All information/disclosures are filed electronically on web based applications of BSE and NSE.

- **Investor Conference Calls** - Every quarter, post announcement of financial results, conference calls are organized with institutional investors and analysts. These

calls are usually addressed by the Group CFO and Head - Investor Relations. Transcripts of the calls are hosted on the website of the Company viz. www.htmedia.in.

- **Management Discussion and Analysis** - Management Discussion and Analysis covering the operations of the Company, forms part of the Annual Report.
- **Designated E-mail Id** – The Company has a designated E-mail ID viz. investor@hindustantimes.com, for sending investor requests/ complaints.

GENERAL SHAREHOLDER INFORMATION

18th Annual General Meeting

Day, Date & Time:	Tuesday, December 29, 2020 at 04:00 P.M.
Venue:	AGM will be conducted via video conferencing/ OAVM due to COVID-19 outbreak, in compliance of the circulars issued by Ministry of Corporate Affairs in this regard. In view of this, there is no requirement of a venue to hold the AGM.

As required under Regulation 36(3) of SEBI Listing Regulations and Secretarial Standard 2, particulars of Directors seeking appointment/ re-appointment at this AGM are given in the Annexure to the Notice convening the AGM.

FINANCIAL YEAR

April 1 of each year to March 31 of next year.

Financial Calendar (Tentative)

Results for quarter ended June 30, 2020	July 28, 2020
Results for quarter and half-year ended September 30, 2020	November 27, 2020
Results for quarter and nine months period ending December 31, 2020	Mid January, 2021
Results for the quarter and year ending March 31, 2021	Mid May, 2021
Annual General Meeting	Mid September, 2021

Registrar and Share Transfer Agent

KFin Technologies Private Limited
(earlier known as Karvy Fintech Private Limited)
Selenium Tower B, Plot No. 31-32
Financial District, Nanakramguda
Serilingampally Mandal
Hyderabad – 500 032
Tel: + 91-40-6716 2222
Fax: + 91-40-2300 1153
Toll Free No. 1800 345 4001
E-mail: einward.ris@kfintech.com

Share Transfer System

Equity shares of the Company are compulsorily traded in demat form. In terms of Regulation 40 of SEBI Listing Regulations, as amended, equity shares can be transferred only in dematerialized form w.e.f. April 1, 2019, except in case of requests received for transmission or transposition of shares. Members are advised, in their own interest, to dematerialize the shares held by them in physical form. Transfer of equity shares in electronic form is effected through the depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services India Limited (CDSL).

The Board has authorized the Stakeholders' Relationship Committee to sub-delegate its powers to the Officers of the Company for prompt redressal of investor requests/complaints.

As required under Regulation 40(9) of the SEBI Listing Regulations, the Company obtains a certificate on half-yearly basis from a Company Secretary-in-Practice, regarding share transfer formalities, which is filed with the Stock Exchanges.

Listing of Equity Shares on Stock Exchanges and Stock Codes

The Equity Shares of the Company are listed on the following Stock Exchanges:

Name of the Stock Exchange	Scrip Code/ Trading Symbol
BSE Limited (BSE) Phiroze Jeejeebhoy Towers, Dalal Street Mumbai - 400 001	532662
National Stock Exchange of India Limited (NSE) Exchange Plaza, Plot No. C-1 G-Block, Bandra-Kurla Complex Bandra (East) Mumbai - 400 051	HTMEDIA

Annual listing fee for the financial year 2020-21 has been paid to both, BSE and NSE.

The ISIN of the Equity Shares of the Company is '**INE501G01024**'.

Stock Price Data

MONTH	BSE				NSE			
	HTMEDIA		SENSEX		HTMEDIA		NIFTY 50	
	High (in ₹)	Low (in ₹)	High	Low	High (in ₹)	Low (in ₹)	High	Low
Apr '19	49.05	38.20	39,487.45	38,460.25	49.30	38.60	11,856.15	11,549.10
May '19	40.35	30.00	40,124.96	36,956.10	40.50	31.10	12,041.15	11,108.30
Jun '19	38.80	24.60	40,312.07	38,870.96	33.90	24.75	12,103.05	11,625.10
Jul '19	32.10	22.25	40,032.41	37,128.26	32.20	22.25	11,981.75	10,999.40
Aug '19	27.00	21.10	37,807.55	36,102.35	27.10	21.15	11,181.45	10,637.15
Sep '19	24.75	21.15	39,441.12	35,987.80	24.80	21.00	11,694.85	10,670.25
Oct '19	22.75	18.05	40,392.22	37,415.83	23.00	18.05	11,945.00	11,090.15
Nov '19	22.95	15.80	41,163.79	40,014.23	22.95	15.50	12,158.80	11,802.65
Dec '19	16.45	13.85	41,809.96	40,135.37	16.50	13.80	12,293.90	11,832.30
Jan '20	18.85	14.35	42,273.87	40,476.55	19.00	14.00	12,430.50	11,929.60
Feb ' 20	16.10	13.00	41,709.30	38,219.97	16.90	13.05	12,246.70	11,175.05
Mar '20	14.00	7.75	39,083.17	25,638.90	14.70	7.60	11,433.00	7,511.10

Performance in comparison to broad-based indices (month-end closing)

Movement of HT Media Share at BSE during FY-20

Movement of HT Media Share at NSE during FY-20

Category of Shareholders as on March 31, 2020 (in both physical and demat form)

Category	No. of Equity Shares held	% Shareholding
Promoters & Promoter Group (A)	16,17,77,093	69.51
Public Shareholding (B)		
Banks, Financial Institutions and Insurance Companies	1,05,509	0.05
Foreign Institutional Investors (FIIs)	93,94,629	4.04
Mutual Funds	1,10,46,869	4.75
Non-Resident Indians	33,68,349	1.45
Bodies Corporate	57,59,789	2.47
Public	3,64,90,913	15.68
Clearing members	3,06,072	0.13
HUF	23,08,222	0.99
Others (Trusts, AIF)	140	0.00
NBFC	0	-
IEPF	12,439	0.01
Total Public Shareholding (B)	**6,87,92,931**	**29.55**
Non Promoter –Non Public (C)		
Trustee of HT Media Employee Welfare Trust	21,78,290	0.94
Total Shareholding (A+B+C)	**23,27,48,314**	**100.00**

Distribution of shareholding by size as on March 31, 2020

No. of Equity Shares held	No. of Shareholders@	% of total no. of Shareholders	No. of Equity Shares held	% of total no. of equity shares
Upto 500	27,630	84.81	34,27,971	1.47
501 – 1,000	2,196	6.74	18,27,808	0.79
1,001 – 5,000	2,030	6.23	47,36,254	2.03
5,001 – 10,000	321	0.99	23,99,865	1.03
10,001 & above	402	1.23	22,03,56,416	94.68
TOTAL	**32,579**	**100.00**	**23,27,48,314**	**100.00**

@Pursuant to SEBI's circular, shareholding is consolidated on the basis of PAN. Accordingly, number of shareholders stand reduced from 45,609 to 32,579.

Dematerialization of shares and liquidity as on March 31, 2020

Category	No. of Equity Shares held	% Shareholding
Equity Shares held in Demat form	23,27,33,946	99.99
Equity Shares held in Physical form	14,368	0.01
Total	**23,27,48,314**	**100.00**

Number of outstanding GDRs/ADRs/Warrants or any convertible instruments

No GDRs/ADRs/Warrants or any convertible instruments have been issued by the Company.

Address for correspondence

Company Secretary
HT Media Limited
Hindustan Times House
18-20, Kasturba Gandhi Marg
New Delhi - 110 001
Tel : + 91 - 11 - 6656 1608
Fax: + 91 - 11 - 6656 1445
Email: investor@hindustantimes.com
Website: www.htmedia.in

Compliance Officer

Shri Dinesh Mittal
Group General Counsel & Company Secretary
Tel: + 91 -11 - 6656 1608

Company Registration Details

The Company is registered with the office of Registrar of Companies, Delhi. Corporate Identity Number allotted to the Company by the Ministry of Corporate Affairs is **L22121DL2002PLC117874**.

Compliance Certificate

A certificate dated May 19, 2020 of Shri N.C. Khanna, Company Secretary-in-Practice, regarding compliance of conditions of 'Corporate Governance' as stipulated under Schedule V of the SEBI Listing Regulations, is annexed to the Board's Report.

Nomination Facility

In terms of Section 72 of the Companies Act, 2013, shareholders holding shares in demat and/or physical form may, in their own interest, register their nomination with the DP or R&T Agent, as the case may be.

Plant Locations (as on March 31, 2020)

City	Address
GREATER NOIDA	Plot no. 8, Udyog Vihar, Greater NOIDA, Gautam Budh Nagar – 201 306
MUMBAI	Plot no. 6, TTC MIDC Industrial Area, Dighe, Thane-Belapur Road, Navi Mumbai – 400 708

Note: The above list does not include locations where printing of the Company's publications is done on job work basis.

Annexure - A to Report on Corporate Governance

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members of
HT Media Limited
18-20, Kasturba Gandhi Marg
New Delhi- 110001

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **HT Media Limited** (CIN-L22121DL2002PLC117874) and having registered office at 18-20, Kasturba Gandhi Marg, New Delhi- 110001 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the financial year ending on March 31, 2020 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of appointment in Company
1.	Shri Ajay Kumar Relan	00002632	24/08/2009
2.	Shri Priyavrat Bhartia	00020603	28/10/2005
3.	Shri Shamit Bhartia	00020623	31/03/2020
4.	Smt. Shobhana Bhartia	00020648	03/12/2002
5.	Shri Vikram Singh Mehta	00041197	20/06/2015
6.	Shri Vivek Mehra	00101328	12/01/2018
7.	Shri Praveen Someshwar	01802656	01/08/2018
8.	Smt. Aruna Sundararajan	03523267	31/03/2020

Ensuring the eligibility for the appointment/continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Sd/-
NC Khanna
Company Secretary in Practice
CP No. 5143
Membership No.: F4268
UDIN: F004268B000257983

Place: New Delhi
Date: May 19, 2020

Annexure - B to Report on Corporate Governance

Declaration of compliance with 'Code of Conduct' of the Company

I, Praveen Someshwar, Managing Director & Chief Executive Officer of the Company, do hereby confirm that all the Board members and Senior Management Personnel of the Company have complied with the 'Code of Conduct' during the financial year 2019-20, save and except an instance of involvement in anomalies in certain practices adopted in the radio business of the company and radio business related subsidiary companies, having financial implication, reported by a whistle blower in August, 2020.

This declaration is based on and is in pursuance of the individual affirmations received in writing from the Board members and the Senior Management Personnel of the Company.

Place: New Delhi
Date: November 26, 2020

(Praveen Someshwar)
Managing Director & Chief Executive Officer

INDEPENDENT AUDITOR'S REPORT

To
The Members of **HT Media Limited**

Report on the Audit of the Revised Standalone Financial Statements

Qualified Opinion

We have audited the revised standalone financial statements of HT Media Limited ("the Company"), which comprise the revised standalone balance sheet as at 31 March 2020, and the revised standalone statement of profit and loss (including other comprehensive income), revised standalone statement of changes in equity and revised standalone statement of cash flows for the year then ended, and notes to the revised standalone financial statements, including a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of report of other auditor on the financial statements of the HT Media Employee Welfare Trust, except for the effect of the matters described in the 'Basis for Qualified opinion' section of our report, the aforesaid revised standalone financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2020, and loss and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Qualified Opinion

As discussed in Note 54 to the revised standalone financial statements, pursuant to a whistleblower complaint received, an investigation was conducted which brought out certain deficiencies in the radio business and instances of reporting higher revenue from operations, incorrect debtors, contractual liabilities and trade payables with consequential impact on provision for doubtful debts and taxes etc. relating to a stream of revenue of the radio business in the Company. Further, as brought out by the investigation, such practices were continuing since last few years.

As mentioned in the note, the Company has identified an amount of ₹ 1,115 lacs, which pertains to deficiencies in revenue recognised for financial years 2017-18 and 2018-19 in the radio business. After adjusting the increase in other expenses and the deferred tax credit, the total decrease in the opening retained earnings is ₹ 956 lacs. The Company has accounted for such adjustment in the retained earnings as at 1 April 2019 instead of restating the corresponding figures for the year ended 31 March 2019. This constitutes a departure from the applicable Ind AS prescribed under section 133 of the Act, thereby resulting in the non-adjustment in the amounts reported for corresponding year ended 31 March 2019 with respect to revenue from operations, expenses and taxes as well as trade receivables and other items of the balance sheet. However, this does not have any impact on the loss for the year ended 31 March 2020 or on total equity as at 31 March 2020.

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the revised standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us along with the consideration of audit report of the other auditor referred to in sub- paragraph (a) of the 'Other Matters' paragraph below, is sufficient and appropriate to provide a basis for our opinion on the revised standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the revised standalone financial statements of the current period. These matters were addressed in the context of our audit of the revised standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Description of Key Audit Matters

Impairment assessment of Investment Properties

See note 4 to the revised standalone financial statements

The key audit matter	How the matter was addressed in our audit

The Company's gross carrying value of investment properties is ₹ 49,937 lacs as at 31 March 2020. An impairment loss of ₹ 1,305 lacs has been recognized in the revised standalone statement of profit and loss for the year ended 31 March 2020.
 	
The Company's investment properties portfolio consists of residential buildings and commercial projects located in India. The portfolio consists of properties which are fully constructed as well as under construction. Further, there are certain properties which are under litigation or where the developers are under Insolvency and Bankruptcy Code.
 	
The Company involved an external valuation specialist to determine the fair values of investment properties. There are significant judgements and estimates to be made in relation to the valuation of the Company's investment properties. The fair value is compared with the carrying value of each investment property, in order to determine impairment loss, if any.
 	
Considering the inherent uncertainty, significant judgments and estimates involved and the significance of the value of the assets, impairment assessment of investment properties has been considered as a key audit matter.
	Our audit procedures included:
	
	• Tested the design, implementation and operating effectiveness of key controls over the impairment assessment process.
	
	• Assessed the competence, objectivity and scope of work of the valuer engaged by management.
	
	• We inspected the valuation reports and assessed the fair value as determined by the valuer as under:
	
	  • Compared the fair value as determined by the valuer to the externally derived data of comparable properties in respect of selected investment properties;
	
	  • Involved our internal specialist to compare the fair value of certain properties as stated in the valuation reports with independently formed market expectations;
	
	  • Discussed with management the status of properties under litigation and under Insolvency and Bankruptcy Code.
	
	  • Involved our internal specialists to assist us in assessing the key assumptions and factors considered while determining the impairment loss on such properties.
	
	• Inspected on a test check basis, the underlying property documents.
	
	• Compared the Company's calculation of impairment loss with the underlying accounting records and documents.
	
	• Tested the adequacy of disclosures made in the revised standalone financial statements, as required by relevant accounting standards.

Impairment assessment of Investment in Subsidiaries

See note 6A to the revised standalone financial statements

The key audit matter	How the matter was addressed in our audit

During the current year ended 31 March 2020, the Company acquired controlling stake in Next Media Works Limited (NMW) and Next Radio Limited (NRL) for ₹ 27,643 lacs (gross value before impairment). Accordingly these entities became subsidiaries of the Company.
 	
The Company has performed an impairment assessment on the above-mentioned investment in subsidiaries as at 31 March 2020.
 	
The impairment assessment is considered as a key audit matter as it involves significant judgements and estimates in assessing the recoverable value. The recoverable value is considered to be the higher of the Company's assessment of the value in use (VIU) and fair value less cost of disposal (FVLCD). The economic slowdown owing to the Covid-19 pandemic and other economic factors may impact the future cash flows of NMW and NRL.
	Our audit procedures included:
	
	• We assessed the recoverable value as higher of the Company's assessment of VIU and FVLCD.
	
	• We assessed the FVLCD as determined by the Company using the market price of the equity shares.
	
	• We assessed the VIU as determined by the Company as under:
	
	  • Assessed the method of determining VIU and key assumptions used therein through historical information, budgets / projections, externally derived data and other relevant information.
	
	  • Challenged the key assumptions within the build up and methodologies used by the Company.
	
	  • Assessed the sensitivity of the outcome of impairment assessment to changes in key assumptions.
	
	  • Compared the implied multiple arising from the VIU to the market multiples.
	
	Involved our internal specialists to assist us in performing above mentioned procedures.
	
	• Tested the adequacy of disclosures made in the revised standalone financial statements, as required by relevant accounting standards.

Impairment testing of property, plant and equipment and intangible assets

See note 3 and note 5 to the revised standalone financial statements

The key audit matter	How the matter was addressed in our audit

The Company is engaged in printing and publishing of newspapers and periodicals through various plants operated in India.
 	
The Company is also engaged in providing entertainment, radio broadcast and other related activities through its radio stations.
 	
The gross carrying value of property, plant and equipment amounts to ₹ 51,453 lacs and intangible assets amounts to ₹ 47,936 lacs as at 31 March 2020.
 	
The Company performs an annual assessment of the property, plant and equipment and intangible assets at cash generating unit (CGU) level, to identify any indicators of impairment.
 	
The recoverable amount of the CGU which is based on value in use ('VIU'), has been derived from discounted forecast cash flow model and multi period excess earning model. The model uses several key assumptions. The economic slowdown owing to the Covid-19 pandemic and other economic factors may impact the key assumptions taken while computing VIU.
 	
Considering the inherent uncertainty, complexity and judgment involved and the significance of the value of the assets, impairment assessment of the above mentioned assets has been considered as a key audit matter.
	Our audit procedures included:
	
	• Assessed Company's identification of CGUs with reference to the guidance in the applicable accounting standards;
	
	• Tested design, implementation and operating effectiveness of key controls over the impairment assessment process relating to printing and publishing of newspaper and periodicals through various plants.
	
	• We assessed the value in use (VIU) as determined by the Company as under:
	
	  • Assessed the method of determining VIU and key assumptions used therein through historical information, budgets / projections, externally derived data and other relevant information.
	
	  • Challenged the key assumptions and judgements within the build-up and methodologies used by the Company.
	
	  • Assessed the sensitivity of the outcome of impairment assessment to changes in key assumptions.
	
	  • Involved our internal specialists to assist us in performing above mentioned procedures, to the extent applicable.
	
	• Tested the adequacy of disclosures made in the revised standalone financial statements, as required by relevant accounting standards.

Revenue Recognition

See note 20 to the revised standalone financial statements

The key audit matter	How the matter was addressed in our audit

Revenue is recognized upon transfer of control of promised services / goods to the customers and when it is "probable" that the Company will collect the consideration. In specific, airtime sales is recognized on the airing of client's commercials.
 	
There is a risk that revenue is recognized for services / goods before the transfer of control of the service / goods to customer is completed
 	
Further, subsequent to year end, the Company received a whistleblower complaint from a named employee alleging deficiencies in the 'pure money' part of radio business. The Company, in accordance with its whistleblower policy, and as confirmed by the Audit Committee, commenced investigation in the matter by appointing an independent Law firm, which worked closely with independent accounting firms.
 	
The said investigation has affirmed the deficiencies, which has resulted into overstatement of revenue and other consequential impact.
	Our audit procedures included:
	
	• Evaluation of the design and implementation and operating effectiveness of internal controls relating to revenue recognition process
	
	• Assessment of risk of material misstatement as a result of ineffective design and implementation and operating effectiveness of internal controls relating to pure money part of radio revenue
	
	• On selected sample of transactions, tested revenue recognition, and our procedures included:
	  • evaluating the identification of performance obligations;
	  • considering the terms of the contracts to determine the transaction price; and
	  • inspection of the date of transfer of control of service / goods and recording of revenue at an appropriate date.
	
	• Tested revenue recognition for cut-off transactions on sample basis to assess whether the timing of revenue recognition is appropriate.
	
	• On investigation relating to deficiencies in the 'pure money' part of radio business, our procedures included:
	  • discussed the approach for investigation with senior management and those charged with governance
	  • discussed the investigation approach, investigation report and assessment of non-compliances with laws and regulations with the investigating teams and with management
	  • evaluated the pervasiveness of the deficiencies including impact on our risk assessments and any resulting impact on the nature timing and extent of audit procedures to respond to the assessed risks.
	  • evaluated the accounting for and adequacy of disclosure of the matter involved
	  • performed shadow procedures and for sample transactions tested whether revenue recognition is appropriate.
	  • Involved our internal specialists to assist us in performing above mentioned procedures, to the extent applicable

Other Information

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the revised standalone financial statements and our auditors' report thereon.

Our opinion on the revised standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the revised standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the revised standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed and based on the audit report of other auditor, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's and Board of Directors' Responsibility for the Revised Standalone Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these revised standalone financial statements that give a true and fair view of the state of affairs, profit/loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the revised standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the revised standalone financial statements, the Management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Revised Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the revised standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these revised standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the revised standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the revised standalone financial statements made by the Management and Board of Directors.

- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the revised standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the revised standalone financial statements, including the disclosures, and whether the revised standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the Company to express an opinion on the revised standalone financial statements. We are responsible for the direction, supervision and performance of the audit of financial information of the Company of which we are the independent auditors. For the other entity included in the revised standalone financial statements, which has been audited by other auditor, such other auditor remains responsible for the direction, supervision and performance of the audit carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in para (a) of the section titled 'Other Matters' in this audit report.

  We believe that the audit evidence obtained by us along with the consideration of audit report of the other auditor referred to in sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the revised standalone financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the revised standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

a) We did not audit total assets of ₹ 2,111.91 lacs as at March 31, 2020 and total revenues of ₹ 8.71 lacs for the year then ended, included in the revised standalone financial statements in respect to HT Media Employee Welfare Trust not audited by us, whose financial information has been audited by another auditor and whose report has been furnished to us. Our opinion on the revised standalone financial statements, to the extent they have been derived from such financial statements is based solely on the report of such other auditor.

b) We draw your attention to the fact that corresponding figures for the year ended 31 March 2019, are based on previously issued standalone financial statements of the Company that were audited by the predecessor auditor who expressed an unmodified opinion on those standalone annual financial statements dated 10 May 2019.

c) The Board of Directors had earlier adopted the standalone financial statements of the Company for the year ended 31 March 2020 in their meeting held on 26 June 2020 (referred to as "original standalone financial statements") on which we had issued our Audit Report dated 26 June 2020. Subsequent to this, pursuant to a whistleblower complaint, an investigation was conducted, which brought out certain deficiencies in the Radio business and instances of reporting higher revenue from operations,

incorrect debtors, contract liabilities and trade payables with consequential impact on provision for doubtful debts and taxes etc. relating to a stream of revenue of the radio business in the Company. Consequently, the Company has recognised the adjustments in revised standalone financial statements for the year ended 31 March 2020 to give effect to the outcome of the investigation. These deficiencies have consequential impact on other financial statement items. Further, the revised standalone financial statements also recognise the impact of adjusting events occurring subsequently to the date of approval of original standalone financial statements (26 June 2020) till the date of approval of these revised standalone financial statements (dated 27 November 2020) by the Board of the Company arising from present economic and market conditions including COVID-19.

Our audit report dated 26 June 2020 on the original standalone financial statements is superseded by this audit report dated 27 November 2020 on the revised standalone financial statements.

Our opinion is not modified to the extent of the above adjustments in revised standalone financial statements and our report on Other Legal and Regulatory Requirements below, in so far as they relate to the financial year ended 31 March 2020.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government in terms of section 143 (11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. (A) As required by Section 143(3) of the Act, based on our audit and on consideration of report of other auditor on financial statements of HT Employee Welfare Trust, as noted in the 'Other Matters' paragraph, we report that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid revised standalone financial statements.

   b) Except for the matter described in the 'Basis for Qualified Opinion' paragraph above, in our opinion, proper books of account as required by law relating to preparation of aforesaid revised standalone financial statements have been kept by the Company so far as it appears from our examination of those books and the report of other auditor.

   c) The revised standalone balance sheet, the revised standalone statement of profit and loss (including other comprehensive income), the revised standalone statement of changes in equity and the revised standalone statement of cash flows dealt with by this Report are in agreement with the books of account.

   d) Except for the matter described in the 'Basis for Qualified Opinion' paragraph above, in our opinion, the aforesaid revised standalone financial statements comply with the Ind AS specified under section 133 of the Act.

   e) The matter described in the 'Basis for Qualified Opinion' paragraph above, and our observations on the achievement of the objectives of the internal control criteria as explained in our separate Report in 'Annexure B' in our opinion, may have an adverse effect on the functioning of the Company.

   f) On the basis of the written representations received from the directors as on 31 March 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2020 from being appointed as a director in terms of Section 164(2) of the Act.

   g) The qualification relating to maintenance of accounts and other matter connected therewith is as stated in the 'Basis for Qualified Opinion' paragraph above.

   h) With respect to the adequacy of the internal financial controls with reference to revised standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

   (B) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based

on the consideration of the report of other auditor on the financial statements of HT Employee Welfare Trust, as noted in the 'Other Matters' paragraph:

i. The Company has disclosed the impact of pending litigations as at 31 March 2020 on its financial position in its revised standalone financial statements - Refer Note 35 to the revised standalone financial statements;

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company;

iv. The disclosures in the revised standalone financial statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made in these financial statements since they do not pertain to the financial year ended 31 March 2020.

(C) With respect to the matter to be included in the Auditors' Report under section 197(16):

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

For **B S R and Associates**
Chartered Accountants
Firm's Registration No.- 128901W

Rajesh Arora
Partner
Membership No. 076124
UDIN: 20076124AAAADR8288

Place: Gurugram
Date: 27 November 2020

Annexure A referred to in our Independent Auditor's Report

to the members of HT Media Limited on the revised standalone financial statements for the year ended 31 March 2020

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of its fixed assets (i.e. property, plant and equipment).

(b) The Company has a regular programme of physical verification of its fixed assets by which all fixed assets are verified in a phased manner over a period of three years. In our opinion, this periodicity of physical verification by management is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this programme, certain fixed assets were physically verified during the year. As informed to us, no material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.

(ii) Inventories, except for goods-in-transit have been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable. According to the information and explanations given to us, the procedures for physical verification of inventories followed by the management during the year are reasonable and adequate in relation to the size of the Company and the nature of its business. The discrepancies noticed on verification between the physical stocks and the book records were not material.

(iii) According to the information and explanations given to us, the Company had granted loan to a company covered in the register maintained under Section 189 of the Companies Act, 2013, which is outstanding in the books, in respect of which:

a) No loan has been granted by the Company in the current year, Accordingly, requirements of paragraph (iii)(a) of the Order are not applicable to the Company;

b) The schedule of repayment of principal and payment of interest has been stipulated. There has been no repayment of principal and payment of interest in the financial year ended 31 March 2020; and

c) There is no amount overdue for more than 90 days in respect of the above mentioned loan.

(iv) In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of the loans and investments made and guarantees and securities provided by it.

(v) As per the information and explanations given to us, the Company has not accepted any deposits as mentioned in the directives issued by the Reserve Bank of India and the provisions of Section 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under. Accordingly, paragraph 3(v) of the Order is not applicable to the Company.

(vi) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company is required to maintain cost records as specified under Section 148(1) of the Act in respect of its radio services. We have broadly reviewed the same, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.

(vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, employees' state insurance, income tax, goods and service tax (GST), duty of customs, cess, professional tax and other statutory dues have been regularly deposited during the year by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of sales tax, services tax, duty of excise and value added tax.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income tax, GST, duty of customs, cess, professional tax and other statutory dues were in arrears as at 31 March 2020 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no dues of income tax, sales tax, service tax, GST and value added tax which have not been deposited by the Company with the appropriate authorities on account of any dispute as at 31 March 2020, except as mentioned in the annexure below:

The below information is as per the demand orders received by the Company (including interest and penalty) wherever indicated in the order.

Name of Statute	Nature of dues	Amount (₹ in lacs)	Amount paid under protest (₹ in lacs)	Year which amount relates	Forum where dispute is pending
Income Tax Act, 1961	Disallowance of certain expenditure	119.50	101.20	AY 2010-11	Commissioner of Income tax (Appeals)
Income Tax Act, 1961	Disallowance of certain expenditure	11.40	11.40	AY 2012-13 AY 2013-14	Income tax Appellate Tribunal
Income Tax Act, 1961	Disallowance of certain expenditure	111.87	111.87	AY 2014-15	Income tax Appellate Tribunal
Income Tax Act, 1961	Disallowance of certain expenditure	430.84	430.84	AY 2015-16	Income tax Appellate Tribunal
Income Tax Act, 1961	Disallowance of certain expenditure	107.37	69.24	AY 2016-17	Commissioner of Income tax (Appeals)
Income Tax Act, 1961	Disallowance of certain expenditure	100	100	AY 2017-18	Commissioner of Income tax (Appeals)
Finance Act,1994	Service tax	61	61	2005-06 to 2009-10 and 2011-12	Supreme Court of India

(viii) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans or borrowings to banks or financial institutions. Further, no loans or borrowings were taken from government and there were no debentures issued during the year or outstanding as at 31 March 2020.

(ix) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has applied the money raised by way of term loans for the purpose for which they were obtained. Further, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments).

(x) Attention is invited to "Basis for Qualified Opinion" section of our Audit Report on the revised Standalone Financial Statements for the year ended 31 March 2020 and in Note 54 to the revised standalone financial statements, subsequent to year- end, pursuant to a whistleblower complaint received, an investigation was conducted which brought out certain deficiencies in a stream of radio business. According to the information and explanations given to us, no other material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

(xi) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with schedule V to the Act.

(xii) According to the information and explanations given to us, the Company is not a nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable.

(xiii) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, the transactions with the related parties are in compliance with Sections 177 and 188 of the Companies Act, 2013 where applicable and the details have been disclosed in the revised standalone financial statements as required by the applicable accounting standards.

(xiv) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the current year. Accordingly, paragraph 3(xiv) of the Order is not applicable.

(xv) According to information and explanations given to us and based on our examination of the records of Company, the Company has not entered into any non-cash transactions with directors or persons connected with them. Accordingly, paragraph 3(xv) of the Order is not applicable.

(xvi) According to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For **B S R and Associates**
Chartered Accountants
Firm's Registration No.- 128901W

Rajesh Arora
Partner
Membership No. 076124
UDIN: 20076124AAAADR8288

Place: Gurugram
Date: 27 November 2020

Annexure B to the Independent Auditor's report

on the revised standalone financial statements of HT Media Limited for the year ended 31 March 2020.

Report on the internal financial controls with reference to the aforesaid revised standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013

(Referred to in paragraph 1(A)(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Adverse Opinion

In conjunction with our audit of the revised standalone financial statements of the HT Media Limited as at and for the year ended 31 March 2020, we have audited the internal financial controls with reference to revised standalone financial statements of HT Media Limited (hereinafter referred to as "the Company").

Material deficiencies in the financial reporting processes have been identified in a stream of revenue of the radio business ('pure money') of the Company as described below. Further, the Company has departed from the requirements of applicable Ind AS specified under section 133 of the Act, as described below. In our opinion, because of the effects / possible effects of these material weaknesses on the achievement of the objectives of the internal control criteria, the Company has not maintained adequate internal financial controls with reference to the revised standalone financial statements and such internal financial controls were not operating effectively as at 31 March 2020, based on the criteria established by the Company considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the 'Guidance Note').

We have considered the material weaknesses identified and reported below in 'Basis for Adverse Opinion' in determining the nature, timing and extent of the audit tests applied in our audit of the 31 March 2020 revised standalone financial statements of the Company. The material weaknesses have resulted into revision of the aforesaid financial statements and issuance of a revised audit report dated 27 November 2020 giving a qualified audit opinion on these revised standalone financial statements.

Basis for Adverse Opinion

As described in note 54 to the revised standalone financial statements, pursuant to a whistleblower complaint, the Company conducted an investigation, which brought out certain material deficiencies in the radio business and instances of reporting higher revenue from operations, incorrect debtors, contract liabilities with consequential impact on provision for doubtful debts and taxes etc. in a stream of revenue of the radio business in the Company, as also override of certain internal controls relating thereto by members of senior management of the radio business.

The Company did not have an appropriate internal control system in a stream of revenue of the radio business with respect to recognition of revenue, trade receivables (including ageing report and balance confirmation process and credit approvals for sales), cash and cash equivalents, trade payables and contract liabilities. These material weaknesses have resulted in an overstatement of revenue of the aforesaid business, trade receivables, cash and cash equivalents and contract liabilities and understatement of impairment of intangibles, trade payables and provision for doubtful debts with related impact on taxes.

The above has also led to the revision of the earlier approved standalone financial statements to give effect to the relevant adjustments for the outcome of the investigation.

The Company did not had an appropriate internal control system with respect to financial reporting process to recognise misstatements pertaining to earlier years (financial year 2017-18 and 2018-19) emanating from the above mentioned matter in the respective periods, which is a departure from the requirements of applicable Ind AS specified under section 133 of the Act. This material weakness has resulted in an inappropriate adjustment to the opening retained earnings as at 1 April 2019 thereby resulting in misstatement in the amounts reported for corresponding year ended 31 March 2019.

A 'material weakness' is a deficiency, or a combination of deficiencies, in the internal financial control over financial reporting, such that there is a reasonable possibility that a material misstatement of the Company's annual or interim financial statements will not be prevented or detected on a timely basis.

Management's Responsibility for Internal Financial Controls

The Company's management and the Board of Directors are responsible for establishing and maintaining internal

financial controls based on the internal financial controls with reference to revised standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (hereinafter referred to as "the Act").

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to revised standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to revised standalone financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to revised standalone financial statements were established and maintained and whether such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to revised standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to revised standalone financial statements included obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the revised standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our adverse audit opinion on the Company's internal financial controls with reference to revised standalone financial statements.

Meaning of Internal Financial controls with Reference to Revised Standalone Financial Statements

A company's internal financial controls with reference to revised standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of revised standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to revised standalone financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of revised standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the revised standalone financial statements.

Inherent Limitations of Internal Financial controls with Reference to Revised Standalone Financial Statements

Because of the inherent limitations of internal financial controls with reference to revised standalone financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to revised standalone financial statements to future periods are subject to the risk that the internal financial controls with reference to revised standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For **B S R and Associates**
Chartered Accountants
Firm's Registration No.- 128901W

Rajesh Arora
Partner
Membership No. 076124
UDIN: 20076124AAAADR8288

Place: Gurugram
Date: 27 November 2020

HT MEDIA LIMITED

REVISED BALANCE SHEET

as at March 31, 2020

(₹ Lacs)

Particulars	Note No	As at March 31, 2020 (Revised*)	As at March 31, 2019
I ASSETS			
1) Non-current assets			
(a) Property, plant and equipment	3	29,428	34,083
(b) Capital work in progress	3	2,941	2,937
(c) Right - of - use assets	29	11,655	-
(d) Investment property	4	42,750	42,521
(e) Intangible assets	5	16,972	36,723
(f) Intangible assets under development	5	51	20
(g) Investment in subsidiaries	6A	25,012	51,647
(h) Financial assets			
(i) Investments	6B	32,703	38,714
(ii) Loans	6C	11,694	13,933
(iii) Other financial assets	6D	3,879	2,685
(i) Deferred tax assets (net)	16	9,093	4,926
(j) Income tax assets (net)	7	2,690	2,159
(k) Other non-current assets	8	857	1,335
Total Non- current assets		**189,725**	**231,683**
2) Current assets			
(a) Inventories	9	9,512	11,920
(b) Financial assets			
(i) Investments	6B	23,801	81,582
(ii) Trade receivables	10A	22,598	24,459
(iii) Cash and cash equivalents	10B	2,374	7,274
(iv) Bank balances other than (iii) above	10C	2,087	4,751
(v) Loans	6C	-	1,599
(vi) Other financial assets	6D	1,188	1,642
(c) Other current assets	11	5,980	5,698
Total current assets		**67,540**	**1,38,925**
TOTAL ASSETS		**257,265**	**370,608**
II EQUITY AND LIABILITIES			
1) Equity			
(a) Equity share capital	12	4,611	4,611
(b) Other equity	13	117,505	1,57,577
Total equity		**122,116**	**162,188**
2) Liabilities			
Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	14A	12,463	23,280
(ii) Lease liabilities	14E	6,415	-
(iii) Other financial liabilities	14C	424	1,116
(b) Contract liabilities	18	436	714
(c) Provisions	15	291	213
(d) Other non-current liabilities	17	1,089	1,208
Total non- current liabilities		**21,118**	**26,531**
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	14A	42,155	1,08,710
(ii) Lease liabilities	14E	3,058	-
(iii) Trade payable			
(a) Total outstanding due of micro enterprises and small enterprises	14B	208	129
(b) Total outstanding dues of creditors other than of micro enterprises and small enterprises	14B	20,065	22,776
(iv) Other financial liabilities	14C	37,330	40,075
(b) Contract liabilities	18	8,865	7,630
(c) Provisions	15	453	507
(d) Other current liabilities	19	1,897	2,062
Total current liabilities		**114,031**	**181,889**
Total liabilities		**135,149**	**208,420**
TOTAL EQUITY AND LIABILITIES		**257,265**	**370,608**
Summary of significant accounting policies	2		

* Refer Note 54

See accompanying notes to the revised standalone financial statements.
In terms of our revised report of even date attached

For **B S R and Associates**
Chartered Accountants
(Firm Registration Number: 128901W)

Rajesh Arora
Partner
Membership No. 076124

Place: Gurugram
Date: November 27, 2020

For and on behalf of the Board of Directors of **HT Media Limited**

Piyush Gupta
Group Chief Financial Officer

Dinesh Mittal
Group General Counsel & Company Secretary

Praveen Someshwar
Managing Director & Chief Executive Officer
(DIN: 01802656)

Shobhana Bhartia
Chairperson & Editorial Director
(DIN: 00020648)

Place: New Delhi
Date: November 27, 2020

REVISED STATEMENT OF PROFIT AND LOSS

for the year ended March 31, 2020

(₹ Lacs)

Particulars		Note No	Year ended March 31, 2020 (Revised*)	Year ended March 31, 2019
I	**Income**			
	a) Revenue from operations	20	122,551	1,30,673
	b) Other income	21	12,661	14,010
	Total Income		**135,212**	**144,683**
II	**Expenses**			
	a) Cost of materials consumed	22	28,638	37,647
	b) Changes in inventories of finished goods, stock-in -trade and work-in-progress	23	(175)	(24)
	c) Employee benefits expense	24	25,386	25,099
	d) Finance costs	25	10,345	9,844
	e) Depreciation and amortization expense	26	11,345	8,269
	f) Other expenses	27	58,657	69,838
	Total Expenses		**134,196**	**150,673**
III	**Profit/(Loss) before exceptional items and tax from operations(I-II)**		**1,016**	**(5,990)**
IV	**Exceptional items loss**	28	**(44,274)**	**(11,211)**
V	**Loss before tax (III+IV)**		**(43,258)**	**(17,201)**
VI	**Earnings before finance costs, tax, depreciation and amortization expense (EBITDA) and exceptional items [III+II(d)+II(e)]**		**22,706**	**12,123**
VII	**Tax expense**			
	Current tax	16	541	426
	[Adjustment of tax charge/(credit) tax related to earlier years of Nil {previous year ₹ 426 lacs}]			
	Deferred tax charge/(credit)	16	(4,531)	(3,733)
	[Adjustment of deferred charge/(credit) tax related to earlier years of ₹ 837 lacs {previous year ₹ (1,099) lacs}]			
	Total tax expense/(credit)		**(3,990)**	**(3,307)**
VIII	**Loss after tax for the year (V-VII)**		**(39,268)**	**(13,894)**
IX	**Other Comprehensive Income**	30		
	Items that will not to be reclassified subsequently to profit or loss			
	Change in fair value of investments		(103)	-
	Income tax effect		-	-
	Remeasurement of defined benefit plans		215	(45)
	Income tax effect		(75)	16
			37	**(29)**
	Items that will be reclassified subsequently to profit or loss			
	Cash flow hedging reserve		(4)	(137)
	Income tax effect		1	48
	Cost of hedging reserve		1,412	(1,372)
	Income tax effect		(494)	479
			915	**(982)**
	Other comprehensive income for the year, net of tax		**952**	**(1,011)**
X	**Total Comprehensive Income for the year, net of tax (VIII+IX)**		**(38,316)**	**(14,905)**
	Earnings/(Loss) per share	31		
	Basic & Diluted		(17.03)	(6.03)
	(Nominal value of share ₹ 2 each)			
	Summary of significant accounting policies	2		

* Refer Note 54

See accompanying notes to the revised standalone financial statements.
In terms of our revised report of even date attached

For **B S R and Associates**
Chartered Accountants
(Firm Registration Number: 128901W)

Rajesh Arora
Partner
Membership No. 076124

Place: Gurugram
Date: November 27, 2020

For and on behalf of the Board of Directors of **HT Media Limited**

Piyush Gupta
Group Chief Financial Officer

Dinesh Mittal
Group General Counsel & Company Secretary

Praveen Someshwar
Managing Director & Chief Executive Officer
(DIN: 01802656)

Shobhana Bhartia
Chairperson & Editorial Director
(DIN: 00020648)

Place: New Delhi
Date: November 27, 2020

REVISED STATEMENT OF CASH FLOW

for the year ended March 31, 2020

(₹ Lacs)

Particulars	March 31, 2020 (Revised*)	March 31, 2019
Cash flows from operating activities:		
Loss before tax:	(43,258)	(17,201)
Adjustments for:		
Depreciation and amortization expense	11,345	8,269
Profit on disposal of property, plant and equipment & intangibles (including Impairment) (Net)	(2)	(28)
Impairment of investment in subsidiaries (exceptional item)	25,357	7,911
Impairment of intangible assets (exceptional item)	16,061	-
Impairment of inter corporate deposits given to subsidiaries (exceptional item)	2,856	-
Fair value of investment through profit and loss (including loss on sale of investments)	1,215	4,695
Dividend income	(654)	(654)
Finance income from investment and other interest received	(7,038)	(7,976)
Interest income from deposits and others	(1,771)	(1,204)
Profit on sale of investment	(9)	(125)
Profit on sale of Investment Properties	(44)	(14)
Income from Government grants	(119)	(119)
Unclaimed balances/liabilities written back (net)	(834)	(75)
Interest cost on debts and borrowings	10,192	9,564
Share based payment expense	53	-
Unrealized foreign exchange loss/(gain)	2,291	(1,510)
Impairment of investment properties	1,305	4,384
Impairment for doubtful debts and advances (includes bad debts written off)	1,796	764
Cash flows from operating activities before changes in following assets and liabilities	**18,742**	**6,681**
Changes in operating assets and liabilities		
(Increase) in trade receivables	(1,007)	(4,293)
(Increase)/Decrease in inventories	2,408	(4,204)
Decrease in current and non-current financial assets and other current and non-current assets	1,789	1,423
Increase/(Decrease) in current and non-current financial liabilities and other current and non-current liabilities & provision	(14,464)	7,337
Cash generated from operations	**7,468**	**6,944**
Income taxes paid (net of refund)	(1,073)	(1,935)
Net cash from operating activities (A)	**6,395**	**5,009**
Cash flows from investing activities:		
Payment for purchase of property, plant and equipment & intangible assets	(803)	(1,392)
Proceeds from sale of property, plant and equipment & intangible assets	122	134
Purchase of investment properties	(3,497)	(5,814)
Proceeds from sale of investment properties	1,666	2,522
Purchase of investments	(61,717)	(20,997)
Proceeds from sale of investments	113,442	39,872
Purchase of investments in subsidiaries/fellow subsidiary	(29,175)	(36,994)
Proceeds from capital reduction in subsidiaries (refer note 50)	30,000	-
Inter corporate deposits given	(1,606)	(1,250)
Dividend received	654	654

REVISED STATEMENT OF CASH FLOW

for the year ended March 31, 2020

(₹ Lacs)

Particulars	March 31, 2020 (Revised*)	March 31, 2019
Finance income from investment and other interest received	18,892	5,518
Deposits (made)/ matured(net)	2,754	(4,720)
Net cash from/(used in) investing activities (B)	**70,732**	**(22,467)**
Cash flows from financing activities:		
Lease liabilities related (refer note 29)	(2,916)	-
Proceeds from borrowings	462,948	809,374
Repayment of borrowings	(531,584)	(783,008)
Interest paid	(10,398)	(9,705)
Dividend paid	(931)	(931)
Dividend distribution tax paid	(57)	(57)
Net cash flows (used in)/ from financing activities (C)	**(82,938)**	**15,673**
Net decrease in cash and cash equivalents (D= A+B+C)	**(5,811)**	**(1,785)**
Cash and cash equivalents at the beginning of the year (E)	**6,263**	**8,048**
Cash and cash equivalents at year end (D+E)	**452**	**6,263**

(₹ Lacs)

Particulars	March 31, 2020	March 31, 2019
Components of cash & cash equivalents as at end of the year		
Cash and cheques on hand	310	5,395
Balances with banks		
- on deposit accounts	1,824	888
- in current accounts	240	991
Total cash and cash equivalents	**2,374**	**7,274**
Less: Bank overdraft	1,922	1,011
Cash and cash equivalents as per Cash Flow Statement	**452**	**6,263**

* Refer Note 54

Refer Note 14A for debt reconciliation disclosure

See accompanying notes to the revised statement financial statements.
In terms of our revised report of even date attached

For **B S R and Associates**
Chartered Accountants
(Firm Registration Number: 128901W)

Rajesh Arora
Partner
Membership No. 076124

Place: Gurugram
Date: November 27, 2020

For and on behalf of the Board of Directors of **HT Media Limited**

Piyush Gupta
Group Chief Financial Officer

Dinesh Mittal
Group General Counsel & Company Secretary

Praveen Someshwar
Managing Director & Chief Executive Officer
(DIN: 01802656)

Shobhana Bhartia
Chairperson & Editorial Director
(DIN: 00020648)

Place: New Delhi
Date: November 27, 2020

REVISED STATEMENT OF CHANGES IN EQUITY

for the year ended March 31, 2020

A. Equity share capital (refer note 12)

Equity Shares of ₹ 2 each issued, subscribed and fully paid up

Particulars	Number of shares	Amount (₹ lacs)
Balance as at April 1, 2018	230,570,024	4,611
Changes in share capital during the year	-	-
Balance as at March 31, 2019	230,570,024	4,611
Changes in share capital during the year	-	-
Balance as at March 31, 2020	230,570,024	4,611

B. Other equity attributable to equity holders (refer note 13)

(₹ Lacs)

Particulars	Reserves & Surplus						OCI			Total
	Capital reserve	Capital redemption reserve	Securities premium	General Reserve	Share based payments reserve	Retained earnings	FVTOCI	Cash flow Hedging Reserve* (refer note 38)	Cost of Hedging Reserve (refer note 38)	
Balance as at April 1, 2018	**5,391**	**2,045**	**31,090**	**7,145**	**-**	**133,283**	**(5,493)**	**-**	**-**	**173,461**
Loss for the year	-	-	-	-	-	(13,894)	-	-	-	(13,894)
Amount reclassified to retained earnings (note 6A & 13)	-	-	-	-	-	(5,493)	5,493	-	-	-
Other comprehensive income	-	-	-	-	-	(29)	-	(89)	(893)	(1,011)
Dividend paid	-	-	-	-	-	(931)	-	-	-	(931)
Dividend distribution tax	-	-	-	-	-	(57)	-	-	-	(57)
Adjustment of accumulated surplus of HT Media Employee Welfare Trust (refer note 44)	-	-	-	-	-	9	-	-	-	9
Balance as at March 31, 2019	**5,391**	**2,045**	**31,090**	**7,145**	**-**	**112,888**	**-**	**(89)**	**(893)**	**157,577**
Adjustments relating to previous years (refer note 54)	-	-	-	-	-	(956)	-	-	-	(956)
Loss for the year	-	-	-	-	-	(39,268)	-	-	-	(39,268)

REVISED STATEMENT OF CHANGES IN EQUITY

for the year ended March 31, 2020

Other Equity attributable to equity holders (refer note 13) (contd..)

(₹ Lacs)

Particulars	Reserves & Surplus						OCI			Total
	Capital reserve	Capital redemption reserve	Securities premium	General Reserve	Share based payments reserve	Retained earnings	FVTOCI	Cash flow Hedging Reserve* (refer note 38)	Cost of Hedging Reserve (refer note 38)	
Other comprehensive income	-	-	-	-	-	140	(103)	(3)	918	952
Dividend paid	-	-	-	-	-	(931)	-	-	-	(931)
Dividend distribution tax	-	-	-	-	-	(57)	-	-	-	(57)
Shared based expenses	-	-	-	-	53	-	-	-	-	53
Adjustment of accumulated surplus of HT Media Employee Welfare Trust (refer note 44)	-	-	126	-	-	9	-	-	-	135
Balance as at March 31, 2020	**5,391**	**2,045**	**31,216**	**7,145**	**53**	**71,825**	**(103)**	**(92)**	**25**	**117,505**

* The effective portion of gains and loss on hedging instruments in a cash flow hedge

See accompanying notes to the revised standalone financial statements.
In terms of our revised report of even date attached

For **B S R and Associates**
Chartered Accountants
(Firm Registration Number: 128901W)

Rajesh Arora
Partner
Membership No. 076124

Place: Gurugram
Date: November 27, 2020

For and on behalf of the Board of Directors of **HT Media Limited**

Piyush Gupta
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(DIN: 01802656)

Shobhana Bhartia
Chairperson & Editorial Director
(DIN: 00020648)

Place: New Delhi
Date: November 27, 2020

NOTES TO REVISED STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2020

1. Corporate information

HT Media Limited ("HTML" or "the Company") is a public company domiciled in India and incorporated under the provisions of the Companies Act, 1956. Its shares are listed on the National stock exchange (NSE) and Bombay stock exchange (BSE).

The Company publishes 'Hindustan Times', an English daily, and 'Mint', a Business paper daily except on Sunday' and undertakes commercial printing jobs. The Company is also engaged into the business of providing entertainment, radio broadcast and all other related activities through its Radio Stations operating under brand name 'Fever 104', 'Fever' and 'Radio Nasha'. The digital business of the Company comprises of various online platforms such as 'shine.com', etc. The registered office of the Company is located at 18-20, K.G. Marg, New Delhi-110001.

The Company derives revenue primarily from the sale of the above mentioned publications, advertisements published therein, by undertaking printing jobs and airtime advertisements aired at the aforesaid radio stations. Digital business contributes to the Company's revenue, by way of display of advertisements on these websites and related services.

The Company has revised its financial statements for the year ended March 31, 2020 which were approved by the Board of Directors on June 26, 2020 (Refer Note 54). The revised financial statements of the Company for the year ended March 31, 2020 are authorised for issue in accordance with a resolution of the Board of Directors on November 27, 2020.

2. Significant accounting policies followed by company

2.1 Basis of preparation

The standalone financial statements of the Company have been prepared in accordance with the Indian Accounting Standards ('Ind-AS') specified in the Companies (Indian Accounting Standards) Rules, 2015 (as amended) under Section 133 of the Companies Act 2013 (the "accounting principles generally accepted in India").

The accounting policies are applied consistently to all the periods presented in the financial statements.

The standalone financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value:

- Derivative financial instruments.
- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments).
- Defined benefit plans - plan assets measured at fair value.

The standalone financial statements are presented in Indian Rupees (₹), which is also the Company's functional currency. All amounts disclosed in the financial statements and notes have been rounded off to the nearest lacs as per the requirement of Schedule III, unless otherwise stated.

2.2 Summary of significant accounting policies

a) Foreign currencies

Transactions in foreign currencies are initially recorded by the Company at their respective functional currency spot rates at the date the transaction first qualifies for recognition. However, for practical reasons, the Company uses an average rate if the average approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on the settlement of monetary items or on restatement of the Company's monetary items at rates different from those at which they were initially recorded during the period, or reported in previous financial statements, are recognized as income or as expenses in the period in which they arise. They are deferred in equity if they relate to qualifying cash flow hedges.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

Exchange differences pertaining to long term foreign currency loans obtained or re-financed on or before March 31, 2015:

NOTES TO REVISED STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2020

- Exchange differences on long-term foreign currency monetary items relating to acquisition of depreciable assets are adjusted to the carrying cost of the assets and depreciated over the balance life of the assets in accordance with option available under Ind-AS 101 (first time adoption).

Exchange differences pertaining to long term foreign currency loans obtained or re-financed on or after April 1, 2015:

- The exchange differences pertaining to long term foreign currency loans obtained or re-financed on or after April 1, 2015 is charged off or credited to the statement of profit & loss account under Ind-AS.

b) Fair value measurement

The Company measures financial instruments, such as, derivatives and certain investments at fair value at each reporting/ balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly'
- Level 3 — Valuation techniques for which inputs are unobservable inputs for the asset or liability

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

This Note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes :

- Disclosures for valuation methods, significant estimates and assumptions (Note 39)
- Quantitative disclosures of fair value measurement hierarchy (Note 39)
- Investments at Fair Value through profit and loss (Note 6B)
- Investment properties (Note 4)
- Financial instruments (including those carried at amortised cost) (Note 6D)

c) Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured based on the transaction price, which is the consideration, adjusted for allowances, trade discounts, volume rebates, if any, as specified in the contract with the customer. Revenue excludes taxes collected from customers. The Company has concluded that it is the principal in all of its revenue arrangements since it is the primary obligor in all the revenue arrangements as it has pricing latitude and is also exposed to inventory and credit risks.

Goods and Service Tax (GST) is not received by the Company on its own account. Rather, it is tax collected on behalf of the government. Accordingly, it is excluded from revenue.

Contract asset represents the Company's right to consideration in exchange for services that the Company has transferred to a customer when that right is conditioned on something other than the passage of time.

When there is unconditional right to receive cash, and only passage of time is required to do invoicing, the same is presented as Unbilled receivable.

A contract liability is recognised if a payment is received or a payment is due (whichever is earlier) from a customer before the Company transfers the related goods or services. Contract liabilities are recognised as revenue when the Company performs under the contract (i.e., transfers control of the related goods or services to the customer).

The specific recognition criteria described below must also be met before revenue is recognised:

Advertisements

Revenue is recognized as and when advertisement is published/ displayed and when it is "probable" that the Company will collect the consideration it is entitled to in exchange for the services it transfers to the customer.

Revenue from advertisement is measured based on the transaction price, which is the consideration, adjusted for allowances, trade discounts and volume rebates.

Sale of Newspaper & Publications, Waste Paper and Scrap

Revenue from the sale of goods is recognised when the control is transferred to the buyer, usually on delivery of the goods. Revenue from the sale of goods is measured based on the transaction price, which is the consideration, adjusted for returns, allowances, trade discounts and volume rebates.

For contracts with a significant financing component, an entity adjusts the promised consideration to reflect the time value of money.

Management also extends a right to return to its customers which it believes is a form of variable consideration. Revenue recognition is limited to amounts for which it is "highly probable" a significant reversal will not occur (i.e. it is highly probable the goods will not be returned). A refund liability is established for the expected amount of refunds and credits to be issued to customers.

Printing Job Work

Revenue from printing job work is recognised by reference to stage of completion of job work as per terms of agreement. Revenue from job work is measured based on the transaction price, which is the consideration, adjusted for allowances, trade discounts and volume rebates, if any.

Airtime Revenue

Revenue from radio broadcasting categorised in Free Commercial Time (FCT) and Pure Money is recognized on the airing of client's commercials. Revenue from radio broadcasting is measured based on the transaction price, which is the consideration, adjusted for allowances, trade discounts and volume rebates, if any.

Revenue from online advertising

Revenue from digital platforms by display of internet advertisements are typically contracted for a period ranging between zero to twelve months. Revenue from online advertising is measured based on the transaction price, which is the consideration, adjusted for allowances, trade discounts and volume rebates.

Revenue in this respect is recognized as and when advertisement is displayed. Unearned revenues are reported on the balance sheet as deferred revenue/ contract liability.

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Revenue from subscription of packages of placement of job postings on 'shine.com' is recognized at the time the job postings are displayed based upon customer usage patterns, or upon expiry of the subscription package whichever is earlier and is measured based on the transaction price, which is the consideration, adjusted for allowances, trade discounts and volume rebates, if any.

Revenue from Job Fair and Resume Services

Revenue from Job Fair and Resume services is recognised upon completion terms of the contract with customers and is measured based on the transaction price, which is the consideration, adjusted for allowances, trade discounts and volume rebates, if any.

Interest income

For all debt instruments measured either at amortised cost, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in other income in the statement of profit and loss.

Dividends

Revenue is recognised when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

d) Government grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

When the Company receives grants for purchase of property, plant and equipment, the asset and the grant are recorded at fair value amounts and released to statement of profit and loss over the expected useful life of the asset.

e) Taxes

Current income tax

Tax expense is the aggregate amount included in the determination of profit or loss for the period in respect of current tax and deferred tax.

Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961.

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Appendix C to Ind AS 12, Income Taxes dealing with accounting for uncertainty over income tax treatments is applicable from accounting periods beginning on or after April 1, 2019. It does not have any material impact on financial statements of the Company.

Deferred tax

Deferred tax is provided considering temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date

Deferred tax liabilities are recognised for all taxable temporary differences.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible

temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

MAT Credits are in the form of unused tax credits that are carried forward by the company for a specified period of time. Accordingly, MAT Credit Entitlement are grouped with Deferred Tax Asset in the Balance Sheet. The company reviews at each balance sheet date the reasonable certainty to recover deferred tax asset including MAT Credit Entitlement.

GST/ value added taxes paid on acquisition of assets or on incurring expenses

Expenses and assets are recognised net of the amount of GST/ value added taxes paid, except:

- When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable
- When receivables and payables are stated with the amount of tax included

The net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

f) Property, plant and equipment

The Company has applied for one time transition option of considering the carrying cost of Property, Plant & Equipment, Investment properties and Intangible assets on the transition date i.e. April 1, 2015 as the deemed cost under Ind-AS.

Construction in progress is stated at cost, net of accumulated impairment losses, if any. Plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met.

Cost comprises the purchase price, borrowing costs if capitalization criteria are met and any directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Recognition:

The cost of an item of property, plant and equipment shall be recognised as an asset if, and only if:

(a) it is probable that future economic benefits associated with the item will flow to the entity; and

(b) the cost of the item can be measured reliably.

All other expenses on existing assets, including day- to- day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

When significant parts of plant and equipment are required to be replaced at intervals, the Company

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depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Value for individual assets acquired from 'The Hindustan Times Limited' (the holding company) in an earlier year is allocated based on the valuation carried out by independent expert at the time of acquisition. Other assets are stated at cost less accumulated depreciation and accumulated impairment losses, if any.

The Company identifies and determines cost of asset significant to the total cost of the asset having useful life that is materially different from that of the remaining life.

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets as follows:

Type of asset	Useful lives estimated by management (Years)
Factory buildings	5 to 30
Buildings (other than factory buildings)	3 to 60
Plant & machinery	2 to 21
IT equipments	1 to 6
Office equipments	1 to 5
Furniture and fittings	2 to 10
Vehicles	8

The Company, based on technical assessment made by the management depreciates certain assets over estimated useful lives which are different from the useful life prescribed in Schedule ll to the Companies Act, 2013. The management has estimated, supported by technical assessment, the useful lives of certain plant and machinery as 16 to 21.1 years. These useful lives are higher than those indicated in Schedule II. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

Property, Plant and Equipment which are added/disposed off during the year, depreciation is provided on pro-rata basis with reference to the month of addition/deletion.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised.

Subsequent expenditure can be capitalised only if it is probable that future economic benefits associated with the expenditure will flow to the company.

Expenditure directly attributable to construction activity is capitalized. Other indirect costs incurred during the construction periods which are not directly attributable to construction activity are charged to Statement of Profit and Loss. Reinvested income earned during the construction period is adjusted against the total of indirect expenditure.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

g) Investment properties

Investment properties are properties (land and buildings) that are held for long-term rental yields and/or for capital appreciation. Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

The Company depreciates building component of investment property over 30 years from the date property is ready for possession.

Though the Company measures investment property using cost based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined based on an annual evaluation performed by an accredited external independent valuer.

On transition to Ind-AS, the Company has elected to continue with the carrying value of all of its Investment properties recognised as at April 1, 2015 measured as per the Indian GAAP and use that carrying value as the deemed cost of the Investment Properties.

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of de-recognition.

h) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

Value for individual software license acquired from the holding company in an earlier year is allocated based on the valuation carried out by an independent expert at the time of acquisition.

On transition to Ind-AS, the Company has elected to continue with the carrying value of all of its Intangible assets recognised as at April 1, 2015 measured as per the Indian GAAP and use that carrying value as the deemed cost of the Intangible assets.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

An intangible asset is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss.

Intangible assets with finite lives are amortized on straight line basis using the estimated useful life as follows:

Intangible assets	Useful lives (years)
Website development	3 – 6
Software licenses	1 – 6
License fees (One time entry fee)	15

i) Borrowing costs

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs, if any, directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized, if any. All other borrowing costs are expensed in the period in which they occur.

j) Leases

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

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Company as a lessee

The Company recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Company is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. The Company recognises the amount of the re-measurement of lease liability due to modification as an adjustment to the right-of-use asset and statement of profit and loss depending upon the nature of modification. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognises any remaining amount of the re-measurement in statement of profit and loss.

The Company has elected not to apply the requirements of Ind AS 116 to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognised as an expense on a straight-line basis over the lease term.

As a practical expedient a lessee (the company) has elected, by class of underlying asset, not to separate lease components from any associated non-lease components. A lessee (the company) accounts for the lease component and the associated non-lease components as a single lease component.

Company as a lessor

At the inception of the lease the Company classifies each of its leases as either an operating lease or a finance lease. The Company recognises lease payments received under operating leases as income on a straight- line basis over the lease term. In case of a finance lease, finance income is recognised over the lease term based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the lease.

Transition to Ind AS 116

Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has notified Ind AS 116 Leases which replaces the existing lease standard, Ind AS 17 leases and other interpretations. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. It introduces a single, on-balance sheet lease accounting model for lessees.

The Company has adopted Ind AS 116, effective annual reporting period beginning April 1, 2019 and applied the standard to its leases, retrospectively, with the cumulative effect of initially applying the Standard, recognised on the date of initial application (April 1, 2019). Accordingly, the

Company has not restated comparative information. As on April 1, 2019, the Company has recognized a right of use asset at an amount equivalent to the lease liability and consequently there is no adjustment to the opening balance of retained earnings as on April 1, 2019. On application of Ind AS 116, the nature of expenses has changed from lease rent in previous periods to depreciation cost for the right-to-use asset, and finance cost for interest accrued on lease liability.

Identification of lease:

- The Company has reassessed whether a contract is, or contains, a lease at the date of initial application.

Leases previously classified as operating leases

- The Company has recognised a lease liability at the date of initial application for leases previously classified as an operating lease applying Ind AS 17 (other than those which does not satisfy the lease definition criteria under Ind AS 116). The Company has measured lease liability at the present value of the remaining lease payments, discounted using the Company's incremental borrowing rate at the date of initial application.

- The Company has recognised a right-of-use asset at the date of initial application for leases previously classified as an operating lease applying Ind AS 17 (other than those which does not satisfy the lease definition criteria under Ind AS 116). The Company has opted to measure right-of-use asset at an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in the balance sheet immediately before the date of initial application.

- The Company has relied on its assessment of whether leases are onerous applying Ind AS 37, Provisions, Contingent Liabilities and Contingent Assets, immediately before the date of initial application as an alternative to performing an impairment review.

- The Company has opted not to apply the above transition requirements to leases for which the lease term ends within 12 months of the date of initial application.

Leases previously classified as finance leases:

- For leases that were classified as finance leases applying Ind AS 17, the carrying amount of the right-of-use asset and the lease liability at the date of initial application is the carrying amount of the lease asset and lease liability immediately before that date measured applying Ind AS 17.

Impact on transition as on April 1, 2019:

	₹ In lacs
Right-of-use assets – property, plant and equipment	8,447
Lease liabilities	8,447
Retained earnings	-
Operating lease commitments at March 31, 2019 as disclosed under Ind AS 17 in the Company's financial statements	11,045
Discounted using the incremental borrowing rate at April 1, 2019 **(A)**	8,447
Lease liabilities recognised at April 1, 2019 **(B)**	8,447
Difference **(A)- (B)**	-

The weighted average incremental borrowing rate of 8% has been applied to lease liabilities recognized in the balance sheet at the date of initial application.

Refer note 2(k) – Significant accounting policies – Leases in the Annual report of the Company for the year ended March 31, 2019, for the policy as per Ind AS 17.

k) Inventories

Inventories are valued as follows :

Raw materials, stores and spares	Lower of cost and net realizable value. However, material and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost is determined on a weighted average basis.
Work- in-progress and finished goods	Lower of cost and net realizable value. Cost includes direct materials and a proportion of manufacturing overheads based on normal operating capacity. Cost is determined on a weighted average basis.
Scrap and waste papers	At net realizable value

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Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

l) Impairment of non-financial assets

For assets with definite useful life, the company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded Company's or other available fair value indicators.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the entity operates, or for the market in which the asset is used.

Impairment losses of continuing operations, including impairment on inventories, are recognised in the statement of profit and loss.

An assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

Intangible assets with indefinite useful lives are tested for impairment annually at the CGU level, as appropriate, and when circumstances indicate that the carrying value may be impaired.

m) Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

n) Employee benefits

Short term employee benefits and defined contribution plans:

All employee benefits payable/available within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages and bonus etc. are recognised in the statement of profit and loss in the period in which the employee renders the related service.

Employee benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

Gratuity

Gratuity is a defined benefit scheme. The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognised in profit or loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Company recognises related restructuring cost

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset.

The Company recognises the following changes in the net defined benefit obligation as an expense in the Statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

Termination benefits

Termination benefits are payable when employment is terminated by the company before the normal retirement date. The Company recognises termination benefits at the earlier of the following dates: (a) when the company can no longer withdraw the offer of those benefits; and (b) when the Company recognises costs for a restructuring that is within the scope of Ind AS 37 and involves the payment of terminations benefits. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value.

Compensated Absences

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

Re-measurements, comprising of actuarial gains and losses, are immediately taken to the statement of profit and loss and are not deferred. The Company presents the leave as a current liability in the balance sheet to the extent it does not have an unconditional right to defer its settlement for 12 months after the reporting date. Where Company has the unconditional legal and contractual right to defer the settlement for a period beyond 12 months, the same is presented as non- current liability.

o) Share-based payments

Employees (including senior executives) of the Company receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions).

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Equity-settled transactions

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model. The Company has availed option under Ind-AS 101, to apply intrinsic value method to the options already vested before the date of transition and applied Ind-AS 102 Share-based payment to equity instruments that remain unvested as of transition date.

That cost is recognised, together with a corresponding increase in share-based payment (SBP) reserves in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest. The statement of profit and loss expense or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Company's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions.

No expense is recognised for awards that do not ultimately vest because non-market performance and/or service conditions have not been met. Where awards include a market or non-vesting condition, the transactions are treated as vested irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied

When the terms of an equity-settled award are modified, the minimum expense recognised is the expense had the terms had not been modified, if the original terms of the award are met. An additional expense is recognised for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee as measured at the date of modification. Where an award is cancelled by the entity or by the counterparty, any remaining element of the fair value of the award is expensed immediately through profit or loss.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

p) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement

All financial assets (other than trade receivable which is recognised at transaction price as per Ind AS 115) are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Debt instruments at amortised cost
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables. For more information on receivables, refer to Note 10A.

Debt instruments at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a debt instrument which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss as "Finance income from debt instruments at FVTPL" under the head "Other Income".

Equity investments

All equity investments in scope of Ind-AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind-AS 103 applies are Ind-AS classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on Initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

De-recognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

NOTES TO REVISED STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2020

Impairment of financial assets

In accordance with Ind-AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance

b) Lease receivables under Ind-AS 116

c) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind-AS 115 (referred to as 'contractual revenue receivables' in these financial statements).

The Company follows 'simplified approach' for recognition of impairment loss allowance on:

- Trade receivables or contract revenue receivables; and
- All lease receivables resulting from transactions within the scope of Ind-AS 116

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

As a practical expedient, the Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss (P&L). This amount is reflected under the head 'other expenses' in the P&L. The balance sheet presentation for various financial instruments is described below:

- Financial assets measured as at amortised cost, contractual revenue receivables and lease receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

The Company does not have any purchased or originated credit-impaired (POCI) financial assets, i.e., financial assets which are credit impaired on purchase/ origination.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and derivative financial instruments.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities designated upon initial recognition as at fair value through profit or loss. This category includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind-AS 109.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind-AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to Statement of Profit and Loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss..

This category generally applies to borrowings. For more information refer Note 14A.

De-recognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Embedded derivatives

An embedded derivative is a component of a hybrid (combined) instrument that also includes a non-derivative host contract - with the effect that some of the cash flows of the combined instrument vary in a way similar to a stand-alone derivative. An embedded derivative causes some or all of the cash flows that otherwise would be required by the contract to be modified according to a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable, provided in the case of a non-financial variable that the variable is not specific to a party to the contract. Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the fair value through profit or loss.

If the hybrid contract contains a host that is a financial asset within the scope of Ind-AS 109, the Company does not separate embedded derivatives. Rather, it applies the classification requirements contained in Ind-AS 109 to the entire hybrid contract. Derivatives embedded in all other host contracts are accounted for as separate derivatives and recorded at fair value if their economic characteristics and risks are not closely related to those of the host contracts and the host contracts are not held for trading or designated at fair value though profit or loss. These embedded derivatives are measured at fair value with changes in fair value recognised in profit or loss, unless designated as effective hedging instruments.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

NOTES TO REVISED STANDALONE FINANCIAL STATEMENTS

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q) Derivative financial Instruments and hedge accounting

Derivative accounting

Initial recognition and subsequent measurement

The Company uses derivative financial instruments, such as forward currency contracts. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss.

Hedge Accounting

Initial recognition and subsequent measurement

The Company designates (Cash Flow Hedge):

- Intrinsic Value of Call Spread option to hedge foreign currency risk for repayment of Principal Amount in relation to FCNR Loan availed in Euro.
- Interest Rate Swap (Floating to Fixed) to hedge interest rate risk in respect of Floating rate of interest in relation to FCNR Loan.

The Company documents at the inception of the hedging transaction the economic relationship between hedging instruments and hedged items including whether the hedging instrument is expected to offset changes in cash flows of hedged items. The Company documents its risk management objective and strategy for undertaking various hedge transactions at the inception of each hedge relationship.

Cash flow hedges that qualify for hedge accounting

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in the other comprehensive income in cash flow hedging reserve within equity, limited to the cumulative change in fair value of the hedged item on a present value basis from the inception of the hedge. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss, within other income or expense.

When option contracts are used to hedge foreign currency risk, the Company designates only the intrinsic value of the option contract as the hedging instrument.

Gains or losses relating to the effective portion of the change in intrinsic value of the option contracts are recognised in the cash flow hedging reserve within equity. The changes in the time value of the option contracts that relate to the hedged item ('aligned time value') are recognised within other comprehensive income in the costs of hedging reserve within equity.

Amounts accumulated in equity are reclassified to profit or loss in the periods when the hedged item affects profit or loss. The time value of an option used to hedge represents part of the cost of the transaction.

When a hedging instrument expires, or is sold or terminated, or when a hedge no longer meets the criteria for hedge accounting, any cumulative deferred gain or loss and deferred costs of hedging in equity at that time remains in equity until the forecast transaction occurs. When the forecast transaction is no longer expected to occur, the cumulative gain or loss and deferred costs of hedging that were reported in equity are immediately reclassified to profit or loss within other income or expense.

r) Cash dividend and non- cash distribution to equity holders of the parent

The Company recognises a liability to make cash or non-cash distributions to equity holders of the parent when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

Non-cash distributions are measured at the fair value of the assets to be distributed with fair value re-measurement recognised directly in equity.

Upon distribution of non-cash assets, any difference between the carrying amount of the liability and the carrying amount of the assets distributed is recognised in the statement of profit and loss.

s) Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

t) Measurement of EBITDA

The Company has elected to present earnings before finance costs, tax, depreciation and amortization (EBITDA) as a separate line item on the face of the statement of profit and loss. The Company measures EBITDA on the face of profit/ (loss) from continuing operations. In the measurement, the Company does not include depreciation and amortization expense, finance costs and tax expense.

u) Investments in subsidiaries

An investor, regardless of the nature of its involvement with an entity (the investee), shall determine whether it is a parent by assessing whether it controls the investee.

An investor controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

Thus, an investor controls an investee if and only if the investor has all the following:

(a) power over the investee;

(b) exposure, or rights, to variable returns from its involvement with the investee and

(c) the ability to use its power over the investee to affect the amount of the investor's returns.

The Company has elected to recognize its investments in subsidiary companies at cost in accordance with the option available in Ind-AS 27, 'Separate Financial Statements'. Except where investments accounted for at cost shall be accounted for in accordance with Ind-AS 105, Non-current Assets Held for Sale and Discontinued Operations, when they are classified as held for sale.

Investment carried at cost will be tested for impairment as per Ind-AS 36.

v) Earnings per Share

Basic earnings per share

Basic earnings per share are calculated by dividing:

- the profit attributable to owners of the Company
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares.

Diluted earnings per share

Diluted earnings per share adjust the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

2.3. Significant accounting judgements, estimates and assumptions

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

The areas involving critical estimates are as below:

Defined benefit plans

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary

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for the year ended March 31, 2020

increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

The mortality rate is based on publicly available mortality tables for the specific countries. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates for the respective countries.

Further details about gratuity obligations are given in Note 33.

Property, Plant and Equipment

The Company, based on technical assessment management estimate, depreciates certain assets over estimated useful lives which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management has estimated, supported by technical assessment, the useful lives of certain plant and machinery as 16 to 21 years. These useful lives are higher than those indicated in schedule II. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

The areas involving critical Judgement are as below:

Contingent Liability and commitments

The Company is involved in various litigations. The management of the Company has used its judgement while determining the litigations outcome of which are considered probable and in respect of which provision needs to be created.

Taxes

Uncertainties exist with respect to the interpretation of complex tax regulations, changes in tax laws, and the amount and timing of future taxable income. Given the wide range of business relationships and the long-term nature and complexity of existing contractual agreements, differences arising between the actual results and the assumptions made, or future changes to such assumptions, could necessitate future adjustments to tax income and expense already recorded. The Company establishes provisions, based on reasonable estimates. The amount of such provisions is based on various factors, such as experience of previous tax assessments and differing interpretations of tax regulations by the taxable entity and the responsible tax authority. Such differences of interpretation may arise on a wide variety of issues depending on the conditions prevailing in the respective domicile of the Companies.

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that sufficient taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. See Note 39 for further disclosures.

Impairment of financial assets

The impairment provisions for financial assets are based on assumptions about risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

Impairment of non- financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable

amount. An asset's recoverable amount is the higher of an asset's or CGU's fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent markets transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded subsidiaries or other available fair value indicators.

Share Based Payment

The Company measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them. The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in Note 34.

Volume discounts and pricing incentives

The company accounts for volume discounts and pricing incentives to customers as a reduction of revenue based on the rateable allocation of the discounts/ incentives amount to each of the underlying revenue transaction that results in progress by the customer towards earning the discount/ incentive. Also, when the level of discount varies with increases in levels of revenue transactions, the company recognizes the liability based on its estimate of the customer's future purchases. If it is probable that the criteria for the discount will not be met, or if the amount thereof cannot be estimated reliably, then discount is not recognized until the payment is probable and the amount can be estimated reliably. The company recognizes changes in the estimated amount of obligations for discounts in the period in which the change occurs.

Determining the lease term of contracts with renewal and termination options – as lessee

The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Company applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Company reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate.

The periods covered by termination options are included as part of the lease term only when they are reasonably certain not to be exercised.

For further details about leases, refer to accounting policy on leases and Note 29.

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for the year ended March 31, 2020

Note 3 : Property, Plant and Equipment and Capital Work-in-Progress

(₹ Lacs)

Particulars	Leasehold Land (refer note 29)	Buildings	Improvement to Leasehold Premises (refer note ii)	Plant and Machinery (refer Note ii & iv)	Office Equipment	Furniture and Fixtures	Vehicles	Total
Cost								
As at April 1, 2018	**1,426**	**6,327**	**3,855**	**40,490**	**1,345**	**1,243**	**461**	**55,147**
Additions	-	307	49	742	89	23	-	1,210
Less : Disposals/ adjustments	-	-	144	1,282	55	25	-	1,506
Exchange differences [capitalized/ (de-capitalized)]	-	-	(5)	(21)	-	-	-	(26)
As at March 31, 2019	**1,426**	**6,634**	**3,755**	**39,929**	**1,379**	**1,241**	**461**	**54,825**
Additions	-	-	106	616	55	52	-	829
Less : Reclassification to right - of - use assets	1,426	-	-	-	-	-	-	1,426
Less : Disposals/ adjustments	-	-	85	2,569	57	22	-	2,733
Exchange differences [capitalized/ (de-capitalized)]	-	-	(9)	(33)	-	-	-	(42)
As at March 31, 2020	**-**	**6,634**	**3,767**	**37,943**	**1,377**	**1,271**	**461**	**51,453**
Accumulated depreciation/ Impairment								
As at April 1, 2018	**89**	**825**	**1,435**	**14,343**	**705**	**450**	**161**	**18,008**
Depreciation charge for the year	30	276	408	3,047	204	104	64	4,133
Less: Disposals	-	-	144	1,120	52	24	-	1,340
Impairment charge / (reversal) (refer note iv below)	-	-	-	(59)	-	-	-	(59)
As at March 31, 2019	**119**	**1,101**	**1,699**	**16,211**	**857**	**530**	**225**	**20,742**
Depreciation charge for the year	-	278	370	2,968	194	106	61	3,976
Less : Reclassification to right - of - use assets	119	-	-	-	-	-	-	119
Less: Disposals	-	-	83	2,060	53	20	-	2,215
Impairment charge / (reversal) (refer note iv below)	-	-	-	(359)	-	-	-	(359)
As at March 31, 2020	**-**	**1,379**	**1,986**	**16,760**	**998**	**616**	**286**	**22,025**
Net Block								
As at March 31, 2020	**-**	**5,255**	**1,781**	**21,183**	**379**	**655**	**175**	**29,428**
As at March 31, 2019	**1,307**	**5,533**	**2,056**	**23,718**	**522**	**711**	**236**	**34,083**

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for the year ended March 31, 2020

Note 3 : Property, Plant and Equipment and Capital Work-in-Progress (Contd..)

i. Asset under construction

Capital work in progress as at March 31, 2020 and as at March 31, 2019 comprises expenditure incurred mainly for the building in the course of construction.

(₹ Lacs)

Net Book Value	March 31, 2020	March 31, 2019
Property, plant and equipment	29,428	34,083
Capital work-in-progress	2,941	2,937
Total	**32,369**	**37,020**

The Company accounts for capitalization of property, plant and equipment to the extent applicable through capital work in progress and therefore the movement in capital work-in-progress is the difference between closing and opening balance of capital work-in-progress as adjusted in additions to property, plant and equipment.

ii. Certain assets under joint ownership with others are:

(₹ Lacs)

Particulars	March 31, 2020		March 31, 2019	
	Leasehold Improvement	Plant & machinery	Leasehold Improvement	Plant & machinery
Cost	431	313	431	313
Less : Accumulated depreciation	245	91	219	60
Net block	**186**	**222**	**212**	**253**

These assets are towards Company's proportionate share for right to use in the Common Infrastructure for channel transmission built on land owned by Prasar Bharti and used by all the broadcasters at respective stations as per the terms of bid document on FM Radio Broadcasting .

iii. Refer note 14A for charge created on property, plant & equipment as security against borrowings.

iv. Additional information for which impairment loss/reversal of impairment has been recognized are as under:

1) Nature of asset :Plant and Machinery

2) Amount of Impairment : 64 lacs (previous year: Nil)

3) Amount of Impairment Reversal: ₹ 423 lacs(previous year: ₹ 59 lacs)

4) Reason of Reversal Impairment : Sale of asset

v. Details of assets given under operating lease are as under :

Plant & Machinery

(₹ Lacs)

Net Book Value	March 31, 2020	March 31, 2019
Gross block (a)	1,896	1,748
Depreciation charge for the year	79	62
Accumulated depreciation (b)	1,500	1,381
Net block (a) -(b)	**396**	**367**

NOTES TO REVISED STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2020

Note 4 : Investment Property

(₹ Lacs)

Particulars	Amount
Cost	
As at April 1, 2018	**45,043**
Additions	5,813
Less : Disposals	2,671
As at March 31, 2019	**48,185**
Additions	3,497
Less : Disposals	1,745
As at March 31, 2020	**49,937**
Accumulated depreciation and impairment	
As at April 1, 2018	**1,104**
Depreciation (refer note 26)	339
Impairment (refer note I below)	4,384
Less : Disposals	163
As at March 31, 2019	**5,664**
Depreciation (refer note 26)	341
Impairment (refer note I below)	1,305
Less : Disposals	123
As at March 31, 2020	**7,187**
Net Block	
As at March 31, 2020	**42,750**
As at March 31, 2019	**42,521**

Information regarding income and expenditure of investment property (excluding profit/ (loss) on sale of investment and impairment of properties)

(₹ Lacs)

Particulars	31-Mar-20	31-Mar-19
Rental income derived from investment properties	87	88
Direct operating expenses (including repairs and maintenance) generating rental income	8	7
Direct operating expenses (including repairs and maintenance) that did not generate rental income	35	37
Profit arising from investment properties before depreciation and indirect expenses	**44**	**44**

NOTES TO REVISED STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2020

Note 4 : Investment Property (Contd..)

Note I : Additional information for which impairment loss has been recognized are as under:

1) Nature of asset: Investment property

2) Amount of impairment: 1,305 lacs (previous year: 4,384 lacs)

3) Reason for impairment: Fair value being recoverable amount was determined for disclosure requirement. The same was compared with the carrying amount to assess impairment.

The management has determined that the investment properties consist of two classes of assets residential and commercial based on the nature, characteristics and risks of each property.

As at March 31, 2020 and March 31, 2019, the fair values of the properties are ₹ 47,380 lacs and ₹ 47,076 lacs respectively. These valuations are based on valuations performed by accredited independent valuers who is specialist in valuing these types of investment properties. A valuation model in accordance with Ind AS 113 has been applied.

The company has no restrictions on the realisability of its investment properties. The fair values of the fully constructed investment properties held by the Company in Lavasa Corporation Limited are not reliably measurable on a continuing basis. The market for comparable properties is inactive and alternative reliable measurements of fair value are not available.

During the previous year also the company had no restrictions on the realisability of its investment properties except for the Investment properties amounting to ₹ 4,016 lacs purchased from Lavasa Corporation Ltd. The fair values of investment properties held by the Company in various properties of Lavasa Corporation Limited had not been considered since the National Company Law Tribunal had appointed Insolvency Resolution Professionals for this company and the proceedings will be governed according to the Insolvency and Bankruptcy Code of India, 2016. The company had made an impairment provision of ₹ 3,480 lacs during the previous year on conservative basis on the under construction properties of Lavasa Corporation Limited.

There are contractual obligations of ₹ 2,160 lacs as on March 31, 2020 (previous year: ₹ 3,103 lacs) to purchase investment properties whereas there are no contractual obligations to construct or develop investment properties or for repairs and enhancements.

Estimation of Fair Value

The valuation has been determined basis the market approach by reference to sales in the market of comparable properties. However, where such information is not available, current prices in an active market for properties of different nature or recent prices of similar properties in less active markets, adjusted to reflect those differences, has been considered to determine the valuation. All resulting fair value estimates for investment properties are included in Level II.

NOTES TO REVISED STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2020

Note 5 : Intangible Assets and Intangible Assets under development

(₹ Lacs)

Particulars	Website Development	Software Licenses	License Fees	Total
Cost				
As at April 1, 2018	**283**	**5,012**	**42,500**	**47,795**
Additions	-	364	-	364
Less : Disposals/ adjustments	-	230	-	230
Exchange differences [capitalized/ (de-capitalized)]	-	(10)	-	(10)
As at March 31, 2019	**283**	**5,136**	**42,500**	**47,919**
Additions	-	34	-	34
Less : Disposals/ adjustments	-	-	-	-
Exchange differences [capitalized/ (de-capitalized)]	-	(17)	-	(17)
As at March 31, 2020	**283**	**5,153**	**42,500**	**47,936**
Accumulated amortization/ Impairment				
As at April 1, 2018	**191**	**2,199**	**5,239**	**7,629**
Charge for the year	3	880	2,914	3,797
Less: Disposals	-	230	-	230
As at March 31, 2019	**194**	**2,849**	**8,153**	**11,196**
Charge for the year	3	790	2,914	3,707
Less: Disposals	-	-	-	-
Impairment charge (refer note 28)	-	-	(16,061)	(16,061)
As at March 31, 2020	**197**	**3,639**	**27,128**	**30,964**
Net Block				
As at March 31, 2020	**86**	**1,514**	**15,372**	**16,972**
As at March 31, 2019	**89**	**2,287**	**34,347**	**36,723**

(₹ Lacs)

Net Book Value	March 31, 2020	March 31, 2019
Intangible assets	16,972	36,723
Intangible assets under development	51	20
Total	**17,023**	**36,743**

NOTES TO REVISED STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2020

Note 6A : Investment in Subsidiaries

(₹ Lacs)

Particulars	March 31, 2020	March 31, 2019
Investment in Subsidiaries (at cost)		
Quoted		
Hindustan Media Ventures Limited (HMVL) 548.08 lacs (previous year : 545.33 lacs) equity shares of ₹ 10 each fully paid up	6,135	5,490
Next Mediaworks Limited 341.15 lacs (previous year: Nil) equity shares of ₹ 10 each fully paid up (refer note 47)	9,211	-
Unquoted		
HT Digital Media Holdings Limited 260.67 lacs(previous year: 260.67 lacs) equity shares of ₹ 10 each fully paid up	3,723	3,723
HT Music and Entertainment Company Limited (refer note 50) 3,400 lacs (previous year: 33,400 lacs) equity shares of ₹ 1 each fully paid up	3,400	33,400
HT Education Limited 292.20 lacs(previous year : 292.20 lacs) equity shares of ₹ 10 each fully paid up	2,922	2,922
HT Learning Centers Limited 592.00 lacs (previous year : 552.00 lacs) equity shares of ₹ 10 each fully paid up	5,920	5,520
HT Global Education Private limited (Formerly known as HT Global Education) 1.50 lacs (previous year: 1.50 lacs) equity shares of ₹ 10 each fully paid up	15	15
Topmovies Entertainment Limited 115.00 lacs (previous year: 115.00 lacs) equity shares of ₹ 10 each fully paid up	1,150	1,150
HT Mobile Solutions Limited 29.91 lacs(previous year: 29.91 lacs) equity shares of ₹10 each fully paid up	533	533
HT Overseas Pte. Limited 154.53 lacs (previous year: 141.43) equity shares of SGD 1 each fully paid up	7,897	7,223
India Education Services Private Limited 20.00 lacs (previous year: 20.00 lacs) equity shares of ₹ 10 each fully paid up	200	845
Next Radio Limited 368.08 lacs (previous year: Nil) equity shares of ₹ 10 each fully paid up (refer note 47)	18,432	-
Shine HR Tech Limited 0.50 lacs (previous year: Nil) equity shares of ₹ 10 each fully paid up	5	-
Total (A)	**59,543**	**60,821**
Provision for impairment in value of investment (B)	**34,531**	**9,174**
Total Investment in Subsidiary (A) - (B)	**25,012**	**51,647**
Current	**-**	**-**
Non - Current	**25,012**	**51,647**
Aggregate book value of quoted investments	15,346	5,490
Aggregate market value of quoted investments	21,963	61,186
Aggregate book value of unquoted investments	44,197	55,331
Aggregate amount of impairment in value of investments	34,531	9,174

NOTES TO REVISED STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2020

Note 6A : Investment in Subsidiaries (Contd..)

Impairment of investments

Particulars	March 31, 2020 (₹ Lacs)	March 31, 2019 (₹ Lacs)	Recognised during FY 19-20 (₹ Lacs)
HT Music and Entertainment Company Limited	-	1,000	(1,000)
HT Digital Media Holdings Limited	-	476	(476)
Topmovies Entertainment Limited	605	605	-
HT Mobile Solutions Limited	242	48	194
HT Learning Centers Limited	5,920	4,494	1,426
India Education Services Private Limited	200	200	-
HT Education Limited	2,922	2,351	571
HT Global Education Private Limited	15	-	15
Next Mediaworks Limited	8,251	-	8,251
Next Radio Limited	16,376	-	16,376
TOTAL	**34,531**	**9,174**	**25,357**

Provision for impairment in value of investment [refer note 28]

Particulars	Amount (₹ Lacs)
Opening as on April 1, 2018	**1,264**
Add: Provision created during the year	8,045
Less: Provision written off / reversed during the year	(135)
Closing as on March 31, 2019	**9,174**
Opening as on April 1, 2019	**9,174**
Add: Provision created during the year (refer note I below)	26,833
Less: Provision written off / reversed during the year (refer note II below)	(1,476)
Closing as on March 31, 2020	**34,531**

Note I:

(i) Next Mediaworks Limited (NMW) and its subsidiaries have become subsidiaries of the Company effective April 15, 2019. Subsequent to acquisition of these subsidiaries, an impairment of stake in these subsidiaries amounting to ₹ 14,694 lacs was recorded in quarter ended June 30, 2019. The recoverable amount is based on the Fair value which was determined basis quoted market price in active market (Level I). The same was compared with the carrying amount to assess impairment. Further, during the quarter ended March 31, 2020, the Company after considering the current economic environment has performed an impairment assessment of investment in NMW and its subsidiaries. As the recoverable amount [fair value determined basis quoted market price in active market (Level I)] is lower than the carrying amount of investment in NMW and its subsidiaries, the Company has recognized an impairment loss of ₹ 9,933 lacs.

(ii) Pursuant to announcement of restructuring of business of HT Learning Centers Limited (HTLC) to Stock Exchange dated January 07, 2020, provision of ₹ 1,426 lacs has been made towards impairment of investment in HTLC and of ₹ 571 lacs towards impairment of investments in HT Education Limited has been made during the year. The recoverable amount is based on the value in use which was determined to be NIL for both these investments.

NOTES TO REVISED STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2020

Note 6A : Investment in Subsidiaries (Contd..)

(iii) Impairment of investments in HT Global Education Private Limited amounting to ₹ 15 lacs has been made during the year since operations have been closed and the company is under strike off. The recoverable amount is based on the value in use which was determined to be NIL.

(iv) Impairment of investments in HT Mobile Solutions Limited amounting to ₹ 194 lacs has been made during the year on account of recoverable amount lower than the carrying amount. The recoverable amount is based on the value in use which was determined to be ₹ 290 lacs using discount rate of 18%.

Note II:

(i) Reversal of impairment of Investment in HT Digital Media Holdings Limited amounting to ₹ 476 lacs

(ii) Reversal of impairment of Investment in HT Music and Entertainment Company Limited amounting to ₹ 1,000 lacs

Note 6B :Investments

(₹ Lacs)

Particulars	March 31, 2020	March 31, 2019
(A) Investment at fair value through other comprehensive income		
(I) Investment in fellow subsidiary		
Quoted		
Digicontent Limited (refer note 44)	19	-
4.41 lacs(previous year: Nil) equity shares of ₹ 2 each fully paid up		
Total investment at fair value through other comprehensive income (A)	**19**	**-**
(B) Investment at fair value through profit and loss		
(I) Investment in venture capital funds		
Unquoted	8,815	5,855
(II) Investment in equity instruments and warrants		
Quoted	217	1,149
Unquoted	2,563	2,634
(III) Investment in preference shares		
Unquoted	-	1,149
(IV)Investment in debt instruments		
Unquoted	597	1,076
(V) Investment in mutual funds and fixed maturity plans *		
Quoted	44,293	1,05,727
Total Investment at Fair Value through profit and loss (B)	**56,485**	**1,17,590**
(C) Investment at amortised cost		
Investment in bonds		
Quoted	-	206
Unquoted	-	2,500
Total investment at amortised cost (C)	**-**	**2,706**
Total investments (A+B+C)	**56,504**	**1,20,296**
Current	**23,801**	**81,582**
Non - current	**32,703**	**38,714**
Aggregate book value of quoted investments	44,529	1,07,082
Aggregate market value of quoted investments	44,529	1,07,099
Aggregate book value of unquoted investments	11,975	13,214

*₹ 41,279 lacs (Fair value) of mutual fund (Original cost: ₹ 36,000 lacs) are pledged against borrowings in F.Y. 2019-20.

(F.Y 2018-19 - Fair value : ₹ 42,215 lacs & Original Cost : ₹ 36,400 lacs)

NOTES TO REVISED STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2020

Note 6C :Loans

(₹ Lacs)

Particulars	March 31, 2020	March 31, 2019
At amortised cost		
Security deposit	3,597	6,084
Inter- corporate loan given (refer note 36A and note 46)		
- Related parties	8,000	9,250
Loan to employee welfare trust	97	198
Total Loans	**11,694**	**15,532**
Current	**-**	**1,599**
Non - current	**11,694**	**13,933**

(₹ Lacs)

Particulars	March 31, 2020	March 31, 2019
Secured, considered good	-	-
Unsecured, considered good	11,694	15,532
Unsecured, considered doubtful	2,710	-
	14,404	**15,532**
Allowances for bad and doubtful loans (refer note 28)	(2,710)	-
Total Loans	**11,694**	**15,532**

Note 6D :Other financial assets

(₹ Lacs)

Particulars	March 31, 2020	March 31, 2019
I. Derivatives at fair value through other comprehensive income		
- Derivative contract designated as hedge*	382	-
Total	**382**	**-**

*Derivative instruments at fair value through other comprehensive income reflect the positive change in fair value of those foreign exchange option contracts that are designated in hedge relationships. (refer note 38)

II. Other financial assets at amortised cost

(₹ Lacs)

Particulars	March 31, 2020	March 31, 2019
(a) Balance with banks :		
- Fixed deposits #	21	112
(b) Interest accrued on inter-company deposits and others	1,982	1,204
(c) Lease receivable *	1,516	1,812
(d) Other receivables [includes receivable from related parties ₹ 449 lacs (previous year ₹ 979 lacs)] (refer note 36A)	662	1,001

NOTES TO REVISED STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2020

Note 6D :Other financial assets (Contd..)

(₹ Lacs)

Particulars	March 31, 2020	March 31, 2019
(e) Share application money with subsidiaries (refer note 36A)	453	-
(f) Unbilled receivable	51	198
Total	**4,685**	**4,327**
Total other financial assets(I+II+III)	**5,067**	**4,327**
Current	**1,188**	**1,642**
Non - current	**3,879**	**2,685**

#Represents deposit receipts pledged with banks and held as margin money of ₹ 21 lacs (previous year : ₹ 112 lacs)

*Represents minimum lease rentals receivables in respect of asset given on finance lease to the Holding Company (refer note 29 & 36A)

Break up of financial assets carried at amortised cost

(₹ Lacs)

Particulars	Note	March 31, 2020	March 31, 2019
Investments	6B	-	2,706
Trade receivables	10A	22, 598	24,459
Cash and cash equivalents	10B	2,374	7,274
Other bank balances	10C	2,087	4,751
Loans	6C	11,694	15,532
Other financial assets	6D	4,685	4,327
Total		**43,438**	**59,049**

Break up of financial assets at fair value through profit and loss

(₹ Lacs)

Particulars	Note	March 31, 2020	March 31, 2019
Investments	6B	56,485	1,17,590
Other financial assets	6D	382	-
Total		**56,867**	**1,17,590**

Note 7 : Income tax assets

(₹ Lacs)

Particulars	March 31, 2020	March 31, 2019
Income tax assets (net) [related to current tax]	2,690	2,159
Total	**2,690**	**2,159**
Current	**-**	**-**
Non - current	**2,690**	**2,159**

NOTES TO REVISED STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2020

Note 8 : Other non- current assets

(₹ Lacs)

Particulars	March 31, 2020	March 31, 2019
Capital advances (refer note 45)	125	124
Advances other than capital advances		
Prepaid expenses	408	930
Deferred premium call spread	323	280
Long term advances recoverable	1	1
Total	**857**	**1,335**

Note 9 : Inventories

(₹ Lacs)

Particulars	March 31, 2020	March 31, 2019
Raw materials (includes stock in transit of ₹ 1,742 lacs (previous year : ₹ 2,521 lacs))	7,554	10,210
Work- in- progress	88	18
Stores and spares	1,740	1,667
Scrap and waste papers	42	24
Finished stock	88	1
Total inventories	**9,512**	**11,920**

Note 10A : Trade receivables

(₹ Lacs)

Particulars	March 31, 2020	March 31, 2019
Trade receivables	22,007	24,133
Receivables from related parties (refer note 36A)	591	326
Total	**22,598**	**24,459**

(₹ Lacs)

	March 31, 2020	March 31, 2019
Secured, considered good	542	395
Unsecured, considered good	22,056	24,064
Unsecured, considered doubtful	4,427	3,064
	27,025	**27,523**
Loss allowance for bad & doubtful debts	(4,427)	(3,064)
Total trade receivables	**22,598**	**24,459**

No trade receivables are due from directors or other officers of the Company either severally or jointly with any other person.

NOTES TO REVISED STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2020

Note 10B : Cash and cash equivalents

(₹ Lacs)

Particulars	March 31, 2020	March 31, 2019
Balance with banks :		
- On current accounts	240	991
- Deposits with original maturity of less than three months	1,824	888
Cheques/drafts on hand	292	5,381
Cash on hand	18	14
Total	**2,374**	**7,274**

Short-term deposits are made for varying periods of between one day and three months, depending on the immediate cash requirements of the Company and earn interest at the respective short-term deposit rates.

The Company has pledged a part of its short-term deposits to fulfill collateral requirements, refer note 14A

Note 10C : Other bank balance

(₹ Lacs)

Particulars	March 31, 2020	March 31, 2019
Bank balances other than (10B) above		
- Deposits with original maturity of three months or more than three months*	2,083	30
- Unclaimed dividend account#	4	3
- Deposit held in escrow account ##	-	4,718
Total	**2,087**	**4,751**

* Represents deposit receipts pledged with banks against overdraft facility for ₹ 2,010 lacs (previous year : Nil)

* Represents deposit receipts pledged with banks and held as margin money of ₹ 51 lacs (previous year : Nil)

These balances are not available for use by the Company as they represent corresponding unclaimed dividend liabilities.

These balances are not available for use by the Company as they represent deposit held in escrow account pursuant to the open offer made by HT Media under the SEBI(SAST) Regulations for purchase equity shares of Next Mediaworks Limited.

For the purpose of the Statement of Cash Flows, cash and cash equivalents comprise the following:

(₹ Lacs)

Particulars	March 31, 2020	March 31, 2019
Balance with banks :		
- On current accounts	240	991
- Deposits with original maturity of less than three months	1,824	888
Cheques/drafts on hand	292	5,381
Cash on hand	18	14
	2,374	**7,274**
Less - Bank overdraft (refer note 14A)	1,922	1,011
	452	**6,263**

NOTES TO REVISED STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2020

Note 11 : Other current assets

(₹ Lacs)

Particulars	March 31, 2020	March 31, 2019
Prepaid expenses [including advances given to related parties ₹ 241 lacs (previous year : ₹ 15 lacs) (refer note 36A)	918	1,783
Balance with government authorities	3,086	1,714
Deferred premium call option	768	224
Advances given [including advances given to related parties ₹ 191 lacs (previous year : ₹ 63 lacs)(refer note 36A)]	1,208	1,977
Total	**5,980**	**5,698**

Note 12 : Share capital

Authorised Share Capital

Particulars	Number of shares	Amount (₹ Lacs)
At April 1, 2018	**362,500,000**	**7,250**
Increase/(decrease) during the year	-	-
At March 31, 2019	**362,500,000**	**7,250**
Increase/(decrease) during the year	-	-
At March 31, 2020	**362,500,000**	**7,250**

Terms/ rights attached to equity shares

The Company has only one class of equity shares having par value of ₹ 2 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Issued and subscribed capital

Equity shares of ₹ 2 each issued, subscribed and fully paid	Number of shares	Amount (₹ Lacs)
At April 1, 2018	**232,748,314**	**4,655**
Changes during the year	-	-
At March 31, 2019	**232,748,314**	**4,655**
Changes during the year	-	-
At March 31, 2020	**232,748,314**	**4,655**

NOTES TO REVISED STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2020

Note 12 : Share capital (Contd..)

Reconciliation of the equity shares outstanding at the beginning and at the end of the year :

Particulars	March 31, 2020		March 31, 2019	
	Number of shares	Amount (₹ Lacs)	Number of shares	Amount (₹Lacs)
Shares outstanding at the beginning of the year	23,274,8314	4,655	232,748,314	4,655
Shares issued during the year	-	-	-	-
Shares outstanding at the end of the year	232,748,314	4,655	232,748,314	4,655
Elimination on account of equity shares held by HT Media Employee Welfare Trust (refer note 44)	2,178,290	44	2,178,290	44
Shares net of elimination on account of HT Media Employee Welfare Trust	**230,570,024**	**4,611**	**230,570,024**	**4,611**

Shares held by holding/ ultimate holding company and/ or their subsidiaries/ associates

Out of equity shares issued by the Company, shares held by its holding company, subsidiary of holding company are as below:

(₹ Lacs)

Particulars	March 31, 2020	March 31, 2019
The Hindustan Times Limited, the holding company		
1,617.54 lacs (previous year : 1,617.54 lacs) equity shares of ₹ 2 each fully paid	3,235	3,235

Details of shareholders holding more than 5% shares in the Company

Particulars	March 31, 2020		March 31, 2019	
	Number of shares	% holding	Number of shares	% holding
Equity shares of ₹ 2 each fully paid				
The Hindustan Times Limited, the holding company	161,754,490	70.17%	161,754,490	70.17%

As per records of the Company, including its register of shareholders/members and other declaration received from the shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

Shares reserved for issue under options

For details of equity shares reserved for the issue under employee stock options (ESOP) of the Company refer note 34.

Note 13 : Other equity

(₹ Lacs)

Particulars	March 31, 2020	March 31, 2019
Securities premium	31,216	31,090
Capital redemption reserve	2,045	2,045
Capital reserve	5,391	5,391
General reserve	7,145	7,145
FVTOCI reserve	(103)	-

NOTES TO REVISED STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2020

Note 13 : Other equity (Contd..)

(₹ Lacs)

Particulars	March 31, 2020	March 31, 2019
Cash flow hedging reserve (refer note 38)	(92)	(89)
Cost of hedging reserve (refer note 38)	25	(893)
Share based payments reserve (refer note 34)	53	-
Retained earnings	71,825	112,888
Total	**117,505**	**157,577**

Securities premium

(₹ Lacs)

Particulars	Amount
At April 1, 2018	**31,090**
Add : Adjustment on account of equity shares held by HT Media Employee Welfare Trust	-
At March 31, 2019	**31,090**
Less : License fees amortised	-
Add : Adjustment on account of equity shares held by HT Media Employee Welfare Trust (refer note 44)	126
At March 31, 2020	**31,216**

Securities premium is used to record the premium on issue of shares. The reserve can be utilised only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013.

Capital redemption reserve

(₹ Lacs)

Particulars	Amount
At April 1, 2018	**2,045**
Changes during the year	-
At March 31, 2019	**2,045**
Changes during the year	-
At March 31, 2020	**2,045**

(i) During the FY 2006-07, an amount of ₹ 2,000 lacs have been transferred from statement of Profit and Loss account to Capital Redemption Reserve on account of 2,000,000 1% Non-cumulative Redeemable preference shares of ₹100/- each, were redeemed on September 16, 2006.

(ii) The Board of Directors at their meeting held on May 14, 2013, approved buy-back of fully paid-up equity shares of the Company having a face value of ₹ 2/- , from the existing shareholders / beneficial owners, other than the promoters/persons who are in control of the Company, from the open market through stock exchanges, at a price not exceeding ₹ 110/- per equity share payable in cash, for an aggregate amount not exceeding ₹ 2,500 lacs. The buy back scheme envisaged the buy back of shares of minimum of 5,68,182 equity shares and a maximum of 22,72,727 equity shares. Pursuant to above, during the year ended March 31, 2014, the Company has bought and extinguished 22,72,727 equity shares of ₹ 2/- each. The shares extinguished had been bought for an aggregate consideration of ₹1,881 lacs. The excess of aggregate consideration paid for buy-back over the face value of shares so bought back and extinguished, amounting to ₹ 1,835 lacs, was adjusted against the securities premium account. Further an amount of ₹ 45 lacs (equivalent to nominal value of shares bought back) has been transferred to capital redemption reserve from general reserves.

NOTES TO REVISED STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2020

Note 13 : Other equity (Contd..)

Capital reserve*

(₹ Lacs)

Particulars	Amount
At April 1, 2018	**5,391**
Changes during the year	-
At March 31, 2019	**5,391**
Changes during the year	-
At March 31, 2020	**5,391**

* Origination of ₹ 6,891 lacs is in relation to common control acquisition and redemption of preference shares and utilisation of ₹ 1,500 lacs is in relation to demerger of business.

General reserve

(₹ Lacs)

Particulars	Amount
At April 1, 2018	**7,145**
Changes during the year	-
At March 31, 2019	**7,145**
Changes during the year	-
At March 31, 2020	**7,145**

FVTOCI reserve

(₹ Lacs)

Particulars	Amount
At April 1, 2018	**(5,493)**
Amounts reclassified to retained earnings#	5,493
At March 31, 2019	**-**
Changes during the year*	(103)
At March 31, 2020	**(103)**

#A Scheme for reduction of share capital of India Education Services Private Limited (99% subsidiary of HTML w.e.f. July 18, 2017) [Appointed date: September 30, 2017] was sanctioned by NCLT and the order has been filed with ROC on August 22, 2018. Consequently the Company's investment has been written off to the extent of ₹ 5,493 lacs. The accumulated balance lying in OCI reserve has been transferred to retained earnings during the financial year 2018-19.

*In relation to fair value movement of investment in fellow subsidiary Digicontent Limited.

Cash flow hedging reserve* (refer note 38)

(₹ Lacs)

Particulars	Amount
At April 1, 2018	**-**
Changes in intrinsic value of foreign currency options	-
Changes in fair value of interest rate swaps	(137)
Amounts reclassified to profit or loss	-
Tax impact	48

NOTES TO REVISED STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2020

Note 13 : Other Equity (Contd..)

(₹ Lacs)

Particulars	Amount
At March 31, 2019	**(89)**
Changes in intrinsic value of foreign currency options	382
Changes in fair value of interest rate swaps	(4)
Amounts reclassified to profit or loss	(382)
Tax impact	1
At March 31, 2020	**(92)**

*The effective portion of gains and loss on hedging instruments in a cash flow hedge

Cost of hedging reserve (refer note 38)

(₹ Lacs)

Particulars	Amount
At April 1, 2018	**-**
Deferred costs of hedging-transaction related- Deferred time value of foreign currency option contracts (refer note 38)	(1,504)
Amount reclassified from cost of hedging reserve to profit or loss	132
Tax impact	479
At March 31, 2019	**(893)**
Deferred costs of hedging-transaction related- Deferred time value of foreign currency option contracts (refer note 38)	498
Amount reclassified from cost of hedging reserve to profit or loss	914
Tax impact	(494)
Less: Amount reclassified from cost of hedging reserve to profit or loss	-
At March 31, 2020	**25**

Retained earnings

(₹ Lacs)

Particulars	Amount *
At April 1, 2018	**133,283**
Net loss for the year	(13,894)
Less : Items of other comprehensive income recognised directly in retained earnings	
- Remeasurement of defined benefit plans, net of tax	(29)
Less : Amounts reclassified from FVTOCI	(5,493)
Less : Dividend paid	(931)
Less : Dividend distribution tax	(57)
Add : Adjustment of accumulated surplus of HT Media Employee Welfare Trust	9
At March 31, 2019	**112,888**
Adjustments relating to previous years (refer note 54)	(956)
Net loss for the year	(39,268)
Less : Items of other comprehensive income recognised directly in retained earnings	
- Remeasurement of post-employment benefit obligation, net of tax	140
Less : Dividend paid	(931)
Less : Dividend distribution tax	(57)
Add : Adjustment of accumulated surplus of HT Media Employee Welfare Trust	9
At March 31, 2020	**71,825**

The disaggregation of changes in OCI by each type of reserves in equity is disclosed in note 30.

NOTES TO REVISED STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2020

Note 13 : Other equity (Contd..)

Share based payments reserve (refer note 34)

(₹ Lacs)

Particulars	Amount
At April 1, 2018	-
Changes during the year	-
At March 31, 2019	-
Changes during the year	53
At March 31, 2020	**53**

Note 14A : Borrowings

(₹ Lacs)

Particulars	Effective Interest Rate	Maturity	March 31, 2020	March 31, 2019
Non-current borrowings				
(a) Secured				
(i) FCNR loan from bank	Refer note I	Refer note I	12,463	23,280
			12,463	**23,280**
Current borrowings				
(a) Secured				
(i) FCNR loan from bank	Refer note I	Refer note I	12,463	605
(ii) Cash credit/ Overdraft from banks	Refer note II	Refer note II	1,922	-
(ii) Term loan from banks	Refer note III	Refer note III	9,000	-
(b) Unsecured				
(i) Buyer's credit from bank	Refer note IV	Refer note IV	10,405	8,896
(ii) Term loan from banks	9.25%	April 2, 2020	39	-
(iii) Bank overdraft from bank	Refer note V	Refer note V	-	1,011
(iv) Commercial papers	7.00%	May 8, 2020 - May 18, 2020	17,694	69,003
(v) Inter company deposit (refer note 36A)	Refer note VI	Refer note VI	3,095	29,800
			54,618	**1,09,315**
Less : Amount clubbed under "Other current financial liabilities" (Current maturities of long term borrowing)			12,463	605
Net current borrowings			**42,155**	**1,08,710**
Aggregate secured loans			**35,848**	**23,885**
Aggregate unsecured loans			**31,233**	**1,08,710**

Note I - Foreign currency non- repatriable (FCNR) loan from banks (secured)

- FCNR Loan of Euro 300 lacs from bank carries interest @ 6 month Euribor + 2.16% spread p.a. The loan is repayable in 4 semi annual equal installments of Euro 75 lacs starting from August 06, 2020. The loan is secured by pledge of debt mutual funds investment of company.

NOTES TO REVISED STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2020

Note 14A : Borrowings (Contd..)

Note II- Cash credit/ Overdraft from banks (secured)

- Outstanding Cash credit/ overdraft from bank was drawn @ Mibor+170 bps p.a./6.86% p.a. and cash credit/ overdraft is payable on demand. The cash credit/ overdraft from banks are secured by pledge on investments in mutual funds and lien on bank deposits.

Note III- Term loan from banks (secured)

- Outstanding term from bank was drawn @ Mibor +175 bps p.a. and is due for repayment by April 07, 2020. The loan is secured by pledge on mutual funds units.

Note IV- Buyer's credit from bank (unsecured)

Outstanding buyer's credit loan from bank was drawn in various tranches from July 17, 2019 till March 3, 2020 @ average Interest Rate of 2.95% p.a. (Applicable LIBOR+Margin from time to time) and are due for repayment respective due dates starting from April 9, 2020 till November 27, 2020.

Note V- Bank overdraft from bank

Outstanding overdraft from bank was drawn @ 9.80% p.a. and payable on demand.

Note VI- Inter company deposit

Inter company deposit (ICD) was drawn on February 27, 2020 @ 6.50% p.a. compounded annually and repayable on demand. The interest shall become due and payable along with principal.

Loan covenants

Refer note 41 for detail.

Debt reconciliation for FY 2019-20

(₹ Lacs)

Particulars	Current borrowings (including current portion of long-term borrowings but excluding bank overdraft classified as part of cash and cash equivalent)	Non current borrowings	Total
As at April 1, 2019	**108,304**	**23,280**	**131,584**
Cash flows:			
Add: Drawdowns	462,948	-	462,948
Less: Repayments	531,584	-	531,584
Non-cash movements:			
-Foreign exchange adjustments	565	1,646	2,211
-Re-classification of long-term borrowing	12,463	(12,463)	-
-Fair value adjustments	-	-	-
As at March 31, 2020	**52,696**	**12,463**	**65,159**

NOTES TO REVISED STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2020

Note 14A : Borrowings (Contd..)

Debt reconciliation for FY 2018-19

(₹ Lacs)

Particulars	Current borrowings (including current portion of long-term borrowings but excluding bank overdraft classified as part of cash and cash equivalent)	Non current borrowings	Total
As at April 1, 2018	**106,158**	**570**	**106,728**
Cash flows:			
Add: Drawdowns	784,830	24,544	809,374
Less: Repayments	783,008	-	783,008
Non-cash movements:			
-Foreign exchange adjustments	(281)	(1,229)	(1,510)
-Re-classification of Long-term Borrowing	605	(605)	-
-Fair value adjustments	-	-	-
As at March 31, 2019	**108,304**	**23,280**	**131,584**

Note 14B : Trade payables

(₹ Lacs)

Particulars	March 31, 2020	March 31, 2019
Trade payables		
- total outstanding due of micro enterprises and small enterprises (refer note 43)	208	129
- total outstanding dues other than of micro enterprises and small enterprises	15,976	18,455
-total outstanding due to related parties (refer note 36A)	4,089	4,321
Total	**20,273**	**22,905**
Current	**20,273**	**22,905**
Non- current	**-**	**-**

Note 14C : Other financial liabilities

(₹ Lacs)

Particulars	March 31, 2020	March 31, 2019
I. Derivatives at fair value through profit and loss		
- Derivative contract not designated as hedge (refer note 38)	-	29
- Derivative contract designated as hedge (refer note 38)	141	137
Total (I)	**141**	**166**
II. Other financial liabilities at amortised cost		
Current maturity of long term borrowings (refer note 14A)	12,463	605
Interest payable fixed	86	-
Liability-premium call option	1,195	2,008
Book overdraft	339	-
Sundry deposits	19,179	30,584
Interest accrued but not due on borrowings and others	345	637

NOTES TO REVISED STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2020

Note 14C : Other financial liabilities (current) (Contd..)

(₹ Lacs)

Particulars	March 31, 2020	March 31, 2019
Unclaimed dividend *	4	3
Payable to related party	-	1,717
Employee related payables	3,846	5,295
Others	156	176
Total (II)	**37,613**	**41,025**
Total other financial liabilities (I+II)	**37,754**	**41,191**
Current	**37,330**	**40,075**
Non- Current	**424**	**1,116**
* Amount payable to Investor Education and Protection Fund	Nil	Nil

Note 14D: Break up of financial liabilities carried at amortised cost

(₹ Lacs)

Particulars	Note	March 31, 2020	March 31, 2019
Borrowings (non-current)	14A	12,463	23,280
Borrowings (current)	14A	42,155	108,710
Current maturity of long term loans	14A	12,463	605
Interest payable fixed	14C	86	-
Liability-premium call option	14C	1,195	2,008
Sundry deposits	14C	19,179	30,584
Book overdraft	14C	339	-
Interest accrued but not due on borrowings and others	14C	345	637
Unclaimed dividend	14C	4	3
Payable to related party	14C	-	1,717
Others	14C	156	176
Trade payables	14B	20,273	22,905
Total financial liabilities carried at amortised cost		**108,658**	**190,625**

Note 14E: Lease liabilities

(₹ Lacs)

Particulars	March 31, 2020	March 31, 2019
Unsecured		
Lease liabilities (refer note 29)	9,473	-
Total	**9,473**	**-**
Current	**3,058**	**-**
Non- current	**6,415**	**-**

NOTES TO REVISED STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2020

Note 15 : Provisions

(₹ Lacs)

Particulars	March 31, 2020	March 31, 2019
Provision for employee benefits		
Provision for leave benefits (refer note 33)	254	257
Provision for gratuity (refer note 33)	490	463
Total	**744**	**720**
Current	**453**	**507**
Non- current	**291**	**213**

Note 16 : Income tax

The major components of income tax expense for the year ended March 31, 2020 and March 31, 2019 are :

Statement of profit and loss :

Profit or loss section

(₹ Lacs)

Particulars	March 31, 2020	March 31, 2019
Current income tax :		
Current income tax charge	541	-
Adjustments in respect of current income tax of previous year	-	426
Tax expense of discontinued operations		
Deferred tax :		
Relating to origination and reversal of temporary differences	(5,368)	(2,634)
Adjustments in respect of Deferred tax charge/ (credit) of previous year	837	(1,099)
Income tax expense reported in the statement of profit and loss	**(3,990)**	**(3,307)**

OCI section :

Deferred tax related to items recognised in OCI during in the year :

(₹ Lacs)

Particulars	March 31, 2020	March 31, 2019
Income tax (charge)/credit on remeasurements of defined benefit plans	(75)	16
Income tax (charge)/credit on cash flow hedges	1	48
Income tax (charge)/credit on cost of hedge	(494)	479
Income tax (charge)/ credit to OCI	**(568)**	**543**

NOTES TO REVISED STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2020

Note 16 : Income tax (Contd..)

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for March 31, 2020 and March 31, 2019:

(₹ Lacs)

Particulars	March 31, 2020	March 31, 2019
Accounting profit before tax from continuing operations	(43,258)	(17,201)
Profit/(loss) before tax from a discontinued operation	-	-
Accounting profit before income tax	**(43,258)**	**(17,201)**
At India's statutory income tax rate of 34.944 % (previous year: 34.944 %)	(15,116)	**(6,011)**
Non- taxable income :		
Income from investments & sale of property	(2,604)	(2,900)
Non-deductible expenses for tax purposes:		
Loss/provision on investments	10,740	5,936
Other non deductible expenses	165	338
Adjustments		
Adjustments in respect of current income tax of previous years	-	426
Adjustments in respect of deferred income tax of previous years	837	(1,099)
Adjustment in respect to change in tax rate	1,311	3
Adjustments related business losses set off against capital gain	677	-
Adjustments related to difference of tax base and book base	-	-
At the effective income tax rate	**(3,990)**	**(3,307)**
Income tax expense reported in the statement of profit and loss	**(3,990)**	**(3,307)**

Deferred tax

Deferred tax relates to the following:

(₹ Lacs)

Particulars	March 31, 2020	March 31, 2019	Movement during the year
Deferred tax liabilities			
Differences in depreciation in block of property, plant and equipment as per tax books and financial books	4,449	9,730	(5,281)
Others	-	95	(95)
Gross deferred tax liabilities	**4,449**	**9,825**	**(5,376)**
Deferred tax assets			
Effect of expenditure debited to statement of profit and loss in the current year/earlier years but allowed for tax purposes in following years	1,002	1,700	(698)
Provision for doubtful debts and advances	890	1,185	(295)
Carry forward of unabsorbed depreciation and losses	2,278	3,126	(848)
Unutilized MAT Credit*	9,258	8,712	547
Others	114	28	86
Gross deferred tax assets	**13,542**	**14,751**	**(1,208)**
Deferred tax assets (net)	**9,093**	**4,926**	**4,167**

*Considering the future projections, there is a reasonable certainty to recover MAT Credit Entitlement.

NOTES TO REVISED STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2020

Note 16 : Income tax (Contd..)

Reconciliation of deferred tax assets (net):

(₹ Lacs)

Particulars	March 31, 2020	March 31, 2019
Opening balance as of 1 April	4,926	650
Adjustments relating to previous years (refer note 54)	204	-
Tax (expense)/ income during the year recognised in statement of profit and loss	3,963	4,276
Closing balance as at 31 March	9,093	4,926

During the year ended March 31, 2020 and March 31, 2019, the Company has paid dividend to its shareholders. This has resulted in payment of Dividend Distribution Tax to the taxation authorities. The Company believes that Dividend Distribution Tax represents additional payment to taxation authority on behalf of the shareholders. Hence , Dividend Distribution Tax paid is charged to equity.

Note 17 : Other non-current liabilities

(₹ Lacs)

Particulars	March 31, 2020	March 31, 2019
Government grants	1,208	1,327
Current portion of Government grants	(119)	(119)
Non- Current portion of Government grants	1,089	1,208
	1,089	1,208

Government grants*

(₹ Lacs)

Particulars	March 31, 2020	March 31, 2019
At April 1	1,327	1,446
Released to statement of profit and loss	(119)	(119)
At March 31	1,208	1,327
Current	119	119
Non- current	1,089	1,208

*towards purchase of certain items of property, plant and equipment.

Note 18 : Contract liabilities

(₹ Lacs)

Particulars	March 31, 2020	March 31, 2019
Advances from customers	6,668	6,164
Deferred revenue	2,633	2,180
Total	9,301	8,344
Current	8,865	7,630
Non- current	436	714

Amount of revenue recognised during FY 2019-2020 from contract liabilities at the beginning of the year is ₹ 3,388 lacs.

Amount accrued during FY 2019-2020 amounts to ₹ 4,344 lacs.

NOTES TO REVISED STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2020

Note 19 : Other current liabilities

(₹ Lacs)

Particulars	March 31, 2020	March 31, 2019
Advances from customers	196	16
Customers and agents credit balances [includes balances of related parties ₹ 77 lacs (previous year : ₹ 6 lacs]	882	975
Statutory dues	692	841
GST payable	8	111
Current portion of Government grants	119	119
Total	**1,897**	**2,062**

Note 20 : Revenue from operations

Revenue from contracts with customers

(₹ Lacs)

Particulars	March 31, 2020	March 31, 2019
Sale of products		
- Sale of newspaper and publications	6,136	6,671
Sale of services		
- Advertisement revenue	80,065	94,185
- Airtime sales	14,323	18,628
- Income from digital services	5,590	4,796
- Job work revenue and commission income	5,984	4,785
Other operating revenues		
- Sale of scrap, waste papers and old publication	526	706
- Forfeiture of security deposit	9,310	500
- Others	617	402
Total	**122,551**	**130,673**

Reconciliation of revenue recognised with the contracted price is as follows:

(₹ Lacs)

Particulars	March 31, 2020	March 31, 2019
Contract price	125,438	132,842
Adjustments to the contract price	(2,887)	(2,169)
Revenue recognised	**122,551**	**130,673**

The adjustments made to the contract price comprises of volume discounts, returns, credits, etc..

NOTES TO REVISED STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2020

Note 21 : Other income

(₹ Lacs)

Particulars	March 31, 2020	March 31, 2019
Interest income on EIR basis		
- Bank deposits	140	163
- Loan to subsidiary	1,137	929
- Others	248	112
Dividend income from subsidiary	654	654
Other non - operating income		
Finance income from debt instruments at FVTPL*	7,038	7,976
Profit on sale of investment properties	44	14
Income from Government grant **	119	479
Income on assets given on financial lease (refer note 29)	134	139
Unclaimed balances/liabilities written back (net)	834	75
Profit on sale of investment	9	125
Rental income (refer note 29)	1,805	2,142
Foreign exchange fluctuation (net)	-	840
Net gain on disposal of property, plant and equipment and intangibles	2	28
Unwinding of discount on security deposit	245	272
Miscellaneous income	252	62
Total	**12,661**	**14,010**

*Gain on account of fair value movement (refer note 2.2 (p) Debt instruments at FVTPL)

**includes Government grants of ₹ 119 lacs towards purchase of certain items of property, plant and equipment (previous year: ₹ 119 lacs) and Nil towards Electricity duty exemption (previous year : ₹ 360 lacs).

Note 22 : Cost of materials consumed

(₹ Lacs)

Particulars	March 31, 2020	March 31, 2019
Consumption of raw material		
Inventory at the beginning of the year	10,210	6,105
Add: Purchase during the year	26,122	41,986
Less : Sale of damaged newsprint	140	234
	36,192	**47,857**
Less: Inventory at the end of the year	7,554	10,210
Total	**28,638**	**37,647**

Note 23 : Changes in inventories

(₹ Lacs)

Particulars	March 31, 2020	March 31, 2019
Inventory at the beginning of the year		
- Finished goods	1	-
- Work -in- progress	18	2
- Scrap and waste papers	24	17

NOTES TO REVISED STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2020

Note 23 : Changes in inventories (Contd..)

(₹ Lacs)

Particulars	March 31, 2020	March 31, 2019
Inventory at the end of the year		
- Finished goods	88	1
- Work -in- progress	88	18
- Scrap and waste papers	42	24
(Increase)/ decrease in inventories		
- Finished goods	(87)	(1)
- Work -in- progress	(70)	(16)
- Scrap and waste papers	(18)	(7)
Total	**(175)**	**(24)**

Note 24 : Employee benefits expense

(₹ Lacs)

Particulars	March 31, 2020	March 31, 2019
Salaries, wages and bonus	23,552	23,421
Contribution to provident and other funds (refer note 33)	1,059	1,008
Employee Stock Option Scheme (refer note 34)	35	-
Gratuity expense (refer note 33)	281	270
Workmen and staff welfare expenses	459	400
Total	**25,386**	**25,099**

Note 25 : Finance costs

(₹ Lacs)

Particulars	March 31, 2020	March 31, 2019
Interest on debts and borrowings	9,248	9,293
Interest on lease liabilities (refer note 29)	766	-
Exchange difference regarded as an adjustment to borrowing costs	178	271
Bank charges and other cost	153	280
Total	**10,345**	**9,844**

Note 26 : Depreciation and amortization expense

(₹ Lacs)

Particulars	March 31, 2020	March 31, 2019
Depreciation of tangible assets (refer note 3)	3,976	4,133
Depreciation expense of right-of-use assets (refer note 29)	3,321	-
Amortization of intangible assets (refer note 5)	3,707	3,797
Depreciation on Investment Properties (refer note 4)	341	339
Total	**11,345**	**8,269**

NOTES TO REVISED STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2020

Note 27 : Other expenses

(₹ Lacs)

Particulars	March 31, 2020	March 31, 2019
Consumption of stores and spares	2,291	2,608
Printing and service charges	3,718	3,911
News service and dispatches	1,859	1,840
News content sourcing fees	10,053	11,603
Service charges on advertisement revenue	299	488
Power and fuel	2,079	2,396
Advertising and sales promotion (refer note 48)	9,651	10,527
Freight and forwarding charges	1,537	1,624
Rent (refer note 29)	1,098	4,536
Rates and taxes	64	625
Insurance	337	392
Repairs and maintenance:		
- Plant and machinery	2,492	2,223
- Building	178	210
- Others	235	163
Travelling and conveyance	4,628	5,012
Communication costs	869	829
Legal and professional fees	5,249	5,456
Payment to auditor (refer note I)	84	86
Director's sitting fees	37	19
Exchange differences (net)	1,953	-
Allowances for bad and doubtful debts and advances (includes bad debts written off) (refer note II)	1,796	764
Loss on sale/ Provision for diminution in value of investments	395	923
Fair value of Investment through profit and loss (net) (including Profit /(Loss) on sale of investments) (refer note III)	819	3,772
License fees	1,998	1,995
Impairment of investment properties (net of reversal on disposal)	1,305	4,384
Donations (refer note 48)	125	245
Miscellaneous expenses	3,508	3,207
Total	**58,657**	**69,838**

Note I: Payment to auditors

(₹ Lacs)

Particulars	March 31, 2020	March 31, 2019
As auditor :		
- Audit fee	40	36
- Limited review	22	21
- audit fee	4	5

NOTES TO REVISED STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2020

Note 27 : Other expenses (Contd..)

(₹ Lacs)

Particulars	March 31, 2020	March 31, 2019
In other capacities :		
- Certification fees	8	16
Reimbursement of expenses	10	8
Total	**84**	**86**

Note II: Allowances for Bad doubtful debts and advances (includes bad debts written off)

(₹ Lacs)

Particulars	March 31, 2020	March 31, 2019
Opening Balance of provision for doubtful debts and advances	3,390	2,980
Provision Created (Net)	1,796	764
Bad Debt written off	(433)	(354)
Closing Balance of provision for doubtful debts and advances	**4,753**	**3,390**

Note III: Detail of Fair value of Investment through profit and loss (net)

(₹ Lacs)

Particulars	March 31, 2020	March 31, 2019
Gain on fair valuation of Investments recognized during the year	(1,489)	(560)
Loss on fair valuation of Investments recognized during the year	2,669	5,174
Actual loss on investments sold during the year	-	75
Actual (profit) on investments sold during the year	-	(917)
Reversal of impairment/ loss on investments sold during the year	(361)	-
Total	**819**	**3,772**

Note 28 : Exceptional items

(₹ Lacs)

Particulars	March 31, 2020	March 31, 2019
Provision for diminution in value of investments (refer note I below)	25,357	7,911
Provision for diminution in value of inter corporate deposits (refer note II below)	2,856	-
Provision for diminution in value of intangible assets (refer note IV below)	16,061	-
Litigations expense (refer Note III)	-	3,300
Total	**44,274**	**11,211**

Note I

(₹ Lacs)

Particulars	March 31, 2020	March 31, 2019
Provision for diminution in value of Investments created during the year (refer note 6A)	26,833	8,045
Reversal in provision for diminution on investments (refer note 6A)	(1,476)	(134)
Net Provision for diminution in value of investments	**25,357**	**7,911**

NOTES TO REVISED STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2020

Note 28 : Exceptional items (contd..)

Note II

(i) Pursuant to announcement of restructuring of business of HT Learning Centers Limited to Stock Exchange dated January 07, 2020, provision of ₹ 2,856 lacs (including accrued interest of ₹ 146 lacs) has been made towards impairment of loan given to subsidiary.

Note III

For the year ended March 31, 2019 :

(i) Based on Business Purchase Agreement dated October 1, 2004, a dispute between The Hindustan Times Ltd (HTL) and certain section of its ex-workers, who were part of the business transferred to the Company, the Company had made a provision of ₹ 3,300 lacs (Net of GST) during the year ended March 31, 2019 and out of this provision ₹ 2,030 lacs (Net of TDS) was reimbursed to HTL during the year ended March 31, 2019 towards in tern disbursement to the workers. The Supreme court has accepted the Special Leave Petition(SLP) of HTL.

Note IV

(i) The Company after considering the current economic environment has performed an impairment assessment of Intangible Assets. As the recoverable amount of Cash Generating Unit ("CGU') is lower than the carrying amount of assets, the Company has recognised an impairment loss of ₹ 16,061 lacs towards Intangible Assets as an exceptional item.The recoverable amount of CGU is based on its value in use which is ₹ 31,450 lacs using discount rate of 14%. For this purpose, each radio license has been considered as a separate CGU.

Note 29: Leases (refer note 2.2(j) of accounting policies)

Leases as Lessee

The Company has taken various residential, office and godown premises under lease arrangements.

i) The details of the right-of-use asset held by the Company is as follows:

(₹ Lacs)

Particulars	Leasehold Land	Buildings	Total
Balance at April 1, 2019	1,307	8,447	9,754
Reclassification from prepaid rent	-	1,038	1,038
Depreciation charge for the year	(30)	(3,291)	(3,321)
Additions to right-of-use assets	-	4,364	4,364
Derecognition of right-of-use assets	-	(180)	(180)
Balance at March 31, 2020	**1,277**	**10,378**	**11,655**

ii) Set out below are the carrying amounts of lease liabilities and the movements during the period:

(₹ Lacs)

Particulars	Amount
Balance at April 1, 2019	8,447
Additions	3,942
Accretion of interest	766
Payment of principal	(2,916)
Payments of interest	(766)
Balance at March 31, 2020	**9,473**
Current	**3,058**
Non- current	**6,415**

The maturity analysis of lease liabilities are disclosed in note 40.

NOTES TO REVISED STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2020

Note 29: Leases (Contd..)

iii) Amounts recognised in profit or loss:

(₹ Lacs)

Particulars	Amount
Interest on lease liabilities	766
Depreciation expense of right-of-use assets	3,321
Expenses relating to short-term leases	1,098

iv) Amounts recognised in statement of cash flows:

(₹ Lacs)

Particulars	Amount
Total cash outflow for leases	2,916

Leases as lessor

i) Finance lease

The Company has entered into a finance lease arrangement with its Holding Company.

For the year ended March 31, 2020 :

During 2019-20, the Company recognised interest income on lease receivables of ₹ 134 lacs.

The following table sets out a maturity analysis of lease receivables, showing the undiscounted lease payments to be received after the reporting date-

(₹ Lacs)

Particulars	Amount
Less than one year	230
One to two years	230
Two to three years	259
Three to four years	265
Four to five years	265
More than five years	957
Total undiscounted lease receivable	**2,206**
Unearned finance income	679
Net investment in the lease	**1,527**

For the year ended March 31, 2019 :

Future minimum lease receivables under finance lease together with the present value of the minimum lease receivables are as follows :

(Amount in ₹ Lacs)

Particulars	Minimum lease receivables	Present value of lease receivables
Less than one year	225	208
After one year but not more than five years	983	743
More than five years	1,221	666

NOTES TO REVISED STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2020

Note 29: Leases (Contd..)

ii) Operating lease

The Company has entered into operating leases on its investment property.

Rental income recognised by the Company during 2019-20 is ₹ 87 lacs (previous year : ₹ 88 lacs).

For the year ended March 31, 2020 :

The following table sets out a maturity analysis of lease payments, showing the undiscounted lease payments to be received after the reporting date-

(₹ Lacs)

Particulars	Amount
Less than one year	93
One to two years	66
Two to three years	31
Three to four years	-
Four to five years	-
More than five years	-
Total	**190**

For the year ended March 31, 2019 :

The Company has entered into operating leases on its investment property. These are generally cancellable leases and are renewable by mutual consent on mutually agreed terms with or without rental escalations.

Note 30 : Other comprehensive income

The disaggregation of changes to OCI by each type of reserve in equity is shown below :

During the year ended March 31, 2020

(₹ Lacs)

Particulars	FVTOCI reserve	Retained earnings	Cash flow hedging reserve	Cost of hedging reserve	Total
Remeasurement of defined benefit plans (refer note 33)	-	215	-	-	215
Change in fair value of investments	(103)	-	-	-	(103)
Cash flow hedging reserve (refer note 13 and 38)	-	-	(4)	-	(4)
Cost of hedging reserve (refer note 13 and 38)	-	-	-	1,412	1,412
Tax impact	-	(75)	1	(494)	(568)
Total	**(103)**	**140**	**(3)**	**918**	**952**

NOTES TO REVISED STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2020

Note 30 : Other comprehensive income (Contd..)

During the year ended March 31, 2019

(₹ Lacs)

Particulars	FVTOCI reserve	Retained earnings	Cash flow hedging reserve	Cost of hedging reserve	Total
Remeasurement of defined benefit plans (refer note 33)	-	(45)	-	-	(45)
Cash flow hedging reserve (refer note 13 and 38)	-	-	(137)	-	(137)
Cost of hedging reserve (refer note 13 and 38)	-	-	-	(1,372)	(1,372)
Tax impact	-	16	48	479	543
Total	**-**	**(29)**	**(89)**	**(893)**	**(1,011)**

Note 31 : Earnings per share (EPS)

Basic earnings per share amounts are calculated by dividing the profit/(loss) for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share amounts are calculated by dividing the profit/(loss) attributable to equity holders by the weighted average number of equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

The following reflects the income and share data used in the basic and diluted earnings per share computations:

(₹ Lacs)

Particulars	March 31, 2020	March 31, 2019
Loss attributable to equity holders (₹ lacs)	**(39,268)**	**(13,894)**
Weighted average number of Equity shares for basic earnings per share (lacs) *	**2,306**	**2,306**
Weighted average number of Equity shares for diluted earnings per share (lacs) **	**2,327**	**2,327**
Earning/(loss) per share		
Basic earnings per share	(17.03)	(6.03)
Diluted earnings per share	(17.03)	(6.03)

* Net off equity shares of 22 lacs held by HT Media Employee Welfare Trust.

** Equity shares of 22 lacs held by HT Media Employee Welfare Trust are not included in calculation of diluted earning per share because these are anti diluted.

Note 32: Distribution made and proposed

(₹ Lacs)

Particulars	March 31, 2020	March 31, 2019
Dividend on equity shares declared and paid :		
Final dividend for the year ended on March 31, 2019 : ₹ 0.40 per share (March 31, 2018 : ₹ 0.40 per share)	(931)	(931)
Dividend distribution tax on final dividend	(57)	(57)
	(988)	**(988)**
Proposed dividends on equity shares :		
Dividend proposed for the year ended on March 31, 2020: Nil per share (previous year: ₹ 0.40 per share)	-	931
Dividend distribution tax on proposed dividend	-	191
	-	**1,122**

NOTES TO REVISED STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2020

Note 33 : Employee benefits

A. Define benefit plan: Gratuity

(₹ Lacs)

Particulars	March 31, 2020	March 31, 2019
Gratuity plan	490	463
Total	**490**	**463**
Current	**198**	**171**
Non- current	**292**	**292**

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of services gets a gratuity on separation at 15 days salary (last drawn salary) for each completed year of service. The Company has formed a Gratuity Trust to which contribution is made based on actuarial valuation done by independent valuer.

The gratuity plan is governed by the Payment of Gratuity Act, 1972. The Company has purchased an insurance policy through its' Gratuity Trust, which is a year-on-year cash accumulation plan in which the interest rate is declared on yearly basis and is guaranteed for a period of one year. The insurance company, as part of the policy rules, makes payment of all gratuity outgoes happening during the year (subject to sufficiency of funds under the policy). The policy, thus, mitigates the liquidity risk. However, being a cash accumulation plan, the duration of assets is shorter compared to the duration of liabilities. Thus, the Company is exposed to movement in interest rate (in particular, the significant fall in interest rates, which should result in a increase in liability without corresponding increase in the asset).

The following tables summarises the components of net employee benefits recognized in the statement of profit and loss and the funded status and amounts recognized in the balance sheet :

Defined benefit gratuity plan

Changes in the defined benefit obligation and fair value of plan assets as at March 31, 2020 :

(₹ Lacs)

Particulars	March 31, 2020	March 31, 2019
Opening balance	2,331	2,387
Current service cost	245	242
Interest expense or cost	181	191
Re-measurement (or actuarial) (gain) / loss arising from:		
- change in demographic assumptions	-	-
- change in financial assumptions	185	45
- experience variance (i.e. actual experience vs assumptions)	(99)	(106)
Past service cost	-	-
Benefits paid	(300)	(428)
Total	**2,543**	**2,331**

NOTES TO REVISED STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2020

Note 33 : Employee benefits (Contd..)

Fair Value of Plan Assets

(₹ Lacs)

Particulars	March 31, 2020	March 31, 2019
Opening balance	1,868	2,042
Investment income	145	163
Employer's contribution	-	151
Benefits paid	(262)	(382)
Return on plan assets, excluding amount recognized in net interest expenses	301	(106)
Total	**2,052**	**1,868**

The major categories of plan assets of the fair value of the total plan assets are as follows:

Intangible assets	Defined Gratuity Plan	
	March 31, 2020	March 31, 2019
Investment in funds managed by the trust	100%	100%

The principal assumptions used in determining gratuity obligation for the Company's plans are shown below:

(₹ Lacs)

Particulars	March 31, 2020	March 31, 2019
Discount rate	6.85%	7.75-7.85%
Salary growth rate	5%	5%
Withdrawal rate		
Up to 30 years	3%	3%
31 - 44 years	2%	2%
Above 44 years	1%	1%

A quantitative sensitivity analysis for significant assumption is as shown below:

Defined gratuity plan:

(₹ Lacs)

Particulars	March 31, 2020	March 31, 2019
Defined benefit obligation (Base)	2,543	2,331

Impact on defined benefit obligation

Particulars	March 31, 2020		March 31, 2019	
Assumptions	Decrease	Increase	Decrease	Increase
Discount rate(-/+1%)	2,777	(2,338)	194	(170)
Salary growth rate(-/+1%)	(2,336)	2,774	(174)	195
Withdrawal rate(-/+50%)	(2,523)	2,559	(24)	22

The sensitivity analysis above has been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

NOTES TO REVISED STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2020

Note 33 : Employee benefits (Contd..)

The following payments are maturity profile of Defined Benefit Obligations in future years:

(₹ Lacs)

Particulars	March 31, 2020	March 31, 2019
Within the next one year (next annual reporting period)	172	129
More than one year and upto five years	1,087	1,008
More than five years and upto ten years	1,311	1,370
More than ten years	2,660	2,490
Total expected payments	**5,230**	**4,997**

Duration of the defined benefit plan obligation

(₹ Lacs)

Particulars	March 31, 2020	March 31, 2019
Range of duration	8 years - 17 years	7 years - 17 years

Defined contribution plan

(₹ Lacs)

Particulars	March 31, 2020	March 31, 2019
Contribution to provident and other funds		
Charged to statement of profit and loss	1,059	1,008

B. Leave encashment (unfunded)

The Company recognizes the leave encashment expenses in the Statement of Profit & Loss based on actuarial valuation.

The expenses recognized in the Statement of Profit & Loss and the leave encashment liability at the beginning and at the end of the year :

(₹ Lacs)

Particulars	March 31, 2020	March 31, 2019
Liability at the beginning of the year	257	397
Benefits paid during the year	(61)	(150)
Provided during the year	58	10
Liability at the end of the year	**254**	**257**

Note 34 : Share-based payments

In accordance with the Securities and Exchange Board of India (Share Based Employee benefits) Regulations, 2014 and Ind-AS 102 Share-based Payment, the scheme detailed below is managed and administered, compensation benefits in respect of the scheme is assessed and accounted by the Company. To have an understanding of the scheme, relevant disclosures are given below.

I. As approved by the shareholders at their Extra-ordinary General Meeting held on October 21, 2005, during an earlier year, the Company has given interest-free loan of ₹ 2,174 lacs to HT Media Employee Welfare Trust which in turn purchased 468,044 Equity Shares of ₹ 10 each of HT Media Limited (as on date equivalent to 2,340,220 Equity Shares of ₹ 2 each) from the open market [average cost per share – ₹ 92.91 based on Equity Share of ₹ 2 each], for the purpose of granting Options under the 'HTML Employee Stock Option Scheme' (the Scheme), to eligible employees.

NOTES TO REVISED STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2020

Note 34 : Share-based payments (Contd..)

During the financial year 2007-08, the Scheme was modified to the effect – (a) Options granted w.e.f. September 15, 2007 shall vest as per previous revised schedule of vesting period; and (b) to extend the coverage of the Scheme to the eligible full-time employees of the subsidiary companies.

The Options granted under the Scheme shall vest as per the Schedules of vesting period which are hereinafter referred to as 'Plan A', 'Plan B' (applicable to Options granted w.e.f. September 15, 2007) and Plan C (applicable to Options granted w.e.f. October 8, 2009). Options granted under above mentioned plans are exercisable for a period of 10 years after the scheduled vesting date of the last tranche of the Options as per the Scheme.

The relevant details of the Scheme are as under.

(₹ Lacs)

	Plan A	Plan B	Plan C
Dates of grant	09.01.2006	15.09.2007	08.10.2009
	05.12.2006	20.05.2009	24.10.2019
	23.01.2007	31.05.2011	
Date of Board approval	20.09.2005	12.10.2007	30.09.2009
Date of shareholder's approval	21.10.2005	30.11.2007	03.10.2009
Number of options granted	889,760*	7,73,765	4,86,932
	99,980*	4,53,982	15,19,665
	2,28,490	83,955	
Method of settlement	Equity	Equity	Equity
Vesting period (see table below)	12 to 48 months	12 to 48 months	12 to 24 months
Fair value on the date of grant (In ₹)	50.05	114.92	68.9
	85.15	50.62	9.04
	95.49	113.7	
Exercise period	10 years after the scheduled vesting date of the last tranche of the Options, as per the Scheme		
Vesting conditions	Employee remaining in the employment of the Company during the vesting period		

*Adjusted for face value of ₹ 2/- after stock split

Note: Approvals obtained from the Board of Directors and Shareholders of the Company for the 'Plan B' were with retrospective effect from September 15, 2007.

Details of the vesting period are:

(₹ Lacs)

Vesting period from the grant date	Vesting Schedule		
	Plan A	Plan B	Plan C
On completion of 12 months	25%	25%	75%
On completion of 24 months	25%	25%	25%
On completion of 36 months	25%	25%	-
On completion of 48 months	25%	25%	-

NOTES TO REVISED STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2020

Note 34 : Share-based payments (Contd..)

The details of activity under Plan A, Plan B and Plan C of the Scheme have been summarized below:-

Plan A

Particulars	March 31, 2020		March 31, 2019	
	Number of options	Weighted Average Exercise Price (₹)	Number of options	Weighted Average Exercise Price (₹)
Outstanding at the beginning of the year	363,260	92.30	454,540	92.30
Granted during the year	-	-	-	-
Forfeited during the year	-	-	91,280	92.30
Exercised during the year	-	-	-	-
Expired during the year	363,260	-	-	-
Outstanding at the end of the year	-	-	363,260	92.30
Exercisable at the end of the year	-	-	363,260	92.30
Weighted average remaining contractual life (in years)	-		0.78	
Weighted average fair value of options granted during the year	NA		NA	

Plan B

Particulars	March 31, 2020		March 31, 2019	
	Number of options	Weighted Average Exercise Price (₹)	Number of options	Weighted Average Exercise Price (₹)
Outstanding at the beginning of the year	83,264	92.30	83,264	92.30
Granted during the year	-	-	-	-
Forfeited during the year	-	-	-	-
Exercised during the year	-	-	-	-
Expired during the year	-	-	-	-
Outstanding at the end of the year	83,264	92.30	83,264	92.30
Exercisable at the end of the year	83,264	92.30	83,264	92.30
Weighted average remaining contractual life (in years)	3.14		4.14	
Weighted average fair value of options granted during the year	NA		NA	

NOTES TO REVISED STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2020

Note 34 : Share-based payments (Contd..)

Plan C

Particulars	March 31, 2020		March 31, 2019	
	Number of options	Weighted Average Exercise Price (₹)	Number of options	Weighted Average Exercise Price (₹)
Outstanding at the beginning of the year	212,101	117.55	273,549	117.55
Granted during the year	1,519,665	19.8	-	-
Forfeited during the year	-	-	61,448	117.55
Exercised during the year	-	-	-	-
Expired during the year	-	-	-	-
Outstanding at the end of the year	1,731,766	31.77	212,101	117.55
Exercisable at the end of the year	212,101	117.55	212,101	117.55
Weighted average remaining contractual life (in years)	10.34		2.53	
Weighted average fair value of options granted during the year	9.04		NA	

The details of exercise price for stock options outstanding at the end of the year ended March 31, 2020 are:-

Range of exercise prices	Number of options outstanding	Weighted average remaining contractual life of options (in years)	Weighted average exercise price (₹)
Plan A			
Nil	-	-	-
Plan B			
₹ 92.30	83,264	3.14	92.30
Plan C			
₹ 19.80- ₹ 117.50	1,731,766	10.34	31.77

NOTES TO REVISED STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2020

Note 34 : Share-based payments (Contd..)

The details of exercise price for stock options outstanding at the end of the previous year ended March 31, 2019 are:-

Range of exercise prices	Number of options outstanding	Weighted average remaining contractual life of options (in years)	Weighted average exercise price (₹)
Plan A			
₹ 92.30	363,260	0.78	92.30
Plan B			
₹ 92.30	83,264	4.14	92.30
Plan C			
₹ 117.55	212,101	2.53	117.55

The Company has availed exemption under Ind-AS 101 in respect of Share-based payments that had been vested before the transition date. The Company has elected to avail this exemption and accordingly, vested options have been measured at intrinsic value .

The employee compensation cost (accounting charge for the year) calculated using the fair value* of stock options is ₹ 23 lacs (March 31, 2019: Nil) in relation to employees of HT Media Limited.

The employee compensation cost (accounting charge for the year) calculated using the intrinsic value of stock options is Nil (March 31, 2019: Nil)

*Fair value is calculated as per the Black Scholes Options Pricing Model.

` Assumptions used in Black Scholes Option Pricing Model are as follows :

Particulars	
Risk free interest Rate	6.64%
Expected life	6.225 Years
Expected volatility**	37.29%
Dividend yield	1.01%
Price of the underlining share in market at the time of option grant (₹)	19.80
Exercise price (₹)	19.80
Fair value (₹)	9.04

** Volatility is a measure of the amount by which a price has fluctuated or is expected to fluctuate during a period. The measure of volatility used in the Black-Scholes option-pricing model is the annualized standard deviation of the continuously compounded rates of return on the stock over a period of time.

NOTES TO REVISED STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2020

Note 34 : Share-based payments (Contd..)

II. The subsidiary Company, Firefly e-Ventures Private Limited has given Employee Stock Options (ESOPs) to employees of HT Media Limited (HTML).

A. Details of these plans are given below:

Employee stock options

A stock option gives an employee, the right to purchase equity shares of Firefly e-Ventures Limited at a fixed price within a specific period of time.

B. Details of stock options granted during the current year and earlier year are as given below:

Type of arrangement	Date of grant	Options granted (nos.)	Fair value on the grant date (₹)	Vesting conditions	Weighted average remaining contractual life in years as at March 31, 2020 (in years)
Employee stock options-Plan A (Method of settlement- equity)	April 11, 2011	424,050	5.11	Starts from the date of listing of Firefly e-Ventures Limited as per the following vesting schedule 25% 12 months from the date of grant 25% 24 months from the date of grant 25% 36 months from the date of grant 25% 48 months from the date of grant	5.04
Employee stock options-Plan A (Method of settlement- equity)	October 16, 2009	4,421,200	4.82	Starts from the date of listing of Firefly e-Ventures Limited as per the following vesting schedule 25% 12 months from the date of grant * 25% 24 months from the date of grant * 25% 36 months from the date of grant * 25% 48 months from the date of grant *	3.55

* Since period of 48 months is already lapsed, all options will be vested at the date of listing of Firefly e-Ventures Limited.

NOTES TO REVISED STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2020

Note 34 : Share-based payments (Contd..)

C. Summary of activity under the Plan A for the year ended March 31, 2020 and March 31, 2019 are given below.

	March 31, 2020		March 31, 2019	
	Number of options	Weighted Average Exercise Price (₹)	Number of options	Weighted Average Exercise Price (₹)
Outstanding at the beginning of the year	4,295,400	10	4,633,224	10.00
Granted during the year	-	-	-	-
Forfeited during the year	-	-	337,824	10
Exercised during the year	-	-	-	-
Expired during the year	-	-	-	-
Outstanding at the end of the year	4,295,400	10	4,295,400	10.00
Weighted average remaining contractual life (in years)	3.6		4.6	
Weighted average fair value of options granted during the year	-		-	

Weighted average fair value of the options outstanding of plan A is ₹ 4.82 (previous year ₹ 4.82) per option.

The Company has availed exemption under Ind-AS 101 in respect of Share-based payments that had been vested before the transition date. The Company has elected to avail this exemption and accordingly, vested options have been measured at intrinsic value .

The employee compensation cost (accounting charge for the year) calculated using the intrinsic value of stock options is Nil (previous year: Nil)

III. HT Media Limited has given loan of ₹ 243 lacs to "HT Group Companies – Employee Stock Option Trust" which in turn has purchased 37,338 Equity Shares of ₹ 10 each of Hindustan Media Venture Limited (HMVL) – Subsidiary Company of HT media Limited, for the purpose of granting Options under the 'HT Group Companies –Employee Stock Option Scheme' (the Scheme), to eligible employees of the group. On these purchased shares, the trust has also received 238,964 shares out of the bonus shares issued by the HMVL on February 21, 2010.

Details of these plans are given below:

Employee stock options

A stock option gives an employee, the right to purchase equity shares of the HMVL at a fixed price within a specific period of time.

NOTES TO REVISED STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2020

Note 34 : Share-based payments (Contd..)

A. Details of Options granted as on March 31, 2020 are given below:

Type of arrangement	Date of grant	Options granted (nos.)	Fair value on the grant date (₹)	Vesting conditions	Weighted average remaining contractual life (in years)
Employee stock options	September 15, 2007	147,813	16.07	1/4 of the shares vest each year over a period of four years starting from one year after the date of grant	1.46
Employee stock options	May 20, 2009	11,936	14.39	1/4 of the shares vest each year over a period of four years starting from one year after the date of grant	3.14
Employee stock options	February 4, 2010	116,253	87.01	50% on the date of grant and 25% vest each year over a period of two years starting from the date of grant	3.14
Employee stock options	March 8, 2010	4,030	56.38	1/4 of the shares vest each year over a period of four years starting from one year after the date of grant	3.94
Employee stock options	April 1, 2010	4,545	53.87	1/4 of the shares vest each year over a period of four years starting from one year after the date of grant	4.01
Employee stock options	Oct 25, 2019	146,917	34.80	1/4 of the shares vest each year over a period of four years starting from one year after the date of grant	13.58

B. Summary of activity under the plans for the period ended March 31, 2020 and March 31, 2019 are given below.

	March 31, 2020			March 31, 2019		
	Number of options	Weighted-average exercise price (₹)	Weighted-average remaining contractual life (in years)	Number of options	Weighted-average exercise price (₹)	Weighted-average remaining contractual life (in years)
Outstanding at the beginning of the year	4,032	59.99	4.94	4,032	59.99	5.94
Granted during the year	146,917	72.20	13.58	-	-	-
Forfeited/Cancelled during the year	-	-	-	-	-	-
Exercised during the year	-	-	-	-	-	-
Expired during the year	-	-	-	-	-	-
Outstanding at the end of the year	150,949	71.68	13.32	4,032	59.99	4.94

NOTES TO REVISED STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2020

Note 34 : Share-based payments (Contd..)

C. The details of exercise price for stock options outstanding at the end of the current year ended March 31, 2020 are:

	Range of exercise prices	Number of options outstanding	Weighted average remaining contractual life of options (in years)	Weighted average exercise price (₹)
2019-20	₹ 1.35 to ₹ 72.20	1,50,949	13.32	71.68
2018-19	₹ 1.35 to ₹ 60	4,032	4.94	59.99

Options granted are exercisable for a period of 10 years after the scheduled vesting date of last tranche as per the Scheme.

Weighted average fair value of the options outstanding is ₹ 35.38 (previous year ₹ 56.38) per option.

The Company has availed exemption under Ind-AS 101 in respect of Share-based payments that had been vested before the transition date. The Company has elected to avail this exemption and accordingly, vested options have been measured at intrinsic value .

The employee compensation cost (accounting charge for the year) calculated using the fair value* of stock options is ₹ 12 lacs (March 31, 2019: Nil)

The employee compensation cost (accounting charge for the year) calculated using the intrinsic value of stock options is Nil (March 31, 2019: Nil)

*Fair value is calculated as per the Black Scholes Options Pricing Model.

Assumptions used in Black Scholes Options Pricing Model are as follows :

Particulars	
Risk free interest Rate	6.85%
Expected life	8.25 Years
Expected volatility**	32.85%
Dividend yield	0.93%
Price of the underlining share in market at the time of option grant (₹)	72.20
Exercise price (₹)	72.20
Fair value (₹)	34.80

** Volatility is a measure of the amount by which a price has fluctuated or is expected to fluctuate during a period. The measure of volatility used in the Black-Scholes option-pricing model is the annualized standard deviation of the continuously compounded rates of return on the stock over a period of time..

Note 35 : Commitments and contingencies

A. Commitments

(₹ Lacs)

Particulars	March 31, 2020	March 31, 2019
i) Capital commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of capital advances)	391	217

NOTES TO REVISED STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2020

Note 35 : Commitments and contingencies (Contd..)

ii) Other commitments- commitment under EPCG Scheme

The Company has obtained licenses under the Export Promotion Capital Goods ('EPCG') Scheme for importing capital goods at a concessional rate of customs duty against submission of bonds in September, 2008.

Under the terms of the respective scheme, the Company is required to export goods or/and services of FOB value equivalent to eight times the duty saved in respect of licenses within eight years from the date of issuance of license. Accordingly, the Company was required to export goods and services of FOB value of ₹ 20,017 lacs by September 18, 2018 (after extended time).

However, due to oversight of the assessing officers of Customs at the time of clearance of the goods, unconditional concession from BCD of 5% prescribed vide Sr. No. 267A of the Notification No. 21/2002-Cus dated 01 March 2002 as also CVD of 8% under Sr. No. 12 of Notification No. 6/2006-CE dated March 01, 2006 was not provided/applied. As a result of the said omission, the duty foregone/ duty saved amount has been incorrectly computed and consequently, the export obligation also been incorrectly computed.

The duty saved amount under the EPCG Scheme is ascertained basis the actual import duty of capital goods effected by a license holder, such as the Petitioner (HT Media) in the present case. The Company filed a letter in March, 2019 with custom authorities for rectification in custom tariff rates used to compute 'duty saved amount' and for corresponding amendment in export obligation as mentioned above thereby reducing the actual export obligation. This letter was rejected by custom authorities in May 2019 against which the Company has filed a writ petition before Mumbai High Court in August 2019. The department has filed its reply to the Writ Petition. The matter came up for hearing on April 27, 2020 when Hon'ble High Court of Bombay has directed the Customs Department that no coercive action shall be taken against HT Media and adjourned the matter for June 09, 2020. However due to Covid-19 and limited functioning of the High Court the matter has not come up for hearing till date and will be listed in due course. HT is protected as the stay is till the next date of hearing.

Basis management assessment, the balance export obligation as on March 31, 2020 is Nil.

iii) Commitment to invest in specific funds

Particulars	March 31, 2020		March 31, 2019	
	Amount Invested	Future Commitment	Amount Invested	Future Commitment
Blume Ventures Fund IA	₹ 300 lacs	-	₹ 300 lacs	-
Trifecta Venture Debt Fund-I	₹ 2,000 lacs	-	₹ 2,000 lacs	-
Trifecta Venture Debt Fund-II	₹ 844 lacs	₹ 156 lacs	-	-
Paragon Partners Growth Fund - I	₹ 1950 lacs	₹ 50 lacs	₹ 1352 lacs	₹ 648 lacs
WaterBridge Ventures I	₹ 426 lacs	₹ 75 lacs	₹ 376 lacs	₹ 125 lacs
Stellaris Venture Partners India I	₹ 655 lacs	₹ 345 lacs	₹ 505 lacs	₹ 495 lacs
Fireside Ventures Investment Fund I	₹ 436 lacs	₹ 64 lacs	₹ 368lacs	₹ 132 lacs

NOTES TO REVISED STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2020

Note 35 : Commitments and contingencies (Contd..)

B. Guarantees

(₹ Lacs)

Particulars	March 31, 2020	March 31, 2019
Bank guarantee	3,410	2,332
Corporate guarantee in favor of the banks on behalf of related party	4,082	-

C. Letter of support

Previous year the Company has given letters of support to its subsidiaries (HT Learning Centers Limited and India Education Services Private Limited) to enable the said subsidiaries to continue its operations.

D. Contingent liabilities

Claims against the Company not acknowledged as debts

Legal claim contingency

(i) In respect of income tax demand under dispute ₹ 880.98 lacs (previous year ₹ 760.89 lacs) against the same the Company has paid tax under protest of ₹ 824.55 lacs (previous year ₹ 648.96 lacs). The tax demands are mainly on account of disallowances of expenses claimed by the Company under the Income Tax Act. Based on management assessment and current status of the above matter, the management is confident that no provision is required in the financial statements as on March 31, 2020.

(ii) Service tax authorities have raised additional demands for ₹ 61 lacs (Previous Year: ₹ 61 lacs) for various financial years against the same the Company has paid tax under protest of ₹ 61 lacs (previous year ₹ 61 lacs). Based on management assessment and current status of the above matter, the management is confident that no provision is required in the financial statements as on March 31, 2020.

The above listed tax demands are being contested by the Company before the appropriate appellate authorities. Management believes that Company's tax positions are likely to be upheld by such authorities. No tax expenses have been accrued in the standalone financial statements for these tax demands.

(iii) During the year ended March 31, 2005, the Company acquired the printing undertaking at New Delhi from The Hindustan Times Limited ("HTL"). Ex-workmen of HTL challenged the transfer of business by way of a writ in Hon'ble Delhi High Court, which was dismissed on May 9, 2006. Thereafter, these workmen raised the industrial dispute before Industrial Tribunal-I, New Delhi ("Tribunal"). The case was decided by an award by Industrial Tribunal, on January 23, 2012, wherein the workmen were granted reinstatement and relief of treating them in continuity of services under terms and conditions of service as before their alleged termination w.e.f. October 3, 2004. As per the award, they will not be entitled to any notice pay or compensation u/s 25 FF of Industrial Dispute Act. The said notice - pay or compensation, if any, received by them, will have to be refunded to the Company.

The said award after publication came into operation w.e.f. April 1, 2012. The HTL issued several letters to the workmen, followed by the public notice seeking refund of the notice pay and retrenchment compensation so received, as directed by Industrial Tribunal without any results. The workmen also filed the Execution Proceeding for Back wages on April 2, 2012, Execution Court vide its order dated October 8, 2012, held that "No Back Wages" have been granted and decree in relation thereto cannot be executed". The Execution Court vide its order dated January 04, 2013 directed the management to reinstate the workman without insisting for refund of notice pay and retrenchment compensation. The said order of the Ld.

NOTES TO REVISED STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2020

Note 35 : Commitments and contingencies (Contd..)

Execution Court was challenged before High Court of Delhi. Since HTL has no factory, it offered notional reinstatement & Salary w.e.f. April 18, 2013. HTL informed the High Court during the pendency of the petition that since HTL is currently engaged in non-industrial activities, it can offer non-industrial work to a maximum of 38 (thirty eight) workmen based on seniority. It was also submitted that HTL will accordingly exercise its rights and remedies as available under the Industrial Disputes Act, 1947 qua the remaining workmen. Accordingly, HTL issued letters of posting to 38 workmen on December 4, 2013 and paid compensation under Section 25FFF of the Industrial Dispute Act, 1947 to remaining 167 workmen. Single Bench of Delhi High Court on September 14, 2015 delivered the judgment wherein Court relied on the Judgment of Division Bench and held that the parties will be at liberty to pursue the logical corollary. The proceedings before the Execution Court re-started after judgment of Single Bench of Delhi High Court.

The Execution Court ordered HTL to reinstate the workmen as earlier reinstatement was not in accordance with Award dated January 23, 2012 and also directed to make payment of wages accordingly. HTL challenged the said order of Execution Court before single bench of Hon'ble Delhi High Court.

Vide order dated August 27, 2018 Single Judge, Delhi High Court dismissed the Writ and directed the Management to reinstate the workmen along with the benefits of "continuity of services" under terms and conditions of the service as before their termination on October 03, 2004. Single Judge further directed the Management to deposit the wages of all the workmen, who have not yet attained the age of superannuation for the period from January 01, 2014 till August 31, 2018 as per the Award with the Executing Court within one month from the date of order.

The Management of HTL filed appeal to the Division Bench against the said judgment dated August 27, 2018 the Division Bench on October 16, 2018 dismissed the appeal on technical / maintainability ground without getting into merits of the matter.

The Management of HTL filed two separate Special Leave Petitions (SLP's) before the Hon'ble Supreme Court of India. First SLP against the orders dated August 27, 2018 read with order dated September 07, 2018 passed in Review Petition by the Single Judge of Delhi High Court, and the Second SLP challenging the Order dated October 16, 2018 passed by the Division Bench of Delhi High Court, seeking stay of the said judgments. One of the two SLPs was admitted by Apex Court by issue-of 'Notice' to opposite parties without staying the execution proceeding. However, Hon'ble Supreme Court of India was pleased to direct that "consequential action will, naturally, be subject to the oucome of the Special Leave Petition". The Second SLP is dismissed considering that the issue will be decided in the first SLP itself.

The Management of HTL issued letters of reinstatements and made payments to the workmen in accordance with order dated December 24, 2018 before the Ld. Execution court against personal Bond for refund of the amount so paid in case Supreme Court decides the matter in its favour. Ld. Execution Court vide order dated March 27, 2019 directed the Management to increase all other benefits including Basic pay and other concomitant benefits as if they had actually been in service and had been serving with the Management since 2004. Further, Management was directed to calculate the wages/salary of the decree holders after giving them notional increase in Basic pay and other related allowances/ benefits. In the meantime, the Management has challenged the order dated March 27, 2019 passed by Ld. Execution Court before Hon'ble High Court of Delhi. The Court issued notice to the Respondents on April 3, 2019 but no stay was granted.

The matter was listed before the Ld. Executing Court for adjudication of the Application dated May 27, 2019 filed by the workmen challenging the transfer order issued to workmen wherein the Court directed HTL to not take any adverse action against the present decree holders on account of their non-joining, pursuant to the transfer letter, from May 29, 2019 onwards and HTL shall not transfer any decree holder anywhere outside the limits of Delhi/NCR till further orders.

Note 35 : Commitments and contingencies (Contd..)

The HTL again challenged the order dated May 29, 2019 passed by Execution Court, before Delhi High Court vide W.P.(C) 6505/2019 wherein Hon'ble Court issued notice to Workmen for July 15, 2019 along with W.P.(C) 6328/2019 and CM(M) 529/2019.

Accordingly, W.P.(C) 6328/2019, W.P.(C) 6505/2019 and CM(M) 529/2019 were listed before Delhi High Court for arguments on 15th July, 2019 thereby Hon'ble High Court heard the matter and finally sent both parties before the Execution Court to hear all the parties and pass a final order to determine the liability of the judgment debtor in respect of the award in the execution and matters were listed for October 22, 2019 before Delhi High Court.

As the High Court has already directed the Execution Court to pass final order, the Management did not press the pending three petitions and sought to withdraw them with liberty to challenge final order passed by Execution Court in accordance with law and consequently the three Petitions vide its no. W.P.(C) 6328/2019, W.P.(C) 6505/2019 and CM(M) 529/2019 were dismissed as withdrawn on October 22, 2019.

In the meantime, HTL initiated Domestic Enquiry against 25 Workmen who were reinstated in January, 2019 on grounds of misconduct & absenteeism. The said Enquiry reports finding are against Workmen. Subsequently, show cause notices have been sent to concerned 25 Workmen. In accordance with the said report, four workmen who were not physically capable to do work have been terminated in accordance with due procedure of law.

Since the Execution Court stayed the transfer order of the Workmen outside Delhi NCR, the Management transferred the workmen to various location within Delhi NCR. The Workmen joined the location and attended the training but after the training they stopped coming on duty. The Management informed the Workmen that if they do not join duty at the transferred locations their salaries will not be payable. Hence in accordance with order dated September 5,2019 passed by the Hon'ble Execution Court no salaries are being paid to Workmen w.e.f. September 9, 2019 on no work no pay principle.

In the mean time, few applications were filed by Decree Holders before Execution Court and the replies to the applications have been filed by the HTL. The matter before Execution Court is listed for arguments wherein Ld. Execution Judge relisted the matter for 08.12.2020 for physical hearing and in case 08.12.2020 happens to be not the day of physical hearing of the Court then the matter would be adjourned for next immediate date of physical hearing.

On the issue of back wages, the workmen also filed Writ Petition against the order of Ld. Execution Court dated October 08, 2012 denying them back wages. This issue of Back wages is finally decided by Hon'ble Supreme Court vide order dated August 1, 2016 holding that back wages are not payable.

Another small group of workmen filed another SLP (C) No. 28705/2015 challenging the same order of Division Bench, Delhi High Court, virtually on same grounds, which is pending for hearing though there is a likely hood of same fate as of another SLP. The workmen thereafter filed a fresh Writ Petition before the single bench of Delhi High Court challenging the award dated January 23, 2012 to the extent of denial of back wages and concomitant benefits. The said Writ Petition was dismissed vide order dated October 3, 2016 on the ground of Res- judicata and on account of delay or latches. The judgment of the Single Bench of Delhi High Court was challenged by the workmen before Division Bench of High Court, wherein notice was issued to the Company. The said matter is now listed on August 10, 2020 for final arguments before the Division Bench.

Since the issue of Back wages has been decided by Hon'ble Supreme Court and the Single Judge of the Hon'ble Delhi High Court, the Company does not expect a material adverse outcome in the current round of litigation.

NOTES TO REVISED STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2020

Note 36 : Related party transactions

Following are the related parties and transactions entered with related parties for the relevant financial year :

i) List of related parties and relationships:-

Parties having direct or indirect control over the Company (Holding Company)	Earthstone Holding (Two) Private Limited* (Ultimate controlling party is the Promoter Group) The Hindustan Times Limited (HTL)
Subsidiaries (with whom transactions have occurred during the year)	Hindustan Media Ventures Limited Next Radio Limited (w.e.f. April 15,2019) Next Mediaworks Limited (w.e.f. April 15,2019) HT Music and Entertainment Company Limited Firefly e-Ventures Limited HT Digital Media Holdings Limited HT Mobile Solutions Limited HT Overseas Pte. Limited HT Education Limited HT Learning Centers Limited Shine HR Tech Limited HT Global Education Private Limited (formerly Known as HT Global Education) India Education Services Private Limited Topmovies Entertainment Limited
Fellow subsidiary (with whom transactions have occurred during the year)	Digicontent Limited (formerly known as HT Digital Ventures Limited) HT Digital Streams Limited
Entities which are post employment benefits plans. (with whom transactions have occurred during the year)	HT Media Limited Working Journalist Gratuity Fund HT Media Limited Non Journalist & Other Employees Gratuity Fund
Key Management Personnel	Mrs. Shobhana Bhartia (Chairperson & Editorial Director) Mr. Praveen Someshwar (Managing Director & CEO w.e.f. August 1, 2018) Mr. Priyavrat Bhartia (Non- Executive Director) Mr. Shamit Bhartia (Ceased to be Non- Executive Director w.e.f December 30, 2019 and re-appointed w.e.f March 31, 2020) Mr. Dinesh Mittal (ceased to be Whole Time Director w.e.f. August 8, 2018) Mr. K. N. Memani (ceased to be Non-Executive Independent Director w.e.f April 1, 2019) Ms. Aruna Sundararajan (appointed as Non-executive Independent Director w.e.f March 31, 2020 and ceased to be Non-executive Independent Director w.e.f. June 15, 2020)

NOTES TO REVISED STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2020

Note 36 : Related party transactions (contd..)

Key Management Personnel	Ms. Sindhushree Khullar (appointed as Non-executive Independent Director w.e.f May 10, 2019 and ceased to be Non-executive Independent Director w.e.f. September 30, 2019) Mr. Ajay Relan (Non-Executive Independent Director) Mr. Vivek Mehra (Non-Executive Independent Director) Mr. Vikram Singh Mehta (Non-Executive Independent Director)
Relative of Key Management Personnel (with whom transactions have occurred during the year)	Mrs. Nutan Mittal (Relative of Mr. Dinesh Mittal) who ceased to be Whole Time Director w.e.f. August 8, 2018)

*Earthstone Holding (Two) Private Limited (formerly known as Earthstone Holding (Two) Limited) is the holding Company of The Hindustan Times Limited.

ii) Transactions with related parties

Refer note 36 A

iii) Terms and conditions of transactions with related parties

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free (other than Inter corporate deposit given and taken) and settlement occurs in cash.

NOTES TO REVISED STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2020

Note 36A Transactions during the year with related parties (refer note A)

(₹ Lacs)

SL No	Transactions for the year ended March 31, 2020	Holding Company		Fellow Subsidiaries (refer note D)		Subsidiaries		Key Managerial Personnel (KMP's) / Directors (refer note B)		Relatives of Key Managerial Personnel (KMP's)		Entities which are post employment benefit plans		Total	
		March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
A	**Revenue**														
1	Sale of stores & spares material	-	-	-	-	5	14	-	-	-	-	-	-	5	14
2	Jobwork revenue	-	-	-	-	2,356	1,455	-	-	-	-	-	-	2,356	1,455
3	Income from advertisement & digital services	5	8	176	44	775	1,650	-	-	-	-	-	-	956	1,702
4	Sale of newspaper for circulation	-	-	-	-	288	304	-	-	-	-	-	-	288	304
5	Infrastructure support services (seats) given	-	-	1,325	1,669	278	165	-	-	-	-	-	-	1,603	1,834
6	Media marketing commission & collection charges received	-	-	-	-	580	330	-	-	-	-	-	-	580	330
7	Advisory fees/ royalty fee received	-	-	-	-	1	1	-	-	-	-	-	-	1	1
8	Share of advertisement revenue received on joint sales	-	-	-	84	4	-	-	-	-	-	-	-	4	84
9	Interest received on finance lease arrangement	134	139	-	-	-	-	-	-	-	-	-	-	134	139
10	Rent received	-	-	-	-	1	1	-	-	-	-	-	-	1	1
11	Interest received on inter corporate deposit / others	-	-	1,006	904	131	25	-	-	-	-	-	-	1,137	929
12	Income from management support service	-	-	87	-	-	-	-	-	-	-	-	-	87	-
13	Corporate guarantee fees	-	-	-	-	38	-	-	-	-	-	-	-	38	-
14	Dividend received	-	-	-	-	654	654	-	-	-	-	-	-	654	654

NOTES TO REVISED STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2020

Note 36A Transactions during the year with related parties (refer note A) (Contd..)

(₹ Lacs)

SL No	Transactions for the year ended March 31, 2020	Holding Company		Fellow Subsidiaries (refer note D)		Subsidiaries		Key Managerial Personnel (KMP's) / Directors (refer note B)		Relatives of Key Managerial Personnel (KMP's)		Entities which are post employment benefit plans		Total	
		March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
B	**Expenses**														
15	Printing / service charges paid	-	-	-	-	393	343	-	-	-	-	-	-	393	343
16	Fee for newsprint procurement support services	-	-	-	-	216	274	-	-	-	-	-	-	216	274
17	Advertisement expenses, sales promotion	-	95	69	29	311	171	-	-	-	-	-	-	380	295
18	Share of revenue given on joint sales	-	-	117	98	627	235	-	-	-	-	-	-	744	333
19	Purchase of newspaper for circulation	-	-	-	-	2,073	2,193	-	-	-	-	-	-	2,073	2,193
20	Infrastructure support services (seats) taken	-	-	-	-	32	33	-	-	-	-	-	-	32	33
21	Media marketing commission & collection charges paid	-	-	-	-	85	93	-	-	-	-	-	-	85	93
22	Remuneration paid to Key managerial personnel	-	-	-	-	-	-	1,045	1,219	-	-	-	-	1,045	1,219
23	Payment for car lease	-	-	-	-	-	-	-	-	-	14	-	-	-	14
24	Rent and maintenance	1,581	1,559	-	-	29	29	-	-	-	-	-	-	1,610	1,588
26	Interest on corporate loans	-	-	-	-	2,200	274	-	-	-	-	-	-	2,200	274
27	Brand promotion expense	-	-	1,384	-	-	-	-	-	-	-	-	-	1,384	-
28	Content procurement fees	-	-	9,934	11,461	-	-	-	-	-	-	-	-	9,934	11,461

NOTES TO REVISED STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2020

Note 36A Transactions during the year with related parties (refer note A) (Contd..)

(₹ Lacs)

SL No	Transactions for the year ended March 31, 2020	Holding Company		Fellow Subsidiaries (refer note D)		Subsidiaries		Key Managerial Personnel (KMP's) / Directors (refer note B)		Relatives of Key Managerial Personnel (KMP's)		Entities which are post employment benefit plans		Total	
		March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
C	**Others**														
29	Reimbursement of expenses incurred on behalf of the Company by parties	530	2,603	19	16	83	51	-	-	-	-	-	-	632	2,670
30	Reimbursement of expenses incurred on behalf of the parties by Company	-	-	83	117	413	298	-	-	-	-	-	-	496	415
31	Sale of property plant & equipment and intangibles by Company	-	-	-	-	26	57	-	-	-	-	-	-	26	57
32	Purchase of property plant & equipment and intangibles by Company	-	-	-	-	11	12	-	-	-	-	-	-	11	12
33	Inter corporate deposit given by the Company	-	-	-	-	1,460	1,250	-	-	-	-	-	-	1,460	1,250
34	Inter corporate deposit taken by the Company	-	-	-	-	3,325	29,800	-	-	-	-	-	-	3,325	29,800
35	Inter corporate deposit taken by the Company - refunded back	-	-	-	-	30,030	-	-	-	-	-	-	-	30,030	-
36	Non executive director's sitting Fee and commission	-	-	-	-	-	-	38	49	-	-	-	-	38	49
37	Contribution to Gratuity Trust	-	-	-	-	-	-	-	-	-	-	-	151	-	151
38	Material given on loan and subsequently received back	-	-	-	-	-	10	-	-	-	-	-	-	-	10
39	Security deposit received and subsequently refunded against material taken on loan	-	-	-	-	-	20	-	-	-	-	-	-	-	20

NOTES TO REVISED STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2020

Note 36A Transactions during the year with related parties (refer note A) (Contd..)

(₹ Lacs)

SL No	Transactions for the year ended March 31, 2020	Holding Company		Fellow Subsidiaries (refer note D)		Subsidiaries		Key Managerial Personnel (KMP's) / Directors (refer note B)		Relatives of Key Managerial Personnel (KMP's)		Entities which are post employment benefit plans		Total	
		March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
40	Security deposit paid	-	-	-	-	-	210	-	-	-	-	-	-	-	210
41	Receipt of security deposit given	-	-	-	-	60	-	-	-	-	-	-	-	60	-
42	Security deposit received	-	-	-	-	279	107	-	-	-	-	-	-	279	107
43	Purchase of investment	-	-	-	-	674	-	-	-	-	-	-	-	674	-
44	Return of share capital	-	-	-	-	30,000	-	-	-	-	-	-	-	30,000	-
45	Share application money received back	-	-	-	-	-	200	-	-	-	-	-	-	-	200
46	Dividend paid	647	647	-	-	-	-	-	-	-	-	-	-	647	647
47	Investments made in shares (including amount paid for preference shares) and share application money	-	-	-	-	858	37,197	-	-	-	-	-	-	858	37,197

NOTES TO REVISED STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2020

Note 36A Transactions during the year with related parties (refer note A) (Contd..)

(₹ Lacs)

SL No	Transactions for the year ended March 31, 2020	Holding Company		Fellow Subsidiaries (refer note D)		Subsidiaries		Key Managerial Personnel (KMP's) / Directors (refer note B)		Relatives of Key Managerial Personnel (KMP's)		Entities which are post employment benefit plans		Total	
		March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
	Balance outstanding as on 31-03-2020														
48	Investment in shares (including premium)	-	-	-	-	59,998	66,314	-	-	-	-	-	-	59,998	66,314
49	Trade & other receivables (including advances given)	1,904	1,850	-	-	1,084	1,344	-	-	-	-	-	-	2,988	3,194
50	Trade payables including other payables	99	865	2,297	4,707	1,770	464	-	-	-	-	-	-	4,166	6,036
51	Inter corporate deposit taken & interest accrued on it	-	-	-	-	3,117	30,047	-	-	-	-	-	-	3,117	30,047
52	Inter corporate deposit given & interest accrued on it	-	-	9,916	9,010	-	1,272	-	-	-	-	-	-	9,916	10,282
53	Security deposits received by the Company	-	-	-	-	516	238	-	-	-	-	-	-	516	238
54	Security deposits given by the Company	2,505	4,991	-	-	575	635	-	-	-	-	-	-	3,080	5,626

Note A- The transactions above do not include service tax, vat, GST etc.

Note B- Key Managerial Personnel who are under the employment of the Company are entitled to post employment benefits and other long term employee benefits recognized as per Ind AS 19 - 'Employee Benefits' in the standalone financial statements. As these employee benefits are lump sum amounts provided on the basis of actuarial valuation, the same is not included above.

Note C- Refer note 35 for corporate guarantees and letter of support given for/on behalf of subsidiaries.

NOTES TO REVISED STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2020

Note 37 : Segment information

For the purpose of management review, the Company is organized into business units based on the nature of products and services and has three reportable segments, as follows:

- **Printing and publication of newspapers & periodicals**

- **Radio broadcast** and all other related activities through its Radio channels operating under brand name 'Fever 104' , 'Fever' and 'Radio Nasha 107.2' in India.

- **Digital** - Business of providing internet related services through a job portal Shine.com.

Information about major customers:

No single customer represents 10% or more of the Company's total revenue during the year ended March 31, 2020 and March 31, 2019.

The Chief Operating Decision Maker (CODM) of the Company monitors the operating results of above-mentioned business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the consolidated financial statements. Also, the Company's financing (including finance costs and finance income) and income taxes are managed on a Company basis and are not allocated to operating segments.

The geographical revenue is allocated based on the location of the customers. The Company primarily caters to the domestic market and hence it has been considered as to be operating in a single geographical location.

The financial information for these reportable segments has been provided in Consolidated Financial statements as per Ind-AS 108 - Operating Segments.

Note 38 : Hedging activities and derivatives

Derivatives not designated as hedging instruments

The Company uses foreign exchange forward contracts, call spread option, interest rate swaps (floating to fixed) to manage its foreign currency and interest rate risk exposures. These contracts are not designated as cash flow hedges other than Euro 30 Million FCNR Loan and are entered into for periods consistent with underlying transactions exposure.

Derivatives designated as hedging instruments

The Company has taken Euro 30 Million FCNR loan with floating rate of interest. The Company has taken Call Spread option to mitigate foreign currency risk in relation to repayment of principal amount of Euro 30 Million and Interest Rate Swap (floating to fixed) to mitigate interest rate risk. The Company designates (Cash Flow Hedge):

- Intrinsic Value of Call Spread option to hedge foreign currency risk for repayment of principal amount in relation to FCNR Loan availed in Euro.

- Interest Rate Swap (floating to fixed) to hedge interest rate risk in respect of floating rate of interest in relation to FCNR Loan.

NOTES TO REVISED STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2020

Note 38 : Hedging activities and derivatives (Contd..)

For year ended March 31, 2020

Disclosure of effects of hedge accounting on financial position for the year ended March 31, 2020:

(₹ Lacs)

Type of hedge and risks	Nominal value (Notional amount being used to calculate payments made on hedge instrument)	Carrying amount of hedging instrument		Line item in balance sheet that includes hedging instrument	Maturity	Hedge ratio	Average strike rate of hedging instrument
		Assets in ₹ Lacs	Liabilities in ₹ Lacs				
Cash flow hedge							
Foreign exchange risk							
Foreign currency options	Euro 30 Million	382	-		February 6,2019 to February 4, 2022	1:1	82.4486
							Fixed Interest rate
Interest rate risk							
Interest rate swap	Euro 30 Million	-	141	Financial Liability at FVPL	February 6,2019 to February 4, 2022	1:1	2.27%

(₹ Lacs)

Type of hedge and risks	Changes in fair value of hedging instrument recognised in OCI	Hedge ineffectiveness recognised in profit or (loss)	Line item in statement of profit and loss that includes recognised hedge ineffectiveness	Amount reclassified from cash flow hedging reserve to profit or loss	Line item affected in statement of profit and loss because of the reclassification	Cost of Hedging recognised in OCI	Amount reclassified from cost of hedging reserve to profit or loss	Line item affected in statement of profit and loss because of the reclassification
Cash flow hedge								
Foreign exchange risk								
Foreign currency options	382	-		382	Foreign exchange loss	498	914	Finance Cost
Interest rate risk								
Interest rate swap	4	-						

NOTES TO REVISED STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2020

Note 38 : Hedging activities and derivatives (Contd..)

Disclosure of effects of hedge accounting on financial position for the year ended March 31, 2019:

(₹ Lacs)

Type of hedge and risks	Nominal value (Notional amount being used to calculate payments made on hedge instrument)	Carrying amount of hedging instrument		Line item in balance sheet that includes hedging instrument	Maturity	Hedge ratio	Average strike rate of hedging instrument
		Assets in ₹ Lacs	Liabilities in ₹ Lacs				
Cash flow hedge							
Foreign exchange risk							
Foreign currency options	Euro 30 Million	-	-		February 6,2019 to February 4, 2022	1:1	79.7056
							Fixed Interest rate
Interest rate risk							
Interest rate swap	Euro 30 Million	-	137	Financial Liability at FVPL	February 6,2019 to February 4, 2022	1:1	2.27%

(₹ Lacs)

Type of hedge and risks	Changes in fair value of hedging instrument recognised in OCI	Hedge ineffectiveness recognised in profit or (loss)	Line item in statement of profit and loss that includes recognised hedge ineffectiveness	Amount reclassified from cash flow hedging reserve to profit or loss	Line item affected in statement of profit and loss because of the reclassification	Cost of Hedging recognised in OCI	Amount reclassified from cost of hedging reserve to profit or loss	Line item affected in statement of profit and loss because of the reclassification
Cash flow hedge								
Foreign exchange risk								
Foreign currency options	-	1,264	Foreign Exchange Gain	-		1,504	132	Finance Cost
Interest rate risk								
Interest rate swap	137	-						

NOTES TO REVISED STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2020

Note 38 : Hedging activities and derivatives (Contd..)

Movements in cash flow hedging reserve and costs of hedging reserve during the year ended March 31, 2019 and March 31, 2020 :

(₹ Lacs)

Risk category	Foreign currency risk	Interest rate risk	Total
Derivative instruments	**Foreign currency options**	**Interest rate swaps**	
As at April 1, 2018	**-**	**-**	**-**
Add: Changes in fair value of interest rate swaps	-	(137)	(137)
Less: Amounts reclassified to profit or loss	-	-	-
As at March 31, 2019 (before tax)	-	(137)	(137)
Less: Deferred tax relating to FY 18-19	-	(48)	(48)
As at March 31, 2019 (after tax)	**-**	**(89)**	**(89)**
Add: Changes in intrinsic value of foreign currency options	382	-	382
Add: Changes in fair value of interest rate swaps	-	(4)	(4)
Less: Amounts reclassified to profit or loss	(382)	-	(382)
As at March 31, 2020 (before tax)	-	(93)	(93)
Less: Deferred tax relating to FY 19-20	-	(1)	(1)
As at March 31, 2020 (after tax)	**-**	**(92)**	**(92)**

(₹ Lacs)

	Foreign currency risk
	Foreign currency options
Costs of hedging reserve	
As at April 1, 2018	**-**
Add: Deferred costs of hedging-transaction related- Deferred time value of foreign currency option contracts	(1,504)
Less: Amount reclassified from cost of hedging reserve to profit or loss	132
As at March 31, 2019 (before tax)	(1,372)
Less: Deferred tax relating to FY 18-19	(479)
As at March 31, 2019 (after tax)	**(893)**
Add: Deferred costs of hedging-transaction related- Deferred time value of foreign currency option contracts	498
Less: Amount reclassified from cost of hedging reserve to profit or loss	914
As at March 31, 2020 (before tax)	519
Less: Deferred tax relating to FY 19-20	494
As at March 31, 2020 (after tax)	**25**

NOTES TO REVISED STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2020

Note 38 : Hedging activities and derivatives (Contd..)

Hedge Effectiveness

Hedge effectiveness is determined at the inception of the hedge relationship, and through periodic prospective effectiveness assessments to ensure that an economic relationship exists between the hedged item and hedging instrument.

The Group enters into hedge relationships where the critical terms of the hedging instrument match exactly with the terms of the hedged item. The Group performs a qualitative assessment of effectiveness. As all critical terms matched during the year, the economic relationship was 100% effective.

Note 39 : Fair values

Set out below, is a comparison by class of the carrying amounts and fair value of the companies financial instruments, other than those with carrying amounts that are reasonable approximations of fair values:

Particulars	Carrying value		Fair value		Fair Value measurement hierarchy level
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	
	₹ Lacs	₹ Lacs	₹ Lacs	₹ Lacs	
Financial assets measured at fair Value through profit & loss (FVTPL)					
Investment in mutual funds and fixed maturity plans- Quoted (refer note 6B)	44,293	105,727	44,293	105,727	Level 1
Investment in venture capital funds- Unquoted (refer note 6B)	8,815	5,855	8,815	5,855	Level 2
Investment in equity instruments and warrants- Quoted (refer note 6B)	217	1,149	217	1,149	Level 1
Investment in equity instruments and warrants- Unquoted (refer note 6B)	1,085	-	1,085	-	Level 2
Investment in equity instruments and warrants- Unquoted (refer note 6B)	1,478	2,634	1,478	2,634	Level 3
Investment in preference shares- Unquoted (refer note 6B)	-	1,149	-	1,149	Level 3
Investment in debt instruments - Unquoted (refer note 6B)	597	930	597	930	Level 3
Investment in debt instruments - Unquoted (refer note 6B)	-	146	-	146	Level 2
Financial assets measured at fair value through other comprehensive income					
Forex derivative contract (designated as hedge) (refer note 6D)	382	-	382	-	Level 2
Investment in equity instruments Quoted (refer note 6B)	19	-	19	-	Level 1

NOTES TO REVISED STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2020

Note 39 : Fair values (Contd..)

Particulars	Carrying value		Fair value		Fair Value measurement hierarchy level
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	
	₹ Lacs	₹ Lacs	₹ Lacs	₹ Lacs	
Financial assets measured at amortised cost					
Investment in bonds- Quoted (refer note 6B)	-	206	-	223	Level 1
Investment in bonds- Unquoted (refer note 6B)	-	2,500	-	2,500	Level 2
Financial assets- loan (refer note 6C)	11,694	15,532	11,694	15,532	Level 2
Margin money (held as security in form of fixed deposit) (refer note 6D)	21	112	21	112	Level 2
Financial liabilities measured at amortised cost					
FCNR loan from bank including current maturities of long term borrowing clubbed under "Other current financial liabilities" (refer note 14A)	24,926	23,885	24,926	23,885	Level 2
Liability-Premium call option (refer note 14C)	1,195	2,008	1,195	2,008	Level 2
Financial liabilities measured at fair value through profit and loss					
Derivative contract not designated as hedge (refer note 14C)	-	29	-	29	Level 2
Derivative contract designated as hedge (refer note 14C)	141	137	141	137	Level 2

The management assessed that fair value of trade receivables, cash and cash equivalents, other bank balances, other current non- derivative financial assets, short- term borrowings, trade payables and other current non- derivative financial liabilities approximate their carrying amounts that are reasonable approximations of fair value largely due to the short-term maturities of these instruments. The fair value of the financial assets and liabilities is the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

- The fair values of Long term interest-bearing borrowings and loans are determined by using Discounted Cash Flow(DCF) method using discount rate that reflects the issuer's borrowing rate as at the end of the reporting period. The own non-performance risk was assessed to be insignificant.

- The fair values of the investment in unquoted equity shares/ debt instruments/ preference shares have been estimated using a Discounted Cash Flow (DCF) model and/or comparable investment price such as last round of funding made in the investee Company. The valuation requires management to make certain assumptions about the model inputs, including forecast cash flows, discount rate, credit risk and volatility. The probabilities of the various estimates within the range can be reasonably assessed and are used in management's estimate of fair value for these unquoted investments.

- Investments in quoted mutual funds/bonds being valued at Net Asset Value.

- Investments in venture capital funds are valued using valuation techniques, which employs the use of market observables inputs and the assessment of Net Asset Value.

- Investments in quoted equity shares are valued at closing price of stock on recognized stock exchange.

NOTES TO REVISED STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2020

Note 39 : Fair values (Contd..)

- The Company enters into derivative financial instruments such as Interest rate swaps, Coupon only swap, Call Spread Options, foreign exchange forward contracts being valued using valuation techniques, which employs the use of market observable inputs. The Company uses Mark to Market valuation provided by Bank for valuation of these derivative contracts.
- The loans and investment in bonds are evaluated by the Company based on parameters such as interest rate, risk factors, risk characteristics and individual credit-worthiness of the counterparty. Based on this evaluation, allowances are taken into account for the expected losses.
- Fixed bank deposits with more than 12 months maturity has been derived basis the interest accrued on fixed deposits upto the balance sheet date.
- Investment in quoted bonds and are recorded at amortised cost. Fair value of quoted bonds are determined basis the closing price of the bonds on recognised stock exchange.

The significant unobservable inputs used in the fair value measurement categorised within Level 3 of the fair value hierarchy together with a quantitative sensitivity analysis as at March 31, 2020 and March 31, 2019 are as shown below:

Description of significant unobservable inputs to valuation as at March 31, 2020:

Particulars	Valuation technique	Significant unobservable inputs	Range (weighted average)	Impact of Increase to fair value (₹ Lacs)	Impact of Decrease to fair value (₹ Lacs)
Investment in unquoted debt/ equity/preference instruments at Level 3	Discounted cash flow	Weighted average cost of capital (+/- 1%)	20%- 22%	(26)	33
		Terminal growth rate (+/- 1%)	4%	18	(14)
		Volatility (+/- 5%)	41%- 51%	33	(31)
		Discount for lack of marketability (+/- 5%)	15%	(43)	43
		Environment Risk (+/- 5%)	20%	(130)	129
		EV/Revenue Multiple (+/- 5%)	1.3X-2.5X	15	(16)

Description of significant unobservable inputs to valuation as at March 31, 2019:

Particulars	Valuation technique	Significant unobservable inputs	Range (weighted average)	Impact of Increase to fair value (₹ lacs)	Impact of Decrease to fair value (₹ lacs)
Investment in unquoted debt/ equity/preference instruments at Level 3*	Discounted cash flow	Weighted average cost of capital (+/- 1%)	17.50%	(177)	225
		Terminal growth Rate (+/- 1%)	5%	147	(113)

* The sensitivity analysis disclosures in relation to certain equity instruments and preference shares investments classified at FVTPL is not been disclosed since the management believes that there is no movement in the fair value on the reporting date.

NOTES TO REVISED STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2020

Note 39 : Fair values (Contd..)

Reconciliation of fair value measurement of investment in unquoted equity shares/ preference shares/ debentures measured at FVTPL (Level III) :

Particulars	Total ₹ lacs
As at April 1, 2018	**3,216**
Purchases	2,634
Impact of fair value movement	(1,137)
Transfers*	-
As at March 31, 2019	**4,713**
Purchases	-
Impact of fair value movement	(1,453)
Transfers*	(1,185)
As at March 31, 2020	**2,075**

*During the year an Investment having book value of ₹ 1,185 lacs (previous year Nil) has been transferred from Level 3 to Level 2. Certain securities were valued basis Discounted Cash Flow (DCF) model (Level 3) during the previous year. The same has been valued during the current year basis observable data (Level 2).

Note 40: Financial risk management objectives and policies

The Company's principal financial liabilities, other than derivatives, comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations and to support its operations. The Company's principal financial assets other than derivatives comprise investments, loans given, trade and other receivables and cash and cash equivalents that derive directly from its operations. The Company also enters into foreign exchange derivative transactions.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the mitigation of these risks. The Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. All derivative activities for risk management purposes are carried out by specialist teams that have the appropriate skills, experience and supervision. It is the Company's policy that no trading in foreign exchange derivatives for speculative purposes will be undertaken. The policies for managing each of these risks, which are summarized below:-

I Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and equity price risk. Financial instruments affected by market risk include loans and borrowings, deposits and derivative financial instruments.

The sensitivity analyses in the following sections relate to the position as at March 31, 2020 and March 31, 2019.

The analysis exclude the impact of movements in market variables on: the carrying values of gratuity and other post retirement obligations and provisions.

The sensitivity of the relevant profit and loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at March 31, 2020 and March 31, 2019.

(i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The companies exposure to the risk of changes in market interest rates relates primarily to the FCNR Borrowings with floating interest rates.

NOTES TO REVISED STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2020

Note 40: Financial risk management objectives and policies (Contd..)

The Company manages interest rate risk by taking interest rate swap (floating to fixed). Refer note 38 for details.

The Sensitivity Analysis for impact on OCI in relation to interest rate swap-

Particulars	MTM Valuation		Impact on OCI (₹ lacs)	
Interest rate swap	10%	-10%	0	(0)

(ii) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a foreign currency), investments & borrowing in foreign currency, etc.

The Company manages its foreign currency risk by hedging foreign currency transactions with forward covers and option contracts. These transactions generally relates to purchase of imported newsprint & borrowings in foreign currency.

When a derivative is entered into for the purpose of being a hedge, the Company negotiates the terms of those derivatives to match the terms of the underlying exposure.

Foreign currency sensitivity-Unhedged Foreign Currency Exposure

The following tables demonstrate the sensitivity to a reasonably possible change in exchange rates, with all other variables held constant. The impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities.

(₹ Lacs)

	Outstanding Balances (Foreign Currency in lacs)		Change in Foreign Currency Rate		Effect on profit before tax	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
Change in USD rate						
Trade payables	35	33	+/(-) 1%	+/(-) 1%	27	23
Interest payable-Buyer's credit	1	3	+/(-) 1%	+/(-) 1%	1	2
Borrowings (Buyers credit)	138	107	+/(-) 1%	+/(-) 1%	104	74
Trade receivables	4	6	+/(-) 1%	+/(-) 1%	3	4
Change in GBP rate						
Investments	-	2	+/(-) 1%	+/(-) 1%	-	2
Change in SGD rate						
Investments	158	141	+/(-) 1%	+/(-) 1%	83	72
Trade receivables	2	-	+/(-) 1%	+/(-) 1%	1	-
Change in CAD rate						
Investments	-	1	+/(-) 1%	+/(-) 1%	-	1
Change in Euro rate						
Trade payables	1	-	+/(-) 1%	+/(-) 1%	1	-
Interest payable -FCNR EURO	3	1	+/(-) 1%	+/(-) 1%	2	1

NOTES TO REVISED STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2020

Note 40: Financial risk management objectives and policies (Contd..)

(iii) Equity price risk

The Company invests in listed and non-listed equity securities which are susceptible to market price risk arising from uncertainties about future values of the investment securities. The Company manages the equity price risk through diversification and by placing limits on individual and total equity instruments. Reports on the equity portfolio are submitted to the Company's senior management on a regular basis. The Company's Investment Committee reviews and approves all equity investment decisions (refer note 39).

(2) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

Trade receivables and Other Financial Assets at amortised cost

An impairment analysis is performed at each reporting date on an individual basis for major clients. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in note 10A and note 6D. The Company does not hold collateral as security.

The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets.

Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made as per guidelines and within limits approved by Board of Directors. Board of Directors/ Management reviews and update guidelines, time to time as per requirement. The guidelines are set to minimize the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

Liquidity risk

The Company monitors its risk of a shortage of funds using a liquidity planning tool.

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of Bank loans & liquid MF Investments. ~81% of the Company's borrowings will mature in less than one year at March 31, 2020 (March 31, 2019: ~82%) based on the carrying value of borrowings reflected in the financial statements.

The Company assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Company has access to a sufficient variety of sources of funding i.e. investments / Bank limits for Borrowing/ cash accrual from Operation and debt maturing within 12 months can be paid/ rolled over with existing lenders.

For further details refer note 52.

NOTES TO REVISED STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2020

Note 40: Financial risk management objectives and policies (Contd..)

The table below summarizes the maturity profile of the Company's financial liabilities

(₹ Lacs)

	Within 1 year	More than 1 year	Total
As at March 31, 2020			
Borrowings (refer note 14A)	42,155	12,463	54,618
Lease liabilities (refer note 14E)	3,058	6,415	9,473
Trade and other payables (refer note 14 B)	20,273	-	20,273
Other financial liabilities (refer note 14 C)	37,330	424	37,754
As at March 31, 2019			
Borrowings (refer note 14A)	108,710	23,280	131,990
Trade and other payables (refer note 14 B)	22,905	-	22,905
Other financial liabilities (refer note 14 C)	40,075	1,116	41,191

Collateral

The Company has pledged part of its Investment in Mutual Funds in order to fulfill the collateral requirements for Borrowing. At March 31, 2020 & March 31, 2019, the invested values of the Investment in Mutual Funds pledged were ₹36,000 lacs & ₹ 36,400 lacs, respectively. The counterparties have an obligation to return the securities to the Company and the Company has an obligation to repay the borrowing to the counterparties upon maturity/ Due Date. There are no other significant terms and conditions associated with the use of collateral. Securities except pledge given against outstanding Bank facilities details is provided in borrowing note.

Note 41: Capital management

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves . The primary objective of the Company's capital management is to maximize the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio ,which is net debt divided by total capital and net debt. The Company includes within net debt, interest bearing loans and borrowings, interest accrued on borrowings, less cash and cash equivalents and other bank balances.

(₹ Lacs)

Particulars	March 31, 2020	March 31, 2019
Borrowings including current maturity of long term borrowing (refer note 14A)	67,080	132,595
Interest accrued on borrowings (refer note 14C)	345	637
Less : Cash & cash equivalents (refer note 10B)	2,374	7,274
Less : Other bank balances(refer note 10C)	2,087	4,751
Net Debt	**62,964**	**121,207**
Equity & other equity	122,116	162,188
Total capital	**185,080**	**283,395**
Gearing ratio	**34%**	**43%**

NOTES TO REVISED STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2020

Note 41: Capital management (Contd..)

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. The Company has satisfied all financial debt covenants prescribed in the terms of bank loan for the year ended March 31, 2020 and March 31, 2019 except Total Debt to EBIDTA ratio for FCNR loan taken from Citibank in March 31, 2019. Required waiver approval dated April 15, 2019 has been obtained from Citibank to condone the non-compliance and non-adherence of the Total Debt to EBITDA Ratio for financial condition test till FCNR loan maturity.

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2020 and March 31, 2019.

Note 42: Standards issued but not yet effective

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2020.

Note 43 : Based on the information available with the Company, Details of dues to Micro and Small Enterprises as defined under the MSMED Act, 2006

(₹ Lacs)

Particulars	31-Mar-20	31-Mar-19
Principal amount	208	129
Interest due thereon at the end of the accounting year	2	3
The amount of interest paid by the buyer in terms of Section 16, of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
The amount of interest due and payable for the year for delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006.	-	-
The amount of interest accrued and remaining unpaid at the end of the accounting year	2	3
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under Section 23 of MSMED Act, 2006.	-	-

Note 44

The Company has consolidated the financial statements of HT Media Employee Welfare Trust ("Trust") in its standalone financial statements. Accordingly, the amount of loan of ₹ 2,004 lacs (previous year ₹ 2,004 lacs outstanding in the name of Trust in the books of the Company at the year end has been eliminated against the amount of loan outstanding in the name of Company appearing in the books of Trust at the year end. The investment of ₹ 1,896 lacs (previous year ₹ 2,022 lacs) made by the Trust in the equity shares of the Company (through secondary market) has been shown as deduction from the Share Capital to the extent of face value of the shares [₹ 44 lacs (previous year ₹ 44 lacs)] and Securities Premium Account to the extent of amount exceeding face

NOTES TO REVISED STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2020

Note 44 (Contd..)

value of equity shares [₹ 1,852 lacs (previous year ₹ 1,978 lacs)]. The investment of ₹ 19 lacs made by the Trust in the equity shares of Digicontent Limited has been shown as Investments at fair value through other comprehensive income Further, the amount of dividend of ₹ 9 lacs (previous year ₹ 9 lacs) received by the Trust from the Company during the year end has been added back to the surplus in the Statement of Profit and Loss.

Note 45

Capital advances include ₹ 119 lacs (previous year: ₹ 119 lacs) paid towards Company's proportionate share for right to use in the common infrastructure for channel transmission (for its four stations) to be built on land owned by Prasar Bharti and to be used by all the broadcasters at respective stations as per the terms of bid document on FM radio broadcasting (Phase II & Phase III).

Note 46 : Disclosure required under section 186(4) of the Companies Act, 2013

Included in loans and advances, loans to employee stock option trust and loan to subsidiary the particulars of which are disclosed in below as required by Sec 186(4) of Companies Act 2013:

(₹ Lacs)

Name of the Loanee	Rate of Interest	Due Date	Secured/ Unsecured	Purpose of Loan	March 31, 2020	March 31, 2019
HT Group Companies-Employee Stock Option Trust	Interest Free	NA	Unsecured	Refer note 34	198	198
HT Media Employee Welfare Trust*	Interest Free	NA	Unsecured	Refer note 34	2,004	2,004
Digicontent Limited (fellow subsidiary)	11% p.a. compounded annually	On or before 60 months from the date of disbursement.	Unsecured	To make strategic investment in HT Digital Streams Limited (HTDS) by way of acquiring the investment of Hindustan Media Ventures Limited (HMVL) in HTDS and other general corporate purposes.	8,000	8,000
HT Learning Centers Limited (subsidiary)**	9.65% p.a. compounded annually	On or before 60 months from the date of disbursement.	Unsecured	To meet the business requirements and other general corporate purposes	2,710	1,250

The company has also given Corporate Guarantee amounting to ₹ 4,082 lacs(previous year: Nil) to bank on behalf of Next Radio Limited (refer note 35).

*The loan given to HT Media Employee Welfare Trust has been eliminated on consolidation of HT Media Employee Welfare Trust in the standalone financial statements of the Company (refer note 44).

** The loan given to HT Learning Centers Limited has been provided during the year ended March 31, 2020 (refer note 28).

For further details of loans and advances provided to related parties, refer note 36A

Details of Investments made are given under note 6A

NOTES TO REVISED STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2020

Note 47

On April 9, 2019, HT Media Limited (the Company) acquired 14.18% of the fully diluted voting equity share capital of Next Mediaworks Limited pursuant to an open offer under the SEBI (SAST) Regulations and on April 15, 2019 acquired 36.82% of the fully diluted voting equity share capital of Next Mediaworks Limited from the promoters and members of the promoter group of Next Mediaworks Limited (refer note 6A).

Next Mediaworks Limited and its subsidiaries have become subsidiaries of the Company effective April 15, 2019. NMW carries out business of Radio Broadcast and Entertainment through its subsidiary Next Radio Limited. During the year, the Company also acquired 48.6% equity stake in Next Radio Limited.

Note 48: Details of CSR expenditure

Pursuant to the applicability of CSR (Corporate Social Responsibility) provisions of the Companies Act, 2013 the Company has made the requisite expenditure towards CSR as per details below :

(a) Gross amount required to be spent by the Company during the year is ₹ 150 lacs (March 31, 2019 - ₹ 281 lacs)

(b) Details of amount spent during the year ended March 31, 2020

(₹ Lacs)

Sr. No.	Particulars	Amount spent/ contributed on the projects or programmes	Amount spent : Direct or through implementing agency
1	Promoting education including special education & employment enhancing vocation skills specially among children, women elderly, the differently abled and livelihood enhancement projects	75	Through Shine Foundation#
2	Preventive care & Disaster management including relief, rehabilitation and reconstruction activities	19	Direct*
3	Promoting education	50	Through HTFFC*
Total		**144**	

(c) Details of amount spent during the year ended March 31, 2019

(₹ Lacs)

Sr. No.	Particulars	Amount spent/ contributed on the projects or programmes	Amount spent : Direct or through implementing agency
1	Promoting Education including special education & employment enhancing vocation skills specially among children, women elderly, the differently abled and livelihood enhancement projects	100	Through Shine Foundation#
2	Promoting education-Scholarship Based on Merit	55	Direct*
3	Scholarship Based on Merit for promoting education	20	through HT Foundation for change(HTFFC)#

NOTES TO REVISED STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2020

Note 48: Details of CSR expenditure (Contd..)

(₹ Lacs)

Sr. No.	Particulars	Amount spent/ contributed on the projects or programmes	Amount spent : Direct or through implementing agency
4	Promoting education	60	through HTFFC#
5	Promoting education to build engagement and create awareness around stubble burning issue in certain locations	50	through HTFFC#
Total		285	

*included in Advertisement and sales promotion expense under note 27

included in donation expense under note 27

Note 49 : Details of Loans and Advances to subsidiaries, associates and firm/companies in which directors are interested (as required by Regulation 34(3) of (Listing Obligations and Disclosure Requirements) Regulations, 2015)

(₹ Lacs)

Particulars	31-Mar-20	31-Mar-19
Loans and Advances to subsidiaries		
1) Digicontent Limited (Fellow subsidiary) (from March 31, 2018 pursuant to scheme of arrangement)		
- Maximum amount due at any time during the year(including accrued Interest)	9,916	9,010
- Closing Balance at the end of the year	9,916	9,010
2) HT Learning Center (subsidiary)		
- Maximum amount due at any time during the year (including accrued Interest)	2,850	1,272
- Closing Balance at the end of the year (refer note 28)	-	1,272

Note 50 : Scheme of Arrangements

A. Reduction of equity share capital of HT Music and Entertainment Company Limited

The Board of Directors of HT Music and Entertainment Company Limited (HTME) [subsidiary of HT Media Limited (HTML)] at its meeting held on April 4, 2019 had approved an application for reduction of share capital of HTME from ₹ 33,400 lacs to ₹ 3,400 lacs by cancelling & extinguishing 30,000 lacs equity shares of ₹ 1 each of HTME held by HTML. The proposal was approved by the equity shareholders of HTME on April 5, 2019, followed by sanction thereof by Hon'ble National Company Law Tribunal, Mumbai Bench ("NCLT") vide its order dated February 6, 2020 (certified copy of the order received on February 18, 2020). In terms of the said order of NCLT, the paid-up share capital of HTME stands reduced to ₹ 3,400 lacs and HTME returned ₹ 30,000 lacs to it's shareholder viz. HTML on February 27, 2020. Impact of capital reduction of HTME has been considered in HTML's standalone financial statements for FY 19-20.

B. Scheme of amalgamation between Firefly e-Ventures Limited (FEVL), HT Digital Media Holdings Limited (HTDH), HT Education Limited (HTEL), HT Learning Centers Limited (HTLC), India Education Services Private Limited (IESPL), Topmovies Entertainment Limited (TMEL) with HT Mobile Solutions Limited (HTMSL)

A scheme of amalgamation u/s 230-232 of the Companies Act, 2013 which provides for merger of Firefly e-Ventures Limited (FEVL), HT Digital Media Holdings Limited (HTDMH), HT Education Limited (HTEL), HT Learning Centers Limited (HTLC), India

NOTES TO REVISED STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2020

Note 50 : Scheme of Arrangements (Contd..)

Education Services Private Limited (IESPL) and Topmovies Entertainment Limited (TMEL) with HT Mobile Solutions Limited (HTMS) ("Scheme"), has been approved by the Board of Directors of respective companies at their meeting held on March 18, 2020. A joint application for sanction of the Scheme was filed before the Hon'ble National Company Law Tribunal, New Delhi Bench (NCLT) on July 14, 2020, and NCLT vide its order dated October 12, 2020 has directed to convene meetings of equity shareholders of FEVL, HTDMH, IESPL and HTMS and unsecured creditors of HTMS on December 7, 2020, while dispensing the requirement to convene meeting(s) of shareholders/creditors of other companies, having received consent therefore from the respective shareholders and creditors. Pending requisite approval(s), impact of the proposed Scheme has not been considered in the financial statements.

Note 51:

Management has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amount of property, plant and equipment, intangible assets, investment properties, investment in subsidiaries, inventories, receivables, other financial and non-financial assets of the Company. In developing the assumptions relating to the possible future uncertainties because of this pandemic, the Company, as at the date of adoption of these standalone financial statements has used internal and external sources of information. The Company has performed sensitivity analysis on the assumptions used, to the extent applicable and based on current factors estimated that the carrying amount of above mentioned assets as at March 31, 2020 will be recovered after recording an impairment loss on intangible assets and impairment loss against investments in subsidiaries and inter-corporate deposits given. Given the uncertainties associated with nature, condition and duration of COVID-19, the impact assessment on the Company's financial statements will be continuously made and provided for as required. The Company has made provision of ₹ 9,933 lacs against investment in subsidiary (Next Mediaworks Limited and Next Radio Limited) (refer note 6A) and of ₹ 16,061 lacs for impairment of intangible assets (refer note 28(IV)).

Note 52:

The Company has incurred losses in current year and previous year. Further, the Company's current liabilities exceed current assets as at March 31, 2020. However, the Company has a positive net worth as at March 31, 2020.

The Company believes it's fully available revolving undrawn credit facilities as at March 31, 2020 and certain other current assets (financial and non-financial) as at March 31, 2020 will enable it to meet its future known obligations due in next year, in the ordinary course of business. The Company also has investments in debt mutual funds, which are liquid are not under any lien, and which presently are classified as non current financial assets and can be monetized, if required.

Further, the Company believes that obligation falling due beyond one year from the reporting date can also be met from various internal and external sources, in the ordinary course of business.

In view of the above, the use of going concern assumption has been considered appropriate in preparation of these standalone financial statements.

Note 53:

The Board of Directors of the Company at its meeting held on July 28, 2020 has approved investment to acquire 100% stake in 'Mosaic Media Ventures Private Limited'. The Company has entered into Share Purchase Agreement (SPA) dated November 9, 2020 with existing shareholders of 'Mosaic Media Ventures Private Limited' to acquire 100% stake. Pending completion of the transaction which shall be post the satisfactory completion of conditions precedent as per the the SPA, the impact of the acquisition has not been considered in the financial statements.

NOTES TO REVISED STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2020

Note 54 : Note on Revision of Financials

The Company, received a whistleblower complaint ("WB Complaint") in August 2020 from a named employee of the radio business on his last working day. The WB Complaint alleged anomalies resulting in deficiencies in certain financial reporting processes of the radio business of the Company. The Company, in accordance with its whistleblower policy, and as confirmed by Audit Committee appointed an independent law firm which worked closely with two independent accounting firms for an in-depth comprehensive review. The said investigation brought out practices indicating the following deficiencies and lapses during financial years 2017-18, 2018-19, 2019-20 and 2020-21:

a. Practice of pre-billing (i.e. billing and booking revenue for services yet to be consumed/ delivered) resulting in reporting of higher revenue in financial statements. Such billing remained unconsumed/ undelivered.

b. Potential manipulation of debtor ageing by issuance of inappropriate credit notes and additional invoices to avoid higher provisioning for bad debts.

c. Circulating improper balance confirmation requests (by including invoices without delivery/ requests for advertisement) to customers (with such balances either remaining unconfirmed or disputed) resulting in reporting higher revenue.

d. Potentially improper credit approvals including forced/ credit approval under protest at the instructions of senior management of the Radio business.

Further, based on a very detailed investigation performed, the investigating team and the management concluded that the above mentioned findings were confined to a stream of revenue ('pure money') of radio business of the Company only and were not pervasive across other financial statement captions. The said investigation did not reveal existence of any personal profiteering or siphoning of funds or embezzlement or misappropriation of funds.

The final findings of the investigation have been presented to the Audit Committees and Board of Directors of the Company, including multiple status update briefings in the interim. The Audit Committee have considered the report. The management has also placed before the Audit Committee an action plan for (a) strengthening internal financial controls and systems; (b) centralizing the revenue assurance function; (c) a plan for integration of IT systems used in the radio business; and (d) recommendations from Chief HR Officer to bring about changes in HR policies and practices with emphasis on adoption of better ethical codes and practices. The Audit Committees have also made their recommendations for action against the employees involved in the wrongdoings to the respective Board of Directors for their consideration. The Board of Directors have considered and accepted the said investigation report and are in the process of taking appropriate steps in the best interest of the Company and its various stakeholders.

As an outcome of said investigation, the Company has revised its standalone financial statements for the year ended March 31, 2020 which were earlier approved by the Board of Directors on June 26, 2020.

The Company has made an assessment of and believes that it has provided for the financial impact arising from the this matter including non-compliances with laws and regulations, to the extent identified and believes that the additional financial impact, if any, arising from adjustments due to instances other than those identified is not expected to be material.

These deficiencies, along with their consequential impact, have led to identification that the Company needs to further strengthen its internal control environment, in order to minimize the instances of overriding of certain internal controls by senior management officials. The Company is taking necessary action to address these material weaknesses including tightening of internal controls.

The findings of the investigation have direct (as quantified in the investigation report) and consequential impact on certain other financial statement captions.

NOTES TO REVISED STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2020

Note 54 : Note on Revision of Financials (Contd..)

The impact of the anomalies recorded in the revised standalone financial statements and also affirmed by the aforesaid investigation is as below:

In Statement of Profit and Loss Account

(₹ Lacs)

Financial statement caption	Original	Revision on account of investigation	Revised
	Year ended March 31, 2020		
Revenue from operations	124,333	(1,829)	122,504

Further, the revised standalone financial statements have also recognised the impact of adjusting events occurring after the reporting period (including the period after the date of approval of pre-revised financial statements (June 26, 2020) till date of approval of the revised standalone financial statements i.e. November 27, 2020), which are significantly impacted by present economic and market conditions including COVID-19. These adjustments are as follows:

In Statement of Profit and Loss Account

(₹ Lacs)

Financial statement caption	Original issued financial statements	Revision on account of investigation as mentioned above	Consequential and other impact	Revised financial statements
	Year ended March 31, 2020			
Total Revenue	136,994	(1,829)	47	135,212
Total Expenses	135,504	-	(1,308)	134,196
Exceptional items loss	(27,078)	-	(17,196)	(44,274)
Loss before tax	**(25,588)**	**(1,829)**	**(15,841)**	**(43,258)**
Tax expense	991	-	(4,981)	(3,990)
Loss after tax	**(26,579)**	**(1,829)**	**(10,860)**	**(39,268)**

In Balance Sheet

(₹ Lacs)

Financial statement caption	Original issued financial statements	Revision Impact	Revised financial statements
	As at March 31, 2020		
Intangible Assets	33,033	(16,061)	16,972
Investment in subsidiaries	26,147	(1,135)	25,012
Deferred tax assets (net)	3,937	5,156	9,093
Trade receivables	25,972	(3,374)	22,598
Cash and cash equivalents	2,649	(275)	2,374
Other current financial assets	1,185	3	1,188

NOTES TO REVISED STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2020

Note 54 : Note on Revision of Financials (Contd..)

(₹ Lacs)

Financial statement caption	Original issued financial statements	Revision Impact	Revised financial statements
	As at March 31, 2020		
Income tax assets	2,661	29	2,690
Other current assets	5,640	340	5,980
Net Impact on Assets		**(15,317)**	
Other equity	131,150	(13,645)	117,505
Trade payable	20,176	97	20,273
Other financial liabilities	39,164	(1,834)	37,330
Contract liabilities	8,800	65	8,865
Net Impact on Liabilities		**(15,317)**	

Since the impact of the anomalies pertaining to periods on or before March 31, 2019, as disclosed below, is not material in relation to the operations of the Company, the impact relating to earlier years (i.e. financial years 2017-18 and 2018-19) has been recognised in the retained earnings as at April 1, 2019.

Adjustments in Retained earnings as at April 1, 2019 :

(₹ Lacs)

Particulars	Amount
Decrease in revenue from operations	(1,115)
Increase in other expenses	45
Impact on Loss before tax	**(1,160)**
Deferred tax credit	(204)
Impact on Loss after tax	**(956)**

In terms of our revised report of even date attached

For **B S R and Associates**
Chartered Accountants
(Firm Registration Number: 128901W)

Rajesh Arora
Partner
Membership No. 076124

Place: Gurugram
Date: November 27, 2020

For and on behalf of the Board of Directors of **HT Media Limited**

Piyush Gupta
Group Chief Financial Officer

Dinesh Mittal
Group General Counsel & Company Secretary

Praveen Someshwar
Managing Director & Chief Executive Officer
(DIN: 01802656)

Shobhana Bhartia
Chairperson & Editorial Director
(DIN: 00020648)

Place: New Delhi
Date: November 27, 2020

THE STATEMENT OF IMPACT OF AUDIT QUALIFICATION AS STIPULATED IN REGULATION 33(3)(D) OF SEBI LODR

Statement on Impact of Audit Qualifications submitted alongwith Annual Audited Standalone Financial Results

Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2020

[See Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016]

I.	Sl. No.	Particulars	Beginning of Comparative period (₹ in lacs)		Comparative period (FY 2018-19) (₹ in lacs)	
			Audited Figures (as reported before adjusting for qualifications)	Adjusted Figures (audited figures after adjusting for qualifications)	Audited Figures (as reported before adjusting for qualifications)	Adjusted Figures (audited figures after adjusting for qualifications)
	1.	Turnover / Total income	-	-	1,44,683	1,44,087
	2.	Total Expenditure (including exceptional item)	-	-	1,61,884	1,61,877
	3.	Net Profit/(Loss) before tax	-	-	(17,201)	(17,790)
	4.	Net Profit/(Loss) after tax	-	-	(13,894)	(14,279)
	5.	Earnings Per Share	-	-	(6.03)	(6.19)
	6.	Total Assets	3,53,080	3,52,519	3,70,608	3,69,679
	7.	Total Liabilities	1,75,008	1,75,018	2,08,420	2,08,447
	8.	Net Worth	1,78,072	1,77,501	1,62,188	1,61,232
	9.	Any other financial item(s) (as felt appropriate by the management)	Nil	Nil	Nil	Nil

II. Audit Qualification (each audit qualification separately):

a. Details of Audit Qualification: *As discussed in Note 15 to the revised standalone annual financial results, pursuant to a whistleblower complaint received, an investigation was conducted which brought out certain deficiencies in the Radio business and instances of reporting higher revenue, incorrect debtors, contractual liabilities and trade payables with consequential impact on provision for doubtful debts and taxes etc. relating to a significant stream of revenue of the radio business in the Company. Further, as brought out by the investigation, such practices were continuing since last few years.*

As mentioned in the note, the Company has identified an amount of ₹ 1,115 lacs, which pertains to deficiencies in revenue recognised for financial years 2017-18 and 2018-19 in the Radio business. After adjusting the increase in other expenses and the deferred tax credit, the total decrease in the opening retained earnings is ₹ 956 lacs. The Company has accounted for such adjustment in the retained earnings as at April 1, 2019 instead of restating the corresponding figures for the year ended March 31, 2019. This constitutes a departure from the applicable Ind AS prescribed under section 133 of the Act, thereby resulting in the non-adjustment in the amounts reported for corresponding year ended March 31,2019 with respect to revenue from operations, expenses and taxes as well as trade receivables and other items of the balance sheet. However, this does not have any impact on the loss for the year ended March 31, 2020 or on total equity as at March 31, 2020.

I.	Sl. No.	Particulars	Beginning of Comparative period (₹ in lacs)		Comparative period (FY 2018-19) (₹ in lacs)	
			Audited Figures (as reported before adjusting for qualifications)	Adjusted Figures (audited figures after adjusting for qualifications)	Audited Figures (as reported before adjusting for qualifications)	Adjusted Figures (audited figures after adjusting for qualifications)
	b.	Type of Audit Qualification : *Qualified Opinion*				
	c.	Frequency of qualification: *Appeared first time*				
	d.	For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views: *Management's Views: The Company has taken cognizance of the certain anomalies alleged by the whistleblower, which have been affirmed by the investigation conducted by a reputed law firm who in turn also appointed leading accounting firms. The anomalies affirmed are restricted to the pure money transaction segment of radio business of the Company.* *Accordingly, to reflect true and fair view of the Company's financials, the financial statements for the year ended 2019-20 have been revised. In respect of anomalies pertaining to periods on or before March 31, 2019, financial impact has been assessed and adjusted against the retained earnings as on April 1, 2019 on ground of materiality instead of restating comparative period.*				
	e.	For Audit Qualification(s) where the impact is not quantified by the auditor: *Not Applicable*				
		(i) Management's estimation on the impact of audit qualification: *Not Applicable*				
		(ii) If management is unable to estimate the impact, reasons for the same: *Not Applicable*				
		(iii) Auditors' Comments on (i) or (ii) above: *Not Applicable*				

For B S R and Associates
Chartered Accountants
(Firm Registration Number: 128901W)

Rajesh Arora
Partner
Membership No. 076124
Place: Gurugram
Date: December 01, 2020

For and on behalf of HT Media Limited

Piyush Gupta
Group Chief Financial Officer
Place: New Delhi
Date: December 01, 2020

Praveen Someshwar
Managing Director &
Chief Executive Officer
Place: New Delhi
Date: December 01, 2020

Vivek Mehra
Audit Committee Chairman
Place: Mukteshwar
Date: December 01, 2020

INDEPENDENT AUDITOR'S REPORT

To
The Members of **HT Media Limited**

Report on the Audit of Revised Consolidated Financial Statements

Qualified Opinion

We have audited the revised consolidated financial statements of HT Media Limited (hereinafter referred to as the 'Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group") and its joint ventures, which comprise the revised consolidated balance sheet as at 31 March 2020, and the revised consolidated statement of profit and loss (including other comprehensive income), revised consolidated statement of changes in equity and revised consolidated statement of cash flows for the year then ended, and notes to the revised consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the revised consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of other auditors on separate financial statements of such subsidiaries as were audited by the other auditors, except for the effect of the matters described in the 'Basis for Qualified opinion' section of our report, the aforesaid revised consolidated financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group and its joint ventures as at 31 March 2020, of its consolidated loss and other comprehensive income, consolidated changes in equity and consolidated cash flows for the year then ended.

Basis for Qualified Opinion

As discussed in Note 53 to the revised consolidated financial statements, pursuant to a whistleblower complaint received, an investigation was conducted which brought out certain deficiencies in the Radio business and instances of reporting higher revenue from operations, incorrect debtors, contractual liabilities and trade payables with consequential impact on provision for doubtful debts and taxes etc. relating to a stream of revenue of the radio business in the Holding Company and its subsidiary company, NRL. Further, as brought out by the investigation, such practices were continuing since last few years.

As mentioned in the note, the Group has identified an amount of ₹ 1,115 lacs, which pertains to deficiencies in revenue recognised for financial years 2017-18 and 2018-19 in the Radio business. After adjusting the increase in other expenses and the deferred tax credit, the total decrease in the opening retained earnings is ₹ 956 lacs. The Group has accounted for such adjustment in the retained earnings as at 1 April 2019 instead of restating the corresponding figures for the year ended 31 March 2019. This constitutes a departure from the applicable Ind AS prescribed under section 133 of the Act, thereby resulting in the non-adjustment in the amounts reported for corresponding year ended 31 March 2019 with respect to revenue from operations, expenses and taxes as well as trade receivables and other items of the balance sheet. However, this does not have any impact on the loss for the year ended 31 March 2020 or on total equity as at 31 March 2020.

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group and its joint ventures in accordance with the ethical requirements that are relevant to our audit of the revised consolidated financial statements in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence obtained by us along with the consideration of audit reports of the other auditors referred to in sub paragraph (a) of the "Other Matters" paragraph below, is sufficient and appropriate to provide a basis for our opinion on the revised consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the revised consolidated financial statements of the current period. These matters were addressed in the context of our audit of the revised consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Description of Key Audit Matters

Impairment assessment of Investment Properties

See note 4 to the revised consolidated financial statements	How the matter was addressed in our audit

The Group's gross carrying value of investment properties is ₹ 54,230 lacs as at 31 March 2020. An impairment loss of ₹ 1,323 lacs has been recognized in the revised consolidated statement of profit and loss for the year ended 31 March 2020.
 	
The Group's investment properties portfolio consists of residential buildings and commercial projects located in India. The portfolio consists of properties which are fully constructed as well as under construction. Further, there are certain properties which are under litigation or where the developers are under Insolvency and Bankruptcy Code.
 	
The Group involved an external valuation specialist to determine the fair values of the investment properties. There are significant judgements and estimates to be made in relation to the valuation of the Group's investment properties. The fair value is compared with the carrying value of each investment property, in order to determine impairment loss, if any.
 	
Considering the inherent uncertainty, significant judgments and estimates involved and the significance of the value of the assets, impairment assessment of investment properties has been considered as a key audit matter.
	Our audit procedures included:
	
	• Tested design, implementation and operating effectiveness of key controls over the impairment assessment process.
	
	• Assessed the competence, objectivity and scope of work of the valuer engaged by management.
	
	• We inspected the valuation reports and assessed the fair value as determined by the valuer as under:
	
	  • Compared the fair value as determined by the valuer to the externally derived data of comparable properties in respect of selected investment properties;
	
	  • Involved our internal specialist to compare the fair value of certain properties as stated in the valuation reports with independently formed market expectations;
	
	  • Discussed with management the status of properties under litigation and under Insolvency and Bankruptcy Code. Involved our internal specialists to assist us in assessing the key assumptions and factors considered while determining the impairment loss on such properties.
	
	• Inspected on a test check basis, the underlying property documents.
	
	• Compared the Group's calculation of impairment loss with the underlying accounting records and documents.
	
	• Tested the adequacy of disclosures made in the revised consolidated financial statements, as required by relevant accounting standards.

Business combination and impairment of Goodwill and other intangible assets:

See note 47 to the revised consolidated financial statements

The key audit matter	How the matter was addressed in our audit

The accounting for the acquisition of equity shares in Next Mediaworks Limited and Next Radio Limited involved significant judgements and estimates. Certain critical factors and assumptions considered were as follows:
• the fair value of assets and liabilities acquired;
• the purchase consideration;
• the recognition of Goodwill and other identifiable intangible assets.
 	
As on the date of acquisition, the Group assessed the valuation of the assets and liabilities, including identified intangible assets, by involving an independent valuation specialist.
 	
Further, the Group has carried out an impairment assessment on the above mentioned Goodwill and other intangible assets.
 	
As at year end, the recoverable amount, which is based on the value in use ('VIU'), has been derived from discounted forecast cash flow models. These models use several key assumptions. The economic slowdown owing to the Covid-19 pandemic and other economic factors may impact the key assumptions taken while computing VIU.
 	
Considering the inherent uncertainty, complexity and judgment involved, the following has been considered as a key audit matter:
• recognition of Goodwill and other identifiable intangible assets;
• fair valuation of other intangibles; and
• impairment assessment thereof.
	Our audit procedures included:
	• Tested design, implementation and operating effectiveness of key controls over accounting for the business acquisition.
	• Understood the terms and conditions of the acquisition and tested the purchase consideration to the underlying documents.
	• Inquired with the Group on specifics of Goodwill, identifiable other intangible assets and fair valuation of other intangibles.
	• Involved our internal valuation specialists in assessing the fair value of intangible assets and computation of Goodwill based on valuation report.
	• At the year end, the Group's assessment included computation of value in use (VIU). We assessed the VIU as determined by the Group as under:
	  • Assessed the method of determining VIU and key assumptions used therein through historical information, budgets / projections, externally derived data and other relevant information.
	  • Challenged the key assumptions within the build up and methodologies used by the Group.
	  • Assessed the sensitivity of the outcome of impairment assessment to changes in key assumptions.
	  • Compared the implied multiple arising from the VIU to the market multiples.
	  • Involved our internal specialists to assist us in performing above mentioned procedures.
	• Tested the adequacy of disclosures made in the revised consolidated financial statements as per relevant accounting standard.

Impairment testing of property, plant and equipment and intangible assets

See note 3 and 5 to the revised consolidated financial statements

The key audit matter	How the matter was addressed in our audit

The Holding Company and Hindustan Media Ventures Limited (HMVL) is engaged in printing and publishing of newspapers and periodicals through various plants operated in India.
 	
The Holding Company is also engaged in providing entertainment, radio broadcast and all other related activities through its radio stations.
 	
The gross carrying value of property, plant and equipment and intangible assets of the Holding Company amounts to ₹ 51,453 lacs and ₹ 47,936 lacs, respectively.
 	
The gross carrying value of property, plant and equipment of HMVL amounts to ₹ 25,768 lacs as at 31 March 2020.
 	
The Holding Company and HMVL perform an annual assessment of the property, plant and equipment and intangible assets at cash generating unit (CGU) level, to identify indicators of impairment, if any.
 	
The recoverable amount of the CGU which is based on value in use ('VIU'), has been derived from discounted forecast cash flow model and multi period excess earning model. The model uses several key assumptions. The economic slowdown owing to the Covid-19 pandemic and other economic factors may impact the key assumptions taken while computing VIU.
 	
Considering the inherent uncertainty, complexity and judgment involved and the significance of the value of the assets, impairment assessment of the above mentioned assets has been considered as a key audit matter.
	Our audit procedures included:
	
	• Assessed Holding Company's and HMVL's identification of CGUs with reference to the guidance in the applicable accounting standards;
	
	• Tested design, implementation and operating effectiveness of key controls over the assessment process with respect to impairment testing of property, plant and equipment.
	
	• We assessed the value in use (VIU) as determined by the Holding Company and HMVL as under:
	
	  • Assessed the method of determining VIU and key assumptions used therein through historical information, budgets / projections, externally derived data and other relevant information.
	
	  • Challenged the key assumptions and judgements within the build-up and methodologies used by the Holding Company and HMVL.
	
	  • Assessed the sensitivity of the outcome of impairment assessment to changes in key assumptions.
	
	  • Involved our internal specialists to assist us in performing above mentioned procedures, to the extent applicable.
	
	• Tested the adequacy of disclosures made in the revised consolidated financial statements, as required by relevant accounting standards.

Revenue Recognition

See note 22 to the revised consolidated financial statements

The key audit matter	How the matter was addressed in our audit

Revenue is recognized upon transfer of control of promised services / goods to the customers and when it is "probable" that the Group will collect the consideration. In specific, airtime sales is recognized on the airing of client's commercials.
 	
There is a risk that revenue is recognized for services / goods before the transfer of control of the service / goods to customer is completed
 	
Further, subsequent to year end, the Holding Company received a whistleblower complaint from a named employee alleging deficiencies in the 'pure money' part of radio business in the Group. In accordance with the whistleblower policy, and as confirmed by the Audit Committee, an investigation was commenced in the matter by appointing an independent Law firm, which worked closely with independent accounting firms.
 	
The said investigation has affirmed the deficiencies, which has resulted into overstatement of revenue and other consequential impact.
	Our audit procedures included:
	
	• Evaluation of the design and implementation and operating effectiveness of internal controls relating to revenue recognition process
	
	• Assessment of risk of material misstatement as a result of ineffective design and implementation and operating effectiveness of internal controls relating to pure money part of radio revenue.
	
	• On selected sample of transactions, tested revenue recognition, and our procedures included:
	  • evaluating the identification of performance obligations;
	  • considering the terms of the contracts to determine the transaction price; and
	  • assessed the date of transfer of control of service / goods and recording of revenue in the relevant period.
	
	• Tested revenue recognition for cut-off transactions on sample basis to assess appropriateness of the timing of revenue recognition.
	
	• On investigation relating to deficiencies in the 'pure money' part of radio business, our procedures included:
	  • discussed the approach for investigation with the Group and those charged with governance
	  • discussed the investigation approach, investigation report and assessment of non-compliances with laws and regulations with the investigating teams and with the Group
	  • evaluated the pervasiveness of the deficiencies including impact on our risk assessments and any resulting impact on the nature timing and extent of audit procedures to respond to the assessed risks.
	  • evaluated the accounting for and adequacy of disclosure of the matter involved
	  • performed shadow procedures and checked samples for assessing the appropriateness of revenue recognition. .
	  • Involved our internal specialists to assist in performing above mentioned procedures, to the extent applicable

Other Information

The Holding Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the holding Company's annual report, but does not include the revised consolidated financial statements and our auditor's report thereon.

Our opinion on the revised consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the revised consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the revised consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed and based on the work done/ audit report of other auditors, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's and Board of Directors' Responsibilities for the Revised Consolidated Financial Statements

The Holding Company's Management and Board of Directors are responsible for the preparation and presentation of these revised consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated state of affairs, consolidated profit/ loss and other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group including its joint ventures in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. The respective Management and Board of Directors of the companies included in the Group and of its joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each company. and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the revised consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the revised consolidated financial statements by the Management and Directors of the Holding Company, as aforesaid.

In preparing the revised consolidated financial statements, the respective Management and Board of Directors of the companies included in the Group and of its joint ventures are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and its joint ventures is responsible for overseeing the financial reporting process of each company.

Auditor's Responsibilities for the Audit of the Revised Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the revised consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these revised consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the revised consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on the internal financial controls with reference

to the revised consolidated financial statements and the operating effectiveness of such controls based on our audit.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.

- Conclude on the appropriateness of Management and Board of Directors use of the going concern basis of accounting in preparation of revised consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the revised consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its joint ventures to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the revised consolidated financial statements, including the disclosures, and whether the revised consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of such entities or business activities within the Group and its joint ventures to express an opinion on the revised consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the revised consolidated financial statements of which we are the independent auditors. For the other entities included in the revised consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in para (a) of the section titled 'Other Matters' in this audit report.

  We believe that the audit evidence obtained by us along with the consideration of audit reports of the other auditors referred to in sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the revised consolidated financial statements.

We communicate with those charged with governance of the Holding Company and such other entities included in the revised consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the revised consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

(a) We did not audit the financial statements of eight subsidiaries, whose financial statements reflect total assets (before consolidation adjustments) of ₹ 9,176.84 lacs as at 31 March 2020, total revenues (before consolidation adjustments) of ₹ 3,110.31 lacs and net cash outflows (before consolidation adjustments) amounting to ₹ 1,112.48 lacs for the year ended on that date, as considered in the revised consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the revised consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the audit reports of the other auditors.

One subsidiary is located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in their respective country and which have been audited by other auditors under generally accepted auditing standards applicable in their respective country. The Company's management has converted the financial statements of such subsidiary located outside India from accounting principles generally accepted in their respective country to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiary located outside India is based on the report of other auditors and the conversion adjustments prepared by the management of the Company and audited by us.

Our opinion on the revised consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matter with respect to our reliance on the work done and the reports of the other auditors.

(b) We did not audit total assets of ₹ 2,111.91 lacs as at March 31, 2020 and total revenues of ₹ 8.71 lacs for the year then ended, included in the revised consolidated financial statements in respect to HT Media Employee Welfare Trust not audited by us, whose financial information has been audited by another auditor and whose report has been furnished to us. Our opinion on the consolidated financial statements, to the extent they have been derived from such financial statements is based solely on the report of such other auditor.

Our opinion on the revised consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matter with respect to our reliance on the work done and the reports of the other auditor.

(c) The financial statements of two subsidiary companies, whose financial statements reflect total assets of ₹ 5 lacs (before consolidation adjustments) as at 31 March 2020, total revenues of ₹ Nil (before consolidation adjustments) and net cash inflows amounting to ₹ 2.53 lacs (before consolidation adjustments) for the year ended on that date, as considered in the revised consolidated financial statements, have not been audited either by us or by other auditors. The revised consolidated financial statements also include the Group's share of net profit / loss (and other comprehensive income) (before consolidation adjustments) of ₹ Nil for the year ended 31 March 2020, as considered in the revised consolidated financial statements, whose financial statements have not been audited by us or by other auditors. These unaudited financial statements have been furnished to us by the Management and our opinion on the revised consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of said subsidiary companies and joint venture, and our report in terms of sub-sections (3) of Section 143 of the Act in so far as it relates to the aforesaid subsidiary companies and joint venture, is based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the Management, these financial statements are not material to the Group.

Our opinion on the revised consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matter with respect to our reliance on the financial statements certified by the Management.

(d) We draw your attention to the fact that corresponding figures for the year ended 31 March 2019 are based on the previously issued consolidated annual financial statements of the Group that were audited by the predecessor auditor who expressed an unmodified opinion on those consolidated financial statements dated 10 May 2019.

The non- controlling interest in the above corresponding figures for the year 1 April 2018 to 31 March 2019, have now been re-presented to give effect to the merger of Business to Consumer ('B2C') business of India Education Services Private Limited ('IESPL'), subsidiary of the Holding company. The B2C business of IESPL was merged with Hindustan Media Ventures Limited, subsidiary company, pursuant to the order of National Company Law Tribunal and the merger has been given effect from the beginning of the preceding period in the revised consolidated financial statements as the merger is a common control transaction. The B2C business of IESPL is audited by the auditors of IESPL whose unmodified report dated 2 June 2020 has been furnished to us by management and our report in so far as it relates to the amounts and disclosures included in respect of B2C business of IESPL is based solely on the reporting of the auditor of IESPL

(e) The Board of Directors had earlier adopted the consolidated financial statements of the Company for the year ended 31 March 2020 in their meeting held on 26 June 2020 (referred to as "original consolidated financial statements") on which we had issued our Audit Report dated 26 June 2020. Subsequent to this, pursuant to a whistleblower complaint, an investigation was conducted, which brought out certain deficiencies in the Radio business and instances of reporting higher revenue from operations, incorrect debtors, contract liabilities and trade payables with consequential impact on provision for doubtful debts and taxes etc. relating to a stream of revenue of the radio business in the Company and in its subsidiary company, Next Radio Limited ('NRL'). Consequently, the Company has recognised the adjustments in revised consolidated financial statements for the year ended 31 March 2020 to give effect to the outcome of the investigation. These deficiencies have consequential impact on other financial statement items. Further, the revised consolidated financial statements also recognise the impact of adjusting events occurring subsequently to the date of approval of original consolidated financial statements (26 June 2020) till the date of approval of these revised consolidated financial statements (dated 27 November 2020) by the Board of the Company arising from present economic and market conditions including COVID-19.

Our audit report dated 26 June 2020 on the original consolidated financial statements is superseded by this audit report dated 27 November 2020 on the revised consolidated financial statements.

Our opinion is not modified to the extent of the above adjustments in revised consolidated financial statements and our report on Other Legal and Regulatory Requirements below, in so far as they relate to the financial year ended 31 March 2020.

Report on Other Legal and Regulatory Requirements

A. As required by Section 143(3) of the Act, based on our audit and on the consideration of reports of the other auditors on separate financial statements of such subsidiaries as were audited by other auditors, as noted in the 'Other Matters' paragraph, we report, to the extent applicable, that:

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid revised consolidated financial statements.

b) Except for the matter described in the 'Basis for Qualified Opinion' paragraph above, in our opinion, proper books of account as required by law relating to preparation of the aforesaid revised consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

c) The revised consolidated balance sheet, the revised consolidated statement of profit and loss (including other comprehensive income), the revised consolidated statement of changes in equity and the revised consolidated statement of cash flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the revised consolidated financial statements.

d) Except for the matter described in the 'Basis for Qualified Opinion' paragraph above, in our opinion, the aforesaid revised consolidated financial statements comply with the Ind AS specified under section 133 of the Act.

e) The matter described in the 'Basis for Qualified Opinion' paragraph above and our observations on the achievement of the objectives of the internal control criteria as explained in our separate Report in 'Annexure B' in our opinion, may have an adverse effect on the functioning of the Group.

f) On the basis of the written representations received from the directors of the Holding Company as on 31 March 2020 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies is disqualified as on 31 March 2020 from being appointed as a director in terms of Section 164(2) of the Act.

g) The qualification relating to maintenance of accounts and other matter connected therewith is as stated in the 'Basis for Qualified Opinion' paragraph above.

h) With respect to the adequacy of the internal financial controls with reference to revised consolidated financial statements of the Holding Company, its subsidiary companies incorporated in India and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".

B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements of the subsidiaries, as noted in the 'Other Matters' paragraph:

i. The revised consolidated financial statements disclose the impact of pending litigations as at 31 March 2020 on the consolidated financial position of the Group and its joint ventures. Refer Note 37 to the revised consolidated financial statements.

ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts during the year ended 31 March 2020.

iii. There are no amounts which are required to be transferred to the Investor Education and Protection Fund by the Holding Company or its subsidiary companies incorporated in India during the year ended 31 March 2020.

iv. The disclosures in the revised consolidated financial statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made in the revised consolidated financial statements since they do not pertain to the financial year ended 31 March 2020

C. With respect to the matter to be included in the Auditor's report under section 197(16):

In our opinion and according to the information and explanations given to us and based on the reports of the statutory auditors of such subsidiary companies incorporated in India which were not audited by us, the remuneration paid during the current year by the Holding Company and its subsidiary companies to its directors is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director by the Holding Company and its subsidiary companies is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

For **B S R and Associates**
Chartered Accountants
Firm's Registration No.- 128901W

Rajesh Arora
Partner
Membership No. 076124
UDIN: 20076124AAAADU7131

Place: Gurugram
Date: 27 November 2020

Annexure A to the Independent Auditor's report on the revised consolidated financial statements of HT Media Limited for the year ended 31 March 2020

Report on the internal financial controls with reference to the aforesaid revised consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013
(Referred to in paragraph A(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Adverse Opinion

In conjunction with our audit of the revised consolidated financial statements of the HT Media Limited as at and for the year ended 31 March 2020, we have audited the internal financial controls with reference to revised consolidated financial statements of HT Media Limited (hereinafter referred to as "the Holding Company") and such companies incorporated in India under the Companies Act, 2013 which are its subsidiary companies as of that date (Holding Company along with subsidiary companies, referred to as "Group").

Material deficiencies in the financial reporting processes have been identified in a stream of revenue of the radio business ('pure money') of the Group as described below. Further, the Group has departed from the requirements of applicable Ind AS specified under section 133 of the Act, as described below. In our opinion, because of the effects / possible effects of these material weaknesses on the achievement of the objectives of the internal control criteria, the Group has not maintained adequate internal financial controls with reference to the revised consolidated financial statements and such internal financial controls were not operating effectively as at 31 March 2020, based on the criteria established by the Group considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the 'Guidance Note').

We have considered the material weaknesses identified and reported below in 'Basis for Adverse Opinion' in determining the nature, timing and extent of the audit tests applied in our audit of the 31 March 2020 revised consolidated financial statements of the Group. The material weaknesses have resulted into revision of the aforesaid financial statements and issuance of a revised audit report dated 27 November 2020 giving a qualified audit opinion on these revised consolidated financial statements.

Basis for Adverse Opinion

As described in note 53 to the revised consolidated financial statements, pursuant to a whistleblower complaint, the Group conducted an investigation, which brought out certain material deficiencies in the radio business and instances of reporting higher revenue from operations, incorrect debtors, contract liabilities with consequential impact on provision for doubtful debts and taxes etc. in a stream of revenue of the radio business in the Holding Company and the subsidiary company, Next Radio Limited ('NRL'), as also override of certain internal controls relating thereto by members of senior management of the radio business.

The Holding Company and NRL did not have an appropriate internal control system in a stream of revenue of the radio business with respect to recognition of revenue, trade receivables (including ageing report and balance confirmation process and credit approvals for sales), cash and cash equivalents, trade payables and contract liabilities. These material weaknesses have resulted in an overstatement of revenue of the aforesaid business, trade receivables, cash and cash equivalents and contract liabilities and understatement of impairment of intangibles, trade payables and provision for doubtful debts with related impact on taxes.

The above has also led to the revision of the earlier approved consolidated financial statements to give effect to the relevant adjustments for the outcome of the investigation.

The Holding Company did not had an appropriate internal control system with respect to financial reporting process to recognise misstatements pertaining to earlier years (financial year 2017-18 and 2018-19) emanating from the above mentioned matter in the respective periods, which is a departure from the requirements of applicable Ind AS specified under section 133 of the Act. This material weakness has resulted in an inappropriate adjustment to the opening retained earnings as at 1 April 2019 thereby resulting in misstatement in the amounts reported for corresponding year ended 31 March 2019.

A 'material weakness' is a deficiency, or a combination of deficiencies, in the internal financial control over financial reporting, such that there is a reasonable possibility that a material misstatement of the Group's annual or interim financial statements will not be prevented or detected on a timely basis.

Management's Responsibility for Internal Financial Controls

The respective Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls with reference to revised consolidated financial statements based on the criteria established by the respective Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (hereinafter referred to as "the Act").

Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to revised consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to revised consolidated financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to revised consolidated financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to revised consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to revised consolidated financial statements included obtaining an understanding of internal financial controls with reference to revised consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of the internal controls based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the revised consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the relevant subsidiary companies in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our adverse audit opinion on the internal financial controls with reference to revised consolidated financial statements.

Meaning of Internal Financial controls with Reference to Revised Consolidated Financial Statements

A company's internal financial controls with reference to revised consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to revised consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent limitations of Internal Financial controls with Reference to Revised Consolidated Financial Statements

Because of the inherent limitations of internal financial controls with reference to revised consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to revised consolidated financial statements to future periods are subject to the risk that the internal financial controls with reference to revised consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Other Matter

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to revised consolidated financial statements insofar as it relates to seven (7) subsidiary companies which are companies incorporated in India, is based on the corresponding report of the auditors of such companies incorporated in India.

For **B S R and Associates**
Chartered Accountants
Firm's Registration No.- 128901W

Rajesh Arora
Partner
Membership No. 076124
UDIN: 20076124AAAADU7131

Place: Gurugram
Date: 27 November 2020

HT MEDIA LIMITED

REVISED CONSOLIDATED BALANCE SHEET

as at March 31, 2020

(₹ Lacs)

Particulars	Note No	As at March 31, 2020 (Revised *)	As at March 31, 2019 [refer note 48(C)]
I ASSETS			
1) Non-current assets			
(a) Property, plant and equipment	3	46,105	54,839
(b) Capital work in progress	3	3,971	4,104
(c) Right - of - use assets	31	20,239	-
(d) Investment property	4	46,910	45,748
(e) Goodwill	5	-	1,189
(f) Other Intangible assets	5	31,656	38,324
(g) Intangible assets under development	5	62	20
(h) Investment in joint ventures (accounted for using equity method)**	7A	(199)	(256)
(i) Financial assets			
(i) Investments	7B	1,20,323	99,642
(ii) Loans	7C	12,438	12,606
(iii) Other financial assets	8	4,184	2,813
(j) Other non-current assets	9	1,170	2,633
(k) Deferred tax assets (net)	17	9,778	7,720
(l) Income tax assets (net)	10	5,033	3,715
Total Non- current Assets		**3,01,670**	**2,73,097**
2) Current assets			
(a) Inventories	11	14,143	16,318
(b) Financial assets			
(i) Investments	7B	55,848	1,32,803
(ii) Trade receivables	12A	40,081	41,205
(iii) Cash and cash equivalents	12B	5,890	15,817
(iv) Other bank balances	12C	4,139	8,043
(v) Loans	7C	53	1,607
(vi) Other financial assets	8	1,419	1,268
(c) Other current assets	9	11,109	8,826
Total current assets		**1,32,682**	**2,25,887**
TOTAL ASSETS		**4,34,352**	**4,98,984**
II EQUITY AND LIABILITIES			
1) Equity			
(a) Equity share capital	13	4,611	4,611
(b) Other equity	14	2,10,874	2,46,537
Equity attributable to equity holders of parent		**2,15,485**	**2,51,148**
(c) Non Controlling Interest		40,047	36,345
TOTAL EQUITY		**2,55,532**	**2,87,493**
2) Liabilities			
Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	16A	17,998	29,330
(ii) Lease liabilities	31	9,764	-
(iii) Other financial liabilities	16C	776	1,379
(b) Deferred tax liabilities (net)	17	1,637	-
(c) Contract liabilities	19	436	738
(d) Provisions	20	412	235
(e) Other non-current liabilities	18	1,089	1,208
Total non- current liabilities		**32,112**	**32,890**
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	16A	44,441	79,449
(ii) Lease liabilities	31	4,477	-
(iii) Trade Payables			
a) Total outstanding dues of micro enterprises and small enterprises	16B	327	172
b) Total outstanding dues of creditors other than micro enterprises and small enterprises	16B	28,824	32,949
(iv) Other financial liabilities	16C	53,044	51,247
(b) Contract liabilities	19	10,854	11,126
(c) Provisions	20	1,654	720
(d) Income tax liability (net)	21	222	-
(e) Other current liabilities	18	2,865	2,938
Total current liabilities		**1,46,708**	**1,78,601**
TOTAL LIABILITIES		**1,78,820**	**2,11,491**
TOTAL EQUITY AND LIABILITIES		**4,34,352**	**4,98,984**
Summary of significant accounting policies	2		

*Refer note 53

** The Group has accounted for net liability under equity method of accounting

See accompanying notes to the revised consolidated financial statements.
In terms of our revised report of even date attached

For **B S R and Associates**
Chartered Accountants
(Firm Registration Number: 128901W)

Rajesh Arora
Partner
Membership No. 076124

Place: Gurugram
Date: November 27, 2020

For and on behalf of the Board of Directors of **HT Media Limited**

Piyush Gupta
Group Chief Financial Officer

Dinesh Mittal
Group General Counsel & Company Secretary

Praveen Someshwar
Managing Director & Chief Executive Officer
(DIN: 01802656)

Shobhana Bhartia
Chairperson & Editorial Director
(DIN: 00020648)

Place: New Delhi
Date: November 27, 2020

REVISED CONSOLIDATED STATEMENT OF PROFIT AND LOSS

for the year ended March 31, 2020

(₹ Lacs)

Particulars	Note No	March 31, 2020 (Revised *)	March 31, 2019 [refer note 48(C)]
I Income			
a) Revenue from operations	22	2,08,260	2,19,887
b) Other Income	23	22,706	23,584
Total Income		**2,30,966**	**2,43,471**
II Expenses			
a) Cost of materials consumed	24	56,697	77,619
b) Purchase of Stock in Trade		-	631
c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	25	(251)	(40)
d) Employee benefits expense	26	41,190	38,199
e) Finance costs	27	9,913	11,350
f) Depreciation and amortisation expense	28	18,221	10,776
g) Other expenses	29	96,341	1,05,066
Total expenses		**2,22,111**	**2,43,601**
III Profit/ (loss) before share of loss of joint venture, exceptional items and tax [I-II]		**8,855**	**(130)**
IV Exceptional items (Loss)	30	**(43,222)**	**(3,480)**
V Loss before share of loss of joint venture and tax [III+IV]		**(34,367)**	**(3,610)**
VI Profit before finance costs, tax, depreciation and amortisation expense (EBITDA) [III+II(e)+II(f)] and exceptional items		**36,989**	**21,996**
VII Tax expense:			
(a) Current tax	17	3,757	2,459
(b) Adjustment of current tax charge/ (credit) relating to earlier periods	17	38	(853)
(c) Deferred tax charge/ (credit) [Net of Adjustment of deferred tax charge related to earlier periods of ₹ 834 lacs (Previous year credit of ₹ 3,868 lacs)]	17	(3,977)	(6,805)
Total tax expense/ (credit)		**(182)**	**(5,199)**
VIII Profit/ (loss) for the period after tax before share of joint venture (V-VII)		**(34,185)**	**1,589**
IX Share of loss of joint ventures (net of tax) (accounted for using equity method)	34	**(267)**	**-**
X Net profit/(loss) after taxes and share of loss of joint ventures (VIII+IX)		**(34,452)**	**1,589**
XI Other comprehensive income	32		
a) Items that will not be reclassified subsequently to profit or loss			
Change in fair value of investments		(103)	-
Income tax effect		-	-
Remeasurement on defined benefit plans		(511)	(46)
Income tax effect		172	19
		(442)	**(27)**
b) Items that will be reclassified subsequently to profit or loss			
Cash flow hedging reserve		(169)	(259)
Income tax effect		59	90
Costs of hedging reserve		1,457	(1,691)
Income tax effect		(510)	591
Exchange differences on translation of foreign operation		63	(8)
Income tax effect		-	-
		900	**(1,277)**
Other comprehensive income for the year (net of tax)		**458**	**(1,304)**
XII Total Comprehensive Income (net of Tax) (X+XI)		**(33,994)**	**285**
Profit/ (loss) for the year		**(34,452)**	**1,589**
Attributable to:			
Equity holders of the parent		(34,585)	(1,205)
Non-controlling interests		133	2,794
Total comprehensive income for the year		**(33,994)**	**285**
Attributable to:			
Equity holders of the parent		(33,983)	(2,434)
Non-controlling interests		(11)	2,719
XIII Earnings/(loss) per share			
Loss per share			
Basic & Diluted (Nominal value of share ₹ 2/-)	33	(15.00)	(0.52)
Summary of significant accounting policies	2		

*Refer note 53

See accompanying notes to the revised consolidated financial statements.
In terms of our revised report of even date attached

For **B S R and Associates**
Chartered Accountants
(Firm Registration Number: 128901W)

Rajesh Arora
Partner
Membership No. 076124

Place: Gurugram
Date: November 27, 2020

For and on behalf of the Board of Directors of **HT Media Limited**

Piyush Gupta
Group Chief Financial Officer

Dinesh Mittal
Group General Counsel & Company Secretary

Praveen Someshwar
Managing Director & Chief Executive Officer
(DIN: 01802656)

Shobhana Bhartia
Chairperson & Editorial Director
(DIN: 00020648)

Place: New Delhi
Date: November 27, 2020

REVISED CONSOLIDATED STATEMENT OF CASH FLOW

for the year ended March 31, 2020

(₹ Lacs)

Particulars	March 31, 2020 (Revised *)	March 31, 2019 [refer note 48(C)]
Operating activities		
Loss before tax from operations	**(34,367)**	**(3,610)**
Adjustments for		
Depreciation and amortisation expense	18,221	10,776
Net Loss on sale/ Impairment of property, plant and equipments and intangible assets	23,979	75
Income from lease termination (net)	(67)	-
Fair value of investment through profit and loss (including (profit)/ loss on sale of investments)	5,199	6,353
Profit on sale of investment properties	(9)	(14)
Interest/Finance income from investments and others	(18,105)	(18,701)
Dividend Income	(2)	-
Unclaimed balances/liabilities written back (net)	(1,247)	(215)
Income from Government Grant	(119)	(621)
Interest Expense	9,704	11,107
Unrealised foreign exchange loss/(gain)	3,375	(1,395)
Impairment of investment properties (refer note 4)	1,323	4,604
Allowances for doubtful debts (including write offs)	3,101	2,081
Impairment of Goodwill	18,881	179
Employee stock option expense/ (income)	63	(1)
Cash flows from operating activities before changes in following assets and liabilities	**29,930**	**10,618**
Changes in operating assets and liabilities		
(Increase) in trade and other receivables	(325)	(10,239)
(Increase)/ decrease in inventories	2,175	(3,771)
(Increase) in current and non-current financial assets and other current and non-current assets	(769)	(839)
Increase/(Decrease) in current and non-current financial liabilities and other current and non-current liabilities and provisions	(20,260)	16,593
	10,751	**12,362**
Income taxes paid (net of refunds)	(4,359)	(5,077)
Net cash flows from operating activities (A)	**6,392**	**7,285**
Investing activities		
Purchase of property, plant and equipment/ Intangible assets	(2,730)	(7,641)
Proceeds from sale of property, plant and equipment/ Intangible assets/ Lease Assets	505	388
Purchase of investment property	(5,178)	(8,643)
Proceeds from sale of investment properties	2,317	2,523
Purchase of investments in mutual funds and others	(1,51,630)	(81,339)
Proceeds from sale of investments in mutual funds and others	1,92,048	97,939
Acquisition of a Subsidiary (refer note 47)	(27,643)	-
Interest received	28,031	16,243
Investments made in Joint Venture	(324)	-
Deposits (made)/ matured (net)	3,994	(8,002)
Net cash flows from investing activities (B)	**39,390**	**11,468**

REVISED CONSOLIDATED STATEMENT OF CASH FLOW

for the year ended March 31, 2020

(₹ Lacs)

Particulars	March 31, 2020 (Revised *)	March 31, 2019 [refer note 48(C)]
Financing activities		
Proceeds from borrowings	4,75,389	8,60,646
Repayment of borrowings	(5,18,579)	(8,68,256)
Interest paid	(9,659)	(11,576)
Dividend paid	(922)	(922)
Dividend distribution tax paid	(237)	(237)
Repayment of lease liabilities	(4,235)	-
Amount paid to Minority Shareholders	(227)	(227)
Net cash flows used in financing activities (C)	**(58,470)**	**(20,572)**
Net decrease in cash and cash equivalents (D= A+B+C)	**(12,688)**	**(1,819)**
Net foreign exchange gain (E)	7	19
Cash component on acquisition of subsidiary (F)	152	-
Cash and cash equivalents at the beginning of the year (G)	14,805	16,605
Cash and cash equivalents at year end (D+E+F+G)	**2,276**	**14,805**

(₹ Lacs)

Particulars	March 31, 2020 (Revised *)	March 31, 2019 [refer note 48(C)]
Components of cash and cash equivalents as at end of the year		
Cash and cheques on hand	1,390	9,168
Balances with banks		
- on current accounts	1,934	4,570
- on deposit accounts	2,566	2,079
Total cash and cash equivalents	**5,890**	**15,817**
Bank Overdrafts (Refer note 16A)	(3,614)	(1,012)
Cash and cash equivalents as per Cash Flow Statement	**2,276**	**14,805**

*Refer note 53

Refer note 16A for debt reconciliation disclosure

Refer note 31 for lease liability reconciliation

See accompanying notes to the revised consolidated financial statements.
In terms of our revised report of even date attached

For **B S R and Associates**
Chartered Accountants
(Firm Registration Number: 128901W)

Rajesh Arora
Partner
Membership No. 076124

Place: Gurugram
Date: November 27, 2020

For and on behalf of the Board of Directors of **HT Media Limited**

Piyush Gupta
Group Chief Financial Officer

Dinesh Mittal
Group General Counsel & Company Secretary

Praveen Someshwar
Managing Director & Chief Executive Officer
(DIN: 01802656)

Shobhana Bhartia
Chairperson & Editorial Director
(DIN: 00020648)

Place: New Delhi
Date: November 27, 2020

REVISED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the year ended March 31, 2020

A. Equity Share Capital (Refer Note 13)

Equity Shares of ₹ 2 each issued, subscribed and fully paid up

Particulars	Number of shares	Amount (₹ Lacs)
Balance as at April 1, 2018	23,05,70,024	4,611
Changes in share capital during the year	-	-
Balance as at March 31, 2019	23,05,70,024	4,611
Changes in share capital during the year	-	-
Balance as at March 31, 2020	23,05,70,024	4,611

B. Other Equity (Refer Note 14)

(₹ Lacs)

Particulars	Reserves & Surplus						Items of OCI				Total attributable to the owners of the Company	Non-Controlling Interest	Total
	Capital Reserve	Capital Redemption Reserve	Securities Premium	Share Based Payments Reserve	General Reserve	Retained Earnings	Foreign Currency Translation Reserve	FVTOCI Reserve	Cash flow Hedging Reserve * (Refer Note 40)	Cost of Hedging Reserve (Refer Note 40)			
Balance as at April 1, 2018	**8,839**	**2,045**	**49,231**	**15**	**7,631**	**181,954**	**50**	**-**	**-**	**-**	**249,765**	**34,218**	**283,983**
Adjustment pursuant to scheme of arrangement (Refer note 48C)	-	-	-	-	-	319	-	-	-	-	319	(319)	-
Profit/ (loss) for the year	-	-	-	-	-	(1,205)	-	-	-	-	(1,205)	2,794	1,589
Charge/ (credit) for the year	-	-	-	(1)	-	-	-	-	-	-	(1)	-	(1)
Other comprehensive income	-	-	-	-	-	(26)	(8)	-	(148)	(1,046)	(1,228)	(75)	(1,303)
Dividend paid	-	-	-	-	-	(922)	-	-	-	-	(922)	(227)	(1,149)
Dividend distribution tax	-	-	-	-	-	(191)	-	-	-	-	(191)	(46)	(237)
Balance as at March 31, 2019	**8,839**	**2,045**	**49,231**	**14**	**7,631**	**179,929**	**42**	**-**	**(148)**	**(1,046)**	**246,537**	**36,345**	**282,882**
Adjustment relating to previous years (refer note 53)	-	-	-	-	-	(956)	-	-	-	-	(956)	-	(956)
Profit/ (Loss) for the year	-	-	-	-	-	(34,585)	-	-	-	-	(34,585)	133	(34,452)
Charge/ (credit) for the year	64	-	-	58	-	-	-	-	-	-	122	5	127
Other comprehensive income	-	-	-	-	-	(215)	63	(103)	(83)	939	601	(143)	458
Dividend paid	-	-	-	-	-	(922)	-	-	-	-	(922)	(227)	(1,149)
Dividend distribution tax	-	-	-	-	-	(191)	-	-	-	-	(191)	(46)	(237)
Add/ (Less): Adjustment on account of Equity Shares held by HT Media Employee Welfare Trust	-	-	126	-	-	-	-	-	-	-	126	-	126

REVISED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the year ended March 31, 2020

(₹ Lacs)

Particulars	Reserves & Surplus						Items of OCI				Total attributable to the owners of the Company	Non-Controlling Interest	Total
	Capital Reserve	Capital Redemption Reserve	Securities Premium	Share Based Payments Reserve	General Reserve	Retained Earnings	Foreign Currency Translation Reserve	FVTOCI Reserve	Cash flow Hedging Reserve * (Refer Note 40)	Cost of Hedging Reserve (Refer Note 40)			
Adjustment on account of acquisition of Next Mediaworks Limited and Next Radio Limited (Refer note 47)	-	-	-	-	-	-	-	-	-	-	-	4,122	4,122
Adjustment for change in non controlling interest in Hindustan Media Ventures Limited pursuant to scheme of arrangement (Refer Note 48C)	-	-	-	-	-	142	-	-	-	-	142	(142)	-
Balance as at March 31, 2020	**8,903**	**2,045**	**49,357**	**72**	**7,631**	**1,43,202**	**105**	**(103)**	**(231)**	**(107)**	**2,10,874**	**40,047**	**2,50,921**

* The effective portion of gains and loss on hedging instruments in a cash flow hedge

See accompanying notes to the revised consolidated financial statements.
In terms of our revised report of even date attached

For **B S R and Associates**
Chartered Accountants
(Firm Registration Number: 128901W)

Rajesh Arora
Partner
Membership No. 076124

Place: Gurugram
Date: November 27, 2020

For and on behalf of the Board of Directors of **HT Media Limited**

Piyush Gupta
Group Chief Financial Officer

Dinesh Mittal
Group General Counsel & Company Secretary

Praveen Someshwar
Managing Director & Chief Executive Officer
(DIN: 01802656)

Shobhana Bhartia
Chairperson & Editorial Director
(DIN: 00020648)

Place: New Delhi
Date: November 27, 2020

NOTES TO REVISED CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2020

1. Corporate information

HT Media Group consists of HT Media Limited ("the Company" or "Parent Company") ,its subsidiaries and joint venture companies (hereinafter referred to as "the Group").

The Group is the publisher of 'Hindustan Times', an English daily, 'Hindustan', a Hindi daily and 'Mint', a Business newspaper (daily, except Sunday), 'Nandan' (monthly children's magazine) and 'Kadambini' (monthly women's magazine). Under 'Fever 104' brand, 'Fever' brand, newly launched 'Radio Nasha' brand and recently acquired 'Radio One' brand, the Group pursues the business of FM radio broadcast and other related activities, in the cities of Delhi, Mumbai, Kolkata, Bengalaru, Hyderabad, Kanpur, Lucknow, Agra, Allahabad, Aligarh, Bareilly and Gorakhpur. In addition, the Group also operates AAHA FM under the 'Fever FM' brand in Chennai. The digital business of the Group comprises of 'Shine.com' (job portal), etc. The Group has also forayed into education sector.

Major portion of the Group's revenue is derived from sale of - (i) newspapers and magazines; (ii) advertisement space in these publications; (iii) airtime in FM radio broadcast, and printing charges for third-party printing jobs. Internet business also contributes to the Group's revenue, by way of sale of various digital offerings.

The registered office of the Company is located at 18-20, K.G. Marg, New Delhi-110001.

Information on related party relationship of the Group is provided in Note 38.

The Group has revised its financial statements for the year ended March 31, 2020 which were approved by the Board of Directors on June 26, 2020 (Refer Note 53). The revised financial statements of the Company for the year ended March 31, 2020 are authorised for issue in accordance with a resolution of the Board of Directors on November 27, 2020.

2. Significant accounting policies

2.1 Basis of preparation

The Consolidated financial statements (CFS) of the Group have been prepared in accordance with the Indian Accounting Standards ('Ind-AS') specified in the Companies (Indian Accounting Standards) Rules, 2015 (as amended) under Section 133 of the Companies Act 2013 (the "accounting principles generally accepted in India").

The accounting policies are applied consistently to all the periods presented in the Consolidated financial statements.

The consolidated financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value:

- Derivative financial instruments measured at fair value
- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments)
- Defined benefit plans- plan assets measured at fair value.

The consolidated financial statements are presented in Indian Rupees ('INR') and all values are rounded to the nearest lacs, except otherwise indicated.

2.2 Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries and joint ventures. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements

NOTES TO REVISED CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2020

- The Group's voting rights and potential voting rights

The size of the group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed off during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that group member's financial statements in preparing the consolidated financial statements to ensure conformity with the group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the Parent Company, i.e., year ended on March 31.

Consolidation procedure:

i) Subsidiary:

(a) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries.

(b) Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.

(c) Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and property, plant and equipment, are eliminated in full). Ind-AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- Derecognises the assets (including goodwill) and liabilities of the subsidiary
- Derecognises the carrying amount of any non-controlling interests
- Derecognises the cumulative translation differences recorded in equity
- Recognises the fair value of the consideration received
- Recognises the fair value of any investment retained
- Recognises any surplus or deficit in profit or loss
- Reclassifies the parent's share of components previously recognised in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities

ii) Joint ventures:

Interests in joint ventures are accounted for using the equity method, after initially being recognised at cost in the consolidated Balance Sheet.

2.3 Summary of significant accounting policies

a) Business combinations and goodwill

Business combinations are accounted for using the acquisition method, other than common control

transactions. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their acquisition date fair values. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable. However, the following assets and liabilities acquired in a business combination are measured at the basis indicated below:

- Deferred tax assets or liabilities, and the assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with Ind-AS 12 Income Tax and Ind-AS 19 Employee Benefits respectively.
- Liabilities or equity instruments related to share based payment arrangements of the acquiree or share – based payments arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with Ind-AS 102 Share-based Payments at the acquisition date.
- Assets (or disposal groups) that are classified as held for sale in accordance with Ind-AS 105 Non-current Assets Held for Sale and Discontinued Operations are measured in accordance with that standard.
- Reacquired rights are measured at a value determined on the basis of the remaining contractual term of the related contract. Such valuation does not consider potential renewal of the reacquired right.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

If the business combination is achieved in stages, any previously held equity interest is re-measured at its acquisition date fair value and any resulting gain or loss is recognised in profit or loss or OCI, as appropriate.

Any contingent consideration to be transferred by the acquirer is recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of Ind-AS 109 Financial Instruments, is measured at fair value with changes in fair value recognised in profit or loss. If the contingent consideration is not within the scope of Ind-AS 109, it is measured in accordance with the appropriate Ind-AS. Contingent consideration that is classified as equity is not re-measured at subsequent reporting dates and subsequent its settlement is accounted for within equity.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in OCI and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognises the gain directly in equity as capital reserve, without routing the same through OCI.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be

NOTES TO REVISED CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2020

impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

Where goodwill has been allocated to a cash-generating unit and part of the operation within that unit is disposed off, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted through goodwill during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognized at that date. These adjustments are called as measurement period adjustments. The measurement period does not exceed one year from the acquisition date.

b) Business combinations - common control transactions

Common control business combination means a business combination involving entities or businesses in which all the combining entities or businesses are ultimately controlled by the same party or parties both before and after the business combination, and that control is not transitory.

Common control business combination are accounted for using the pooling of interests method as follows:

- The assets and liabilities of the combining entities are reflected at their carrying amounts.
- No adjustments are made to reflect fair values, or recognise any new assets or liabilities. Adjustments are only made to harmonise accounting policies.
- The financial information in the financial statements in respect of prior periods is restated as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination. However, where the business combination had occurred after that date, the prior period information is restated only from that date.
- The balance of the retained earnings appearing in the financial statements of the transferor is aggregated with the corresponding balance appearing in the financial statements of the transferee or is adjusted against general reserve.
- The identity of the reserves are preserved and the reserves of the transferor become the reserves of the transferee.
- The difference, if any, between the amounts recorded as share capital issued plus any additional consideration in the form of cash or other assets and the amount of share capital of the transferor is transferred to capital reserve and is presented separately from other capital reserves

c) Investment in joint ventures

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The considerations made in determining joint control are similar to those necessary to determine control over the subsidiaries.

The Group's investments in its joint venture are accounted for using the equity method. Under the equity method, the investment in a joint venture is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the joint venture since the acquisition date. Goodwill relating to the joint venture is included in the carrying amount of the investment and is not tested for impairment individually.

The Statement of Profit and Loss reflects the Group's share of the results of operations of the joint venture. Any change in OCI of those investees is presented as part of the Group's OCI. In addition, when there has been a change recognised directly in the equity of the joint venture, the Group recognises its share of any changes, when applicable, in the Statement of Changes in Equity. Unrealised gains and losses resulting from transactions between the Group and the joint venture are eliminated to the extent of the interest in the joint venture.

If an entity's share of losses of a joint venture equals or exceeds its interest in the joint venture (which includes any long term interest that, in substance, form part of the Group's net investment in the joint venture), the entity discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the joint venture and accordingly discloses the same as net liability under equity method of accounting. If the joint venture subsequently reports profits, the entity resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

The aggregate of the Group's share of profit or loss of a joint venture is shown on the face of the Statement of Profit and Loss.

The financial statements of the joint venture are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in its joint venture. At each reporting date, the Group determines whether there is objective evidence that the investment in the joint venture is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the joint venture and its carrying value, and then recognises the loss as 'Share of profit of a joint venture' in the Statement of Profit and Loss.

Upon loss of joint control over the joint venture, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the joint venture upon loss of joint control and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss

d) Current versus non- current classification

The Group presents assets and liabilities in the Balance Sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between publishing of advertisement and circulation of newspaper and its realisation in cash and cash equivalents. The Group has identified twelve months as its operating cycle.

e) Foreign currencies

The Group's consolidated financial statements are presented in INR, which is also the Parent Company's functional currency. For each entity the Group determines the functional currency and items included in the financial

NOTES TO REVISED CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2020

statements of each entity are measured using that functional currency. The Group uses the direct method of consolidation and on disposal of a foreign operation the gain or loss that is reclassified to profit or loss reflects the amount that arises from using this method.

Transactions and balances

Transactions in foreign currencies are initially recorded by the Group's entities at their respective functional currency spot rates at the date the transaction first qualifies for recognition. However, for practical reasons, the Group uses an average rate if the average approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on the settlement or translation of monetary items are recognised in profit or loss with the exception to the following:

- They are deferred in equity if they relate to qualifying cash flow hedges.
- Exchange differences arising on monetary items that forms part of a reporting entity's net investment in a foreign operation are recognised in profit or loss in the separate financial statements of the reporting entity or the individual financial statements of the foreign operation, as appropriate. In the financial statements that include the foreign operation and the reporting entity (e.g., consolidated financial statements when the foreign operation is a subsidiary), such exchange differences are recognised initially in OCI under the head "Foreign Currency Translation Reserve". These exchange differences are reclassified from equity to profit or loss on disposal of the net investment.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

Exchange differences pertaining to long term foreign currency loans obtained or re-financed on or before March 31, 2015:

- Exchange differences on long-term foreign currency monetary items relating to acquisition of depreciable assets are adjusted to the carrying cost of the assets and depreciated over the balance life of the assets in accordance with option available under Ind-AS 101 (first time adoption).

Exchange differences pertaining to long term foreign currency loans obtained or re-financed on or after April 1, 2015:

- The exchange differences pertaining to long term foreign currency loans obtained or re-financed on or after April 1, 2015 is charged off or credited to the Statement of Profit and Loss account under Ind-AS.

Group companies

On consolidation, the assets and liabilities of foreign operations are translated into INR at the rate of exchange prevailing at the reporting date and their statements of profit or loss are translated at exchange rates prevailing at the dates of the transactions. For practical reasons, the Group uses an average rate to translate income and expense items, if the average rate approximates the exchange rates at the dates of the transactions. The exchange differences arising on translation for consolidation are recognised in OCI. On disposal of a foreign operation, the component of OCI relating to that particular foreign operation is recognised in profit or loss.

Any goodwill arising in the acquisition/ business combination of a foreign operation on or after April 1, 2015 and any fair value adjustments to the carrying amounts of assets and liabilities arising on the acquisition are treated as assets and liabilities of the foreign operation and translated at the spot rate of exchange at the reporting date.

Any goodwill or fair value adjustments arising in business combinations/ acquisitions, which occurred before the date of transition to Ind-AS (April 1, 2015), are treated as

assets and liabilities of the entity rather than as assets and liabilities of the foreign operation. Therefore, those assets and liabilities are non-monetary items already expressed in the functional currency of the parent and no further translation differences occur.

Cumulative currency translation differences for all foreign operations are deemed to be zero at the date of transition, viz., April 1, 2015. Gain or loss on a subsequent disposal of any foreign operation excludes translation differences that arose before the date of transition but includes only translation differences arising after the transition date.

f) Fair value measurement

The Group measures financial instruments, such as, derivatives and certain investments at fair value at each reporting/ Balance Sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- **Level 1** — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- **Level 2** — Valuation techniques for which inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly
- **Level 3** — Valuation techniques for which inputs are unobservable inputs for the asset or liability

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

External valuers are involved for valuation of significant assets, such as investment properties, unquoted financial assets and significant liabilities.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

This note summarises accounting policy for fair value.

Other fair value related disclosures are given in the relevant notes :

- Disclosures for valuation methods, significant estimates and assumptions (Note 41)
- Quantitative disclosures of fair value measurement hierarchy (Note 41)
- Investments at Fair Value through profit and loss (Note 7B)
- Investment properties (Note 4)
- Financial instruments (including those carried at amortised cost) (Note 41)

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g) Revenue recognition

Effective April 1, 2018 the Group has adopted Ind AS 115 "Revenue from Contracts with Customers" using the cumulative catch-up up transition method which is applied to contracts that were not completed as of April 1, 2018.

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured based on the transaction price, which is the consideration, adjusted for allowances, trade discounts, volume rebates, if any, as specified in the contract with the customer. Revenue excludes taxes collected from customers. The Group has concluded that it is the principal in all of its revenue arrangements since it is the primary obligor in all the revenue arrangements as it has pricing latitude and is also exposed to inventory and credit risks.

Goods and Service Tax (GST) is not received by the Group on its own account. Rather, it is tax collected on behalf of the government. Accordingly, it is excluded from revenue.

Contract asset represents the Group's right to consideration in exchange for services that the Group has transferred to a customer when that right is conditioned on something other than the passage of time.

When there is unconditional right to receive cash, and only passage of time is required to do invoicing, the same is presented as Unbilled receivable.

A contract liability is recognised if a payment is received or a payment is due (whichever is earlier) from a customer before the Group transfers the related goods or services. Contract liabilities are recognised as revenue when the Group performs under the contract (i.e., transfers control of the related goods or services to the customer).

The specific recognition criteria described below must also be met before revenue is recognised:

Advertisements

Revenue is recognized as and when advertisement is published/ displayed and when it is "probable" that the Group will collect the consideration it is entitled to in exchange for the services it transfers to the customer.

Revenue from advertisement is measured based on the transaction price, which is the consideration, adjusted for allowances, trade discounts and volume rebates.

Sale of News & Publications, Waste Paper and Scrap

Revenue from the sale of goods is recognised when the control is transferred to the buyer, usually on delivery of the goods. Revenue from the sale of goods is measured based on the transaction price, which is the consideration, adjusted for returns, allowances, trade discounts and volume rebates.

For contracts with a significant financing component, an entity adjusts the promised consideration to reflect the time value of money.

Management also extends a right to return to its customers which it believes is a form of variable consideration. Revenue recognition is limited to amounts for which it is "highly probable" a significant reversal will not occur (i.e. it is highly probable the goods will not be returned). A refund liability is established for the expected amount of refunds and credits to be issued to customers.

Printing Job Work

Revenue from printing job work is recognized on the completion of job work as per terms of the agreement. Revenue from job work is measured based on the transaction price, which is the consideration, adjusted for allowances, trade discounts and volume rebates, if any.

Airtime Revenue

Revenue from radio broadcasting categorised in Free Commercial Time (FCT) and Pure Money is recognized on the airing of client's commercials. Revenue from radio broadcasting is measured based on the transaction price, which is the consideration, adjusted for allowances, trade discounts and volume rebates, if any, as specified in the contract with the customer.

Revenue from online advertising

Revenue from digital platforms by display of internet advertisements are typically contracted for a period ranging between zero to twelve months. Revenue from online advertising is measured based on the transaction

price, which is the consideration, adjusted for allowances, trade discounts and volume rebates.

Revenue in this respect is recognized as and when advertisement is displayed. Unearned revenues are reported on the Balance Sheet as deferred revenue/ Contract liability.

Revenue from subscription of packages of placement of job postings on 'shine.com' is recognized at the time the job postings are displayed based upon customer usage patterns, or upon expiry of the subscription package whichever is earlier and is measured based on the transaction price, which is the consideration, adjusted for allowances, trade discounts and volume rebates, if any.

Revenue from Job Fair and Resume Services

Revenue from Job Fair and Resume services is recognised upon completion terms of the contract with customers and is measured based on the transaction price, which is the consideration, adjusted for allowances, trade discounts and volume rebates, if any.

Revenue from sale of leads

Revenue from sale of leads on 'htcampus.com' is recognised at the time of delivery of the leads to the customer and is measured based on the transaction price, which is the consideration, adjusted for allowances, trade discounts and volume rebates, if any.

Revenue from SMS pushes/voice calls

Revenue is recognised after the delivery of SMS pushes/ voice calls and is measured based on the transaction price, which is the consideration, adjusted for allowances, trade discounts and volume rebates, if any.

Revenue from content

Revenue is recognised basis of log records of operators and is measured based on the transaction price, which is the consideration, adjusted for allowances, trade discounts and volume rebates, if any.

Revenue from social media

Revenue is recognised basis of actual output delivered in a month to the client as per the terms of the RO/ email from client and is measured based on the transaction price, which is the consideration, adjusted for allowances, trade discounts and volume rebates, if any.

Revenue from Education services

Revenue is recognized when persuasive evidence of an arrangement exists, services have been rendered or delivery has occurred, fee or price to the customer is fixed or determinable and collectability is reasonably assured

- Tuition and educational services encompasses all educational delivery modalities (i.e online, on-campus etc.) and
- Revenue is recognized (Tuition fee including registration fee, net of discounts) over the period of instruction as services are delivered to students, which may vary depending on the program structure. Following situations may arise-
    - **Regular Students:** Revenue is recognized over the period of instruction for the program.
    - **Students on Break:** Revenue is deferred till the time student joins back and revenue is recognized once the student's period of instructions starts again.
    - **Drop out students:** Revenue is recognized to the extent instructions are delivered and payment is received.
- Students are billed separately for each program, resulting in the recording of a receivable from the student and deferred revenue in the amount of the billing.
- The Group generally recognizes revenue evenly over the period of instruction (e.g. five weeks for a five-week course) as services are delivered to the student.
- For students who enrolls at Group's programs on risk free basis (100% scholarship, Ambassador program, Trials), the Group does not recognize revenue for that program until students decide to continue beyond the risk free period, which is when the fees become fixed and determinable.
- The Group reassesses collectability throughout the period revenue is recognized when there are changes

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in facts or circumstances that indicate collectability is no longer reasonably assured.

Security deposit collected from students are refundable post completion of the program and are not recognized as revenue.

Interest income

For all debt instruments measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Group estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in other income in the Statement of Profit and Loss.

Dividends

Revenue is recognised when the Group's right to receive the payment is established, which is generally when shareholders approve the dividend.

h) Government grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

When the Group receives grants relating to the purchase of property, plant and equipment, the asset and the grant are recorded at fair value and are released to the Statement of Profit and Loss over the expected useful lives of related assets.

i) Taxes

Current income tax

Tax expense comprises current and deferred tax.

Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961.

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Group operates and generates taxable income.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Appendix C to Ind AS 12, Income Taxes dealing with accounting for uncertainty over income tax treatments is applicable from accounting periods beginning on or after April 1, 2019. It does not have any material impact on the financial statements.

Deferred tax

Deferred tax is provided considering temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences except :

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of taxable temporary differences associated with investments in subsidiaries and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax

credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of deductible temporary differences associated with investments in subsidiaries and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

Tax benefits acquired as part of a business combination, but not satisfying the criteria for separate recognition at that date, are recognised subsequently if new information about facts and circumstances change. Acquired deferred tax benefits recognised within the measurement period reduce goodwill related to that acquisition if they result from new information obtained about facts and circumstances existing at the acquisition date. If the carrying amount of goodwill is zero, any remaining deferred tax benefits are recognised in OCI/ capital reserve depending on the principle explained for bargain purchase gains. All other acquired tax benefits realised are recognised in profit or loss.

MAT Credits are in the form of unused tax credits that are carried forward by the Group for a specified period of time. Accordingly, MAT Credit Entitlement are grouped with Deferred Tax Asset in the Balance Sheet. The Group reviews at each Balance Sheet date the reasonable certainty to recover deferred tax asset including MAT Credit Entitlement.

GST/ value added taxes paid on acquisition of assets or on incurring expenses

Expenses and assets are recognised net of the amount of GST/ value added taxes paid, except:

- When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable
- When receivables and payables are stated with the amount of tax included

The net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the Balance Sheet.

j) Property, plant and equipment

The Group has applied the one time transition option of considering the carrying cost of property, plant and

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equipment, investment property and intangible assets on the transition date i.e. April 1, 2015 as the deemed cost under Ind-AS.

Construction in progress is stated at cost, net of accumulated impairment losses, if any. Plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met.

Cost comprises the purchase price, borrowing costs if capitalization criteria are met and any directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Recognition:

The cost of an item of property, plant and equipment shall be recognised as an asset if, and only if:

(a) it is probable that future economic benefits associated with the item will flow to the entity; and

(b) the cost of the item can be measured reliably.

Subsequent expenditure related to an item of property, plant and equipment is added to its book value only if it increased the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing assets, including day- to- day repair and maintenance expenditure and cost of replacing parts, are charged to the Statement of Profit and Loss for the period during which such expenses are incurred.

When significant parts of plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Value for individual assets acquired from 'The Hindustan Times Limited' (the Holding Company) in an earlier year is allocated based on the valuation carried out by independent expert at the time of acquisition. Other assets are stated at cost less accumulated depreciation and accumulated impairment losses, if any.

The Group identifies and determines cost of asset significant to the total cost of the asset having useful life that is materially different from that of the remaining life.

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets as follows:

Type of asset	Useful lives estimated by management (Years)
Factory Buildings	5 to 30
Buildings (other than factory buildings)	3 to 60
Plant & Machinery	2 to 21
IT Equipments	1 to 6
Office Equipments	1 to 5
Furniture and Fittings	2 to 10
Vehicles	8

The Group, based on technical assessment made by the management depreciates certain assets over estimated useful lives which are different from the useful life prescribed in Schedule ll to the Companies Act, 2013. The management has estimated, supported by technical assessment, the useful lives of certain plant and machinery as 16 to 21 years. These useful lives are higher than those indicated in Schedule II. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

Property, Plant and Equipment which are added/disposed off during the year, depreciation is provided on pro-rata basis with reference to the month of addition/deletion.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised.

Subsequent expenditure can be capitalised only if it is probable that future economic benefits associated with the expenditure will flow to the Group.

Expenditure directly attributable to construction activity is capitalized. Other indirect costs incurred during the construction periods which are not directly attributable to construction activity are charged to Statement of Profit and Loss. Reinvested income earned during the construction period is adjusted against the total of indirect expenditure.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

k) Investment properties

Investment properties are properties (land and buildings) that are held for long-term rental yields and/or for capital appreciation. Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

The Group depreciates building component of investment property over useful life of 30 years from the date of possession of property.

Though the Group measures investment property using cost based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined based on bi-annual evaluation performed by an accredited external independent valuer.

Investment properties are derecognised either when they have been disposed off or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of de-recognition.

l) Intangible assets

The Group has applied the one time transition option of considering the carrying cost of Intangible assets on the transition date i.e. April 1, 2015 as the deemed cost under Ind-AS.

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

Value for individual software license acquired by the Parent Company from its Holding Company and by Subsidiary Company HMVL from the Parent Company in an earlier year is allocated based on the valuation carried out by an independent expert at the time of acquisition.

Purchased copyrights by a subsidiary are accounted for at costs. In case of slump purchases by a subsidiary, value for copyright acquired is allocated based on the valuation carried out by an independent expert at the time of acquisition.

Costs incurred in planning or conceptual development of the web site are expensed as incurred. Once the planning or conceptual development of a web site has been achieved, and the project has reached the application development stage, the Group capitalizes all costs related to web site application and infrastructure development including costs relating to the graphics and content development stages. Training and routine maintenance costs are expensed as incurred.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the Statement of Profit and Loss.

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Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

An intangible asset is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit and Loss.

Goodwill acquired separately are measured on initial recognition at cost.

Intangible assets are amortized on straight line basis using the estimated useful life as follows:

Intangible assets	Useful lives (years)
Website Development	3 – 6
Software licenses	1 – 6
License Fees (One time entry fee)	15
Non- compete fees	Over the period of agreement of non-compete fees
Curriculum	3
Brand	Indefinite useful life

m) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

n) Leases

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as a lessee

The Group recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the Statement of Profit and Loss.

The Group measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Group uses incremental borrowing rate. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Group is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. The Group recognises the amount of the re-measurement of lease liability due

to modification as an adjustment to the right-of-use asset and Statement of Profit and Loss depending upon the nature of modification. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Group recognises any remaining amount of the re-measurement in Statement of Profit and Loss.

The Group has elected not to apply the requirements of Ind AS 116 to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognised as an expense on a straight-line basis over the lease term.

As a practical expedient a lessee (the Group) has elected, by class of underlying asset, not to separate lease components from any associated non-lease components. A lessee (the Group) accounts for the lease component and the associated non-lease components as a single lease component.

Group as a lessor

At the inception of the lease the Group classifies each of its leases as either an operating lease or a finance lease. The Group recognises lease payments received under operating leases as income on a straight- line basis over the lease term. In case of a finance lease, finance income is recognised over the lease term based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the lease.

Transition to Ind AS 116

Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has notified Ind AS 116 Leases which replaces the existing lease standard, Ind AS 17 leases and other interpretations. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. It introduces a single, on-Balance Sheet lease accounting model for lessees.

The Group has adopted Ind AS 116, effective annual reporting period beginning April 1, 2019 and applied the standard to its leases, retrospectively, with the cumulative effect of initially applying the Standard, recognised on the date of initial application (April 1, 2019). Accordingly, the Group has not restated comparative information. As on April 1, 2019, the Group has recognized a right of use asset at an amount equivalent to the lease liability and consequently there is no adjustment to the opening balance of retained earnings as on April 1, 2019. On application of Ind AS 116, the nature of expenses has changed from lease rent in previous periods to depreciation cost for the right-to-use asset, and finance cost for interest accrued on lease liability.

Refer note 2.3(n) – Significant accounting policies – Leases in the Annual report of the Company for the year ended March 31, 2019, for the policy as per Ind AS 17.

Identification of lease:

- The Group has reassessed whether a contract is, or contains, a lease at the date of initial application.

Leases previously classified as operating leases:

- The Group has recognised a lease liability at the date of initial application for leases previously classified as an operating lease applying Ind AS 17 (other than those which does not satisfy the lease definition criteria under Ind AS 116). The Group has measured lease liability at the present value of the remaining lease payments, discounted using the Group's incremental borrowing rate at the date of initial application.

- The Group has recognised a right-of-use asset at the date of initial application for leases previously classified as an operating lease applying Ind AS 17 (other than those which does not satisfy the lease definition criteria under Ind AS 116). The Group has opted to measure right-of-use asset at an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in the Balance Sheet immediately before the date of initial application.

- The Group has relied on its assessment of whether leases are onerous applying Ind AS 37, Provisions, Contingent Liabilities and Contingent Assets, immediately before the date of initial application as an alternative to performing an impairment review.

- The Group has opted not to apply the above transition requirements to leases for which the lease term ends within 12 months of the date of initial application.

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Leases previously classified as finance leases:

- For leases that were classified as finance leases applying Ind AS 17, the carrying amount of the right-of-use asset and the lease liability at the date of initial application is the carrying amount of the lease asset and lease liability immediately before that date measured applying Ind AS 17.

Impact on transition as on April 1, 2019:

	In ₹ Lacs
Right-of-use assets – property, plant and equipment	13,221
Lease liabilities	13,221
Retained earnings	-

	In ₹ Lacs
Operating lease commitments at March 31, 2019 as disclosed under Ind AS 17 in the Group's financial statements (A)	18,010
Less : Transactions in the nature of lease under Ind AS 17 but does not qualify definition of lease under Ind AS 116 (B)	94
Net Operating lease commitments (C)=(A)-(B)	17,916
Discounted using the incremental borrowing rate at April 1, 2019 (D)	13,221
Lease liabilities recognised at April 1, 2019 (E)	13,221
Difference (D)- (E)	-

The weighted average incremental borrowing rate of 8% has been applied to lease liabilities recognized in the Balance Sheet at the date of initial application.

o) Inventories

Inventories are valued as follows :

Raw materials, stores and spares	Lower of cost and net realizable value. However, material and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost is determined on a weighted average basis.
Work- in-progress and finished goods	Lower of cost and net realizable value. Cost includes direct materials and a proportion of manufacturing overheads based on normal operating capacity. Cost is determined on a weighted average basis.
Scrap and waste papers	At net realizable value

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

p) Impairment of non-financial assets

For assets with definite useful life, the Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded Company's or other available fair value indicators.

The Group bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Group's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and

applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Group extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the entity operates, or for the market in which the asset is used.

Impairment losses of continuing operations, including impairment on inventories, are recognised in the Statement of Profit and Loss.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the Statement of Profit and Loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

Goodwill is tested for impairment annually and when circumstances indicate that the carrying value may be impaired.

Impairment is determined for goodwill by assessing the recoverable amount of each CGU (or group of CGUs) to which the goodwill relates. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognised. Impairment losses relating to goodwill cannot be reversed in future periods.

Intangible assets with indefinite useful lives are tested for impairment annually at the CGU level, as appropriate, and when circumstances indicate that the carrying value may be impaired.

q) Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the Statement of Profit and Loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

r) Employee benefits

Short term employee benefits and defined contribution plans:

All employee benefits payable/available within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages and bonus etc. are recognised in the Statement of Profit and Loss in the period in which the employee renders the related service.

Employee benefit in the form of provident fund is a defined contribution scheme. The Group has no obligation, other than the contribution payable to the provident fund. The Group recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the Balance Sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the Balance Sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

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Gratuity

Gratuity is a defined benefit scheme. The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the Balance Sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognised in profit or loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Group recognises related restructuring cost

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset.

The Group recognises the following changes in the net defined benefit obligation as an expense in the Statement of Profit and Loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

Termination Benefits

Termination benefits are payable when employment is terminated by the Group before the normal retirement date. The Group recognises termination benefits at the earlier of the following dates: (a) when the Group can no longer withdraw the offer of those benefits; and (b) when the Group recognises costs for a restructuring that is within the scope of Ind AS 37 and involves the payment of terminations benefits. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value.

Compensated Absences

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short term employee benefit. The Group measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The Group treats accumulated leave expected to be carried forward beyond twelve months, as long- term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the period end. Actuarial gains/losses are immediately taken to the Statement of Profit and Loss and are not deferred. The Group presents the leave as a current liability in the Balance Sheet to the extent it does not have an unconditional right to defer its settlement for 12 months after the reporting date. Where Group has the unconditional legal and contractual right to defer the settlement for a period beyond 12 months, the same is presented as non- current liability.

s) Share-based payments

Employees (including senior executives) of the Group receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions). Share-based payments are primarily administered through Employee welfare trusts.

Equity-settled transactions

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model. As per Ind-AS 101, the Group is allowed to apply intrinsic value method to the options already vested before the date of transition and Ind-AS 102, Share-based payment, to equity instruments that remain unvested as of transition date. The Group has elected to avail this exemption and applied the requirements of Ind-AS 102 to all employee stock options that remained unvested as on the transition date.

That cost is recognised, together with a corresponding increase in share-based payment (SBP) reserves in equity,

over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The Statement of Profit and Loss expense or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Group's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions.

No expense is recognised for awards that do not ultimately vest because non-market performance and/or service conditions have not been met. Where awards include a market or non-vesting condition, the transactions are treated as vested irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

When the terms of an equity-settled award are modified, the minimum expense recognised is the expense had the terms had not been modified, if the original terms of the award are met. An additional expense is recognised for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee as measured at the date of modification. Where an award is cancelled by the entity or by the counterparty, any remaining element of the fair value of the award is expensed immediately through profit or loss.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

t) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement

All financial assets, other than trade receivable which is recognised at transaction price as per Ind AS 115, are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or

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premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables. For more information on receivables, refer to Note 41.

Debt instrument at FVTOCI

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

b) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the group recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the P&L. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to P&L. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Debt instruments at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Group may elect to designate a debt instrument which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss as "Finance income from debt instruments at FVTPL" under the head "Other Income".

Equity investments

All equity investments in scope of Ind-AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind-AS 103 applies are Ind-AS classified as at FVTPL. For all other equity instruments, the Group may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Group makes such election on an instrument-by-instrument basis. The classification is made on Initial recognition and is irrevocable.

If the Group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Group may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

De-recognition

A financial asset (or, where applicable, a part of a financial asset or part of a Group of similar financial assets) is primarily derecognised (i.e. removed from the Group's Balance Sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has

neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Impairment of financial assets

In accordance with Ind-AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance

b) Lease receivables under Ind-AS 116

c) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind-AS 115 (referred to as 'contractual revenue receivables' in these financial statements)

The Group follows 'simplified approach' for recognition of impairment loss allowance on:

- Trade receivables or contract revenue receivables; and
- All lease receivables resulting from transactions within the scope of Ind-AS 116

The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Group determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

As a practical expedient, the Group uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the Statement of Profit and Loss. This amount is reflected under the head 'other expenses' in the P&L. The Balance Sheet presentation for various financial instruments is described below:

- Financial assets measured as at amortised cost, contractual revenue receivables and lease receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the Balance Sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Group does not reduce impairment allowance from the gross carrying amount.

For assessing increase in credit risk and impairment loss. the Group combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

The Group does not have any purchased or originated credit-impaired (POCI) financial assets, i.e., financial assets which are credit impaired on purchase/ origination.

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Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and derivative financial instruments.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities designated upon initial recognition as at fair value through profit or loss. This category includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by Ind-AS 109.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind-AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to P&L. However, the Group may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the Statement of Profit and Loss.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss.

This category generally applies to borrowings. For more information refer Note 16C.

De-recognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

Embedded derivatives

An embedded derivative is a component of a hybrid (combined) instrument that also includes a non-derivative host contract - with the effect that some of the cash flows of the combined instrument vary in a way similar to a stand-alone derivative. An embedded derivative causes some or all of the cash flows that otherwise would be required by the contract to be modified according to a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable, provided in the case of a non-financial variable that the variable is not specific to a party to the contract. Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the fair value through profit or loss.

If the hybrid contract contains a host that is a financial asset within the scope of Ind-AS 109, the Group does not separate embedded derivatives. Rather, it applies the classification requirements contained in Ind-AS 109 to the entire hybrid contract. Derivatives embedded in all other host contracts are accounted for as separate derivatives and recorded at fair value if their economic characteristics and risks are not closely related to those of the host contracts and the host contracts are not held for trading or designated at fair value though profit or loss. These embedded derivatives are measured at fair value with changes in fair value recognised in profit or loss, unless designated as effective hedging instruments.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

u) Derivative financial instruments and hedge accounting

Derivative accounting

Initial recognition and subsequent measurement

The Group uses derivative financial instruments, such as forward currency contracts. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss.

Hedge Accounting

Initial recognition and subsequent measurement

The HT Media Limited designates (Cash Flow Hedge):

- Intrinsic Value of Call Spread option to hedge foreign currency risk for repayment of Principal Amount in relation to FCNR Loan availed in Euro.
- Interest Rate Swap (Floating to Fixed) to hedge interest rate risk in respect of Floating rate of interest in relation to FCNR Loan.

The Hindustan Media Ventures Limited designates (Cash Flow Hedge):

- Intrinsic Value of Call Spread option to hedge foreign currency risk for repayment of Principal Amount in relation to External Commercial Borrowing (ECB) availed in USD.
- Interest Rate Swap (Floating to Fixed) to hedge interest rate risk in respect of Floating rate of interest in relation to ECB.

The Group documents at the inception of the hedging transaction the economic relationship between hedging instruments and hedged items including whether the hedging instrument is expected to offset changes in cash flows of hedged items. The Group documents its risk management objective and strategy for undertaking various hedge transactions at the inception of each hedge relationship.

Cash flow hedges that qualify for hedge accounting

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in the other comprehensive income in cash flow hedging reserve within equity, limited to the cumulative change in fair value of the hedged item on a present value basis from the inception of the hedge. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss, within income or expenses.

When option contracts are used to hedge foreign currency risk, the Group designates only the intrinsic value of the option contract as the hedging instrument.

Gains or losses relating to the effective portion of the change in intrinsic value of the option contracts are recognised in the cash flow hedging reserve within equity. The changes in the time value of the option contracts that relate to the hedged item ('aligned time value') are recognised within other comprehensive income in the costs of hedging reserve within equity.

Amounts accumulated in equity are reclassified to profit or loss in the periods when the hedged item affects profit or loss. The time value of an option used to hedge represents part of the cost of the transaction.

When a hedging instrument expires, or is sold or terminated, or when a hedge no longer meets the criteria for hedge accounting, any cumulative deferred gain or loss and deferred costs of hedging in equity at that time remains in equity until the forecast transaction occurs. When the forecast transaction is no longer expected to occur, the cumulative gain or loss and deferred costs of hedging that were reported in equity are immediately reclassified to profit or loss within income or expenses.

v) Cash and cash equivalents

Cash and cash equivalent in the Balance Sheet comprise cash at banks and on hand and short-term deposits with

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an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the Statement of Cash Flow, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management.

w) Cash dividend and non- cash distribution to equity holders of the parent

The Group recognises a liability to make cash or non-cash distributions to equity holders of the parent when the distribution is authorised and the distribution is no longer at the discretion of the Group. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

Non-cash distributions are measured at the fair value of the assets to be distributed with fair value re-measurement recognised directly in equity.

Upon distribution of non-cash assets, any difference between the carrying amount of the liability and the carrying amount of the assets distributed is recognised in the Statement of Profit and Loss.

x) Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non–occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Group does not recognize a contingent liability but discloses its existence in the financial statements. Contingent assets are only disclosed when it is probable that the economic benefits will flow to the entity.

y) Measurement of EBITDA

The Group has elected to present earnings before finance costs, tax, depreciation and amortization (EBITDA) as a separate line item on the face of the Statement of Profit and Loss. The Group measures EBITDA on the face of profit/(loss) from continuing operations. In the measurement, the Group does not include depreciation and amortization expense, finance costs and tax expense.

z) Earnings per share

Basic earnings per share

Basic earnings per share are calculated by dividing:

- the profit attributable to owners of the Company
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares.

Diluted earnings per share

Diluted earnings per share adjust the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

2.4. Significant accounting judgements, estimates and assumptions

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods

The areas involving critical estimates are as below:

Property, Plant and Equipment

The Group, based on technical assessment and management estimate, depreciates certain assets over estimated useful lives which are different from the useful life prescribed in Schedule II to the Companies Act, 2013.

The management has estimated, supported by technical assessment, the useful lives of certain plant and machinery as 16 to 21 years. These useful lives are higher than those indicated in Schedule II. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

Defined benefit plans

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

The mortality rate is based on publicly available mortality tables for the specific countries. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates for the respective countries.

Further details about gratuity obligations are given in Note 35.

The areas involving critical judgements are as below:

Contingent Liability and commitments

The Group is involved in various litigations. The management of the Group has used its judgement while determining the litigations outcome of which are considered probable and in respect of which provision needs to be created.

Taxes

Uncertainties exist with respect to the interpretation of complex tax regulations, changes in tax laws, and the amount and timing of future taxable income. Given the wide range of business relationships and the long-term nature and complexity of existing contractual agreements, differences arising between the actual results and the assumptions made, or future changes to such assumptions, could necessitate future adjustments to tax income and expense already recorded. The Group establishes provisions, based on reasonable estimates. The amount of such provisions is based on various factors, such as experience of previous tax assessments and differing interpretations of tax regulations by the taxable entity and the responsible tax authority. Such differences of interpretation may arise on a wide variety of issues depending on the conditions prevailing in the respective domicile of the Companies.

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that sufficient taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

Further details on taxes are disclosed in Note 17.

Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. See Note 41 for further disclosures.

NOTES TO REVISED CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2020

Impairment of financial assets

The impairment provisions for financial assets are based on assumptions about risk of default and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

Impairment of non- financial assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or CGU's fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent markets transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded subsidiaries or other available fair value indicators.

Share Based Payment

The Group measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them. The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in Note 36.

Volume discounts and pricing incentives

The Group accounts for volume discounts and pricing incentives to customers as a reduction of revenue based on the rateable allocation of the discounts/ incentives amount to each of the underlying revenue transaction that results in progress by the customer towards earning the discount/ incentive. Also, when the level of discount varies with increases in levels of revenue transactions, the Group recognizes the liability based on its estimate of the customer's future purchases. If it is probable that the criteria for the discount will not be met, or if the amount thereof cannot be estimated reliably, then discount is not recognized until the payment is probable and the amount can be estimated reliably. The Group recognizes changes in the estimated amount of obligations for discounts in the period in which the change occurs.

Determining the lease term of contracts with renewal and termination options – as lessee

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Group applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate.

The periods covered by termination options are included as part of the lease term only when they are reasonably certain not to be exercised.

For further details about leases, refer to accounting policy on leases and Note 31.

NOTES TO REVISED CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2020

Note 3 : Property, Plant and Equipment and Capital Work-in-Progress

(₹ Lacs)

Particulars	Land-Free hold (refer note 4 below)	Leasehold Land (refer note 31)	Buildings (refer note 4 below)	Improvement to leasehold premises	Plant & Machinery (refer note 4 below)	Office Equipment (refer note 4 below)	Furniture & Fixtures (refer note 4 below)	Vehicles	Total
Cost or Valuation									
As at April 1, 2018	**981**	**2,666**	**10,610**	**6,231**	**54,747**	**2,177**	**1,877**	**498**	**79,787**
Additions	-	2,534	957	198	3,916	199	50	-	7,854
Disposals/ Adjustments	-	-	-	623	1,570	141	122	36	2,492
Exchange differences	-	-	-	(5)	(21)	-	-	-	(26)
As at March 31, 2019	**981**	**5,200**	**11,567**	**5,801**	**57,072**	**2,235**	**1,805**	**462**	**85,123**
Additions	-	-	1,040	124	1,376	349	61	-	2,950
Acquisition of Subsidiary (Refer Note 47)	-	-	-	660	428	1,778	351	-	3,217
Reclassification to right - of - use assets	-	5,200	-	-	-	-	-	-	5,200
Disposals/ Adjustments	-	-	1	563	2,729	311	183	-	3,787
Exchange differences	-	-	-	(9)	(33)	-	-	-	(42)
As at March 31, 2020	**981**	**-**	**12,606**	**6,013**	**56,114**	**4,051**	**2,034**	**462**	**82,261**
Accumulated Depreciation/ Impairment									
As at April 1, 2018	**-**	**133**	**1,485**	**2,677**	**19,664**	**1,229**	**637**	**168**	**25,993**
Depreciation charge for the year	-	74	517	681	4,602	350	181	65	6,470
Disposals/ Adjustments	-	-	-	530	1,373	126	85	6	2,120
Impairment reversal	-	-	-	-	(59)	-	-	-	(59)
As at March 31, 2019	**-**	**207**	**2,002**	**2,828**	**22,834**	**1,453**	**733**	**227**	**30,284**
Depreciation charge for the year	-	-	544	582	4,610	355	162	60	6,313
Acquisition of Subsidiary (Refer Note 47)	-	-	-	587	419	1,557	333	-	2,896
Reclassification to right - of - use assets	-	207	-	-	-	-	-	-	207
Disposals/ Adjustments	-	-	2	455	2,191	288	173	-	3,109
Impairment Charge/ (Reversal) (refer note 3 below)	-	-	-	317	(339)	1	-	-	(21)
As at March 31, 2020	**-**	**-**	**2,544**	**3,859**	**25,333**	**3,078**	**1,055**	**287**	**36,156**
Net Block									
As at March 31, 2020	**981**	**-**	**10,062**	**2,154**	**30,781**	**973**	**979**	**175**	**46,105**
As at March 31, 2019	**981**	**4,993**	**9,565**	**2,973**	**34,238**	**782**	**1,072**	**235**	**54,839**

NOTES TO REVISED CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2020

Note 3 : Property, Plant and Equipment and Capital Work-in-Progress (Contd..)

1. For assets subject to charge, refer note 16A.

2. Certain assets are held under joint ownership with others:

(₹ Lacs)

Particulars	March 31, 2020		March 31, 2019	
	Leasehold Improvement	Plant & machinery	Leasehold Improvement	Plant & machinery
Cost	431	313	431	313
Accumulated depreciation	245	91	219	60
Net block	**186**	**222**	**212**	**253**

These assets are towards Company's proportionate share for right to use in the Common Infrastructure for channel transmission (for its four stations) built on land owned by Prasar Bharti and used by all the broadcasters at respective stations as per the terms of bid document on FM Radio Broadcasting.

3. Additional information for which impairment loss/reversal of impairment has been recognized are as under:

i) Nature of asset :Plant and Machinery
Includes reversal of impairment amounting to ₹ 339 lacs

a) Amount of Impairment Reversal: ₹ 339 lacs (Previous Year: ₹ 59 lacs)
Reason for Reversal of Impairment : Sale of asset

ii) Nature of asset :Improvement to leasehold premises
Amount of Impairment: ₹ 317 lacs (Previous Year: Nil)
Reason for Impairment : Impairment pursuant to announcement of restructuring of the study mate business of a wholly owned subsidiary (HTLC).

iii) Nature of asset :Office Equipment
Amount of Impairment : ₹ 1 Lakh (Previous Year: Nil)
Reason for Impairment : Impairment pursuant to announcement of restructuring of the study mate business of a wholly owned subsidiary (HTLC).

NOTES TO REVISED CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2020

Note 3 : Property, Plant and Equipment and Capital Work-in-Progress (Contd..)

4. Details of assets given under operating lease are as under :

(₹ Lacs)

Particulars	March 31, 2020					March 31, 2019		
	Plant and Machinery	Freehold Land	Buildings	Office Equipment	Furniture & Fixture	Plant and Machinery	Freehold Land	Buildings
Gross block	4,861	296	1,412	20	1	2,942	296	808
Accumulated depreciation	2,723	-	217	8	-	1,739	-	134
Net block	**2,138**	**296**	**1,195**	**12**	**1**	**1,203**	**296**	**674**
Depreciation for the year	319	-	54	4	-	162	-	36

5. Capital work in progress:

Capital work in progress as at March 31, 2020 comprises expenditure mainly for the Building and Plant and Machinery in course of its construction/ installation. Total amount of Capital work in progress is ₹ 3,971 lacs (Previous year: ₹ 4,104 lacs).

The Group accounts for capitalization of property, plant and equipment to the extent applicable through capital work in progress and therefore the movement in capital work-in-progress is the difference between closing and opening balance of capital work-in-progress as adjusted in additions to property, plant and equipment.

NOTES TO REVISED CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2020

Note 4 : Investment Property

(₹ Lacs)

Particulars	Amount
Cost	
As at April 1, 2018	**45,664**
Additions	8,643
Less : Disposals	2,671
As at March 31, 2019	**51,636**
Additions	6,089
Less : Transferred to Capital work in progress under the head Property, Plant and Equipment	911
Less : Disposals	2,584
As at March 31, 2020	**54,230**
Accumulated Depreciation and impairment	
As at April 1, 2018	**1,107**
Depreciation (Refer note 28)	339
Impairment (Refer note 29)	4,604
Less : Disposals	162
As at March 31, 2019	**5,888**
Depreciation (Refer note 28)	385
Impairment (Refer note 29)	1,323
Less : Disposals	276
As at March 31, 2020	**7,320**
Net Block	
As at March 31, 2020	**46,910**
As at March 31, 2019	**45,748**

Information regarding income and expenditure of investment property (excluding profit/ (loss) on sale of investment and impairment of properties)

(₹ Lacs)

Particulars	31-Mar-20	31-Mar-19
Rental income derived from investment properties	112	88
Direct operating expenses (including repairs and maintenance) generating rental income	11	7
Direct operating expenses (including repairs and maintenance) that did not generate rental income	40	37
Profit arising from investment properties before depreciation and indirect expenses	**61**	**44**

The management has determined that the investment properties consist of two classes of assets - residential and commercial- based on the nature, characteristics and risks of each property.

As at March 31, 2020 and March 31, 2019, the fair values of the properties are ₹ 51,965 lacs and ₹ 50,466 lacs respectively. These valuations are based on valuations performed by an accredited independent valuer who is specialist in valuing these types of investment properties. A valuation model in accordance with Ind AS 113 has been applied.

NOTES TO REVISED CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2020

Note 4 : Investment Property (Contd..)

The Group has no restrictions on the realisability of its investment properties. The fair values of the fully constructed investment properties held by the Group in Lavasa Corporation Limited are not reliably measurable on a continuing basis. The market for comparable properties is inactive and alternative reliable measurements of fair value are not available.

During the previous year also the group had no restrictions on the realisability of its investment properties except for the Investment properties amounting to ₹ 4,016 lacs purchased from Lavasa Corporation Ltd. The fair values of investment properties held by the group in various properties of Lavasa Corporation Limited had not been considered since the National Company Law Tribunal had appointed Insolvency Resolution Professionals for this Company and the proceedings will be governed according to the Insolvency and Bankruptcy Code of India, 2016. The group had made an impairment provision of ₹ 3,480 lacs during the previous year on conservative basis on the under construction properties of Lavasa Corporation Limited.

There are contractual obligations of ₹ 4,593 lacs as on March 31, 2020 (Previous Year: ₹ 3,186 lacs) to purchase investment properties whereas there are no contractual obligations to construct or develop investment properties or for repairs and enhancements.

Estimation of Fair Value

The valuation has been determined basis the market approach by reference to sales in the market of comparable properties. However, where such information is not available, current prices in an active market for properties of different nature or recent prices of similar properties in less active markets, adjusted to reflect those differences, has been considered to determine the valuation. All resulting fair value estimates for investment properties are included in Level II.

Additional information for which impairment loss has been recognized are as under:

1) Nature of asset: Investment Property

2) Amount of Impairment: ₹ 1,323 lacs (Previous Year: ₹ 4,604 lacs)

3) Reason for impairment: Fair value being recoverable amount was determined for disclosure requirement. The same was compared with the carrying amount to assess impairment.

NOTES TO REVISED CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2020

Note 5 : Goodwill, Other Intangible assets and Intangible assets under development

(₹ Lacs)

Particulars	Goodwill	Other Intangible assets								
		Website Development	Software Licenses	License Fees	Customer Relationship	Agency relationship	Curriculum	Non compete fees	Brand	Total
Cost or Valuation										
As at April 1, 2018	**1,773**	**458**	**5,432**	**45,159**	**-**	**-**	**8**	**20**	**496**	**51,573**
Additions	-	65	390	-	-	-	-	-	-	455
Disposals/ Adjustments	-	200	228	-	-	-	5	-	-	433
Exchange differences	-	-	(10)	-	-	-	-	-	-	(10)
As at March 31, 2019	**1,773**	**323**	**5,584**	**45,159**	**-**	**-**	**3**	**20**	**496**	**51,585**
Additions	-	21	34	-	-	-	-	-	-	55
Acquisition of Subsidiary (Refer note 47)	17,628	-	122	22,875	378	1,095	-	-	2,875	27,345
Disposals/ Adjustments	-	-	60	-	-	-	-	-	-	60
Transferred to capital reserve (Refer note 14)	(64)	-	-	-	-	-	-	-	-	-
Exchange differences	-	-	(17)	-	-	-	-	-	-	(17)
As at March 31, 2020	**19,465**	**344**	**5,663**	**68,034**	**378**	**1,095**	**3**	**20**	**3,371**	**78,908**
Accumulated Amortization/ Impairment										
As at April 1, 2018	**367**	**375**	**2,531**	**6,805**	**-**	**-**	**8**	**14**	**-**	**9,733**
Charge for the year*	38	11	918	3,000	-	-	-	-	-	3,929
Disposals	-	166	230	-	-	-	5	-	-	401
Impairment	179	-	-	-	-	-	-	-	-	-
As at March 31, 2019	**584**	**220**	**3,219**	**9,805**	**-**	**-**	**3**	**14**	**-**	**13,261**
Charge for the year	-	11	832	4,746	34	1,095	-	-	-	6,718
Acquisition of Subsidiary (Refer Note 47)	-	-	119	3,685	-	-	-	-	-	3,804

NOTES TO REVISED CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2020

Note 5 : Goodwill, Other Intangible assets and Intangible assets under development (Contd..)

(₹ Lacs)

Particulars	Goodwill	Other Intangible assets								
		Website Development	Software Licenses	License Fees	Customer Relationship	Agency relationship	Curriculum	Non compete fees	Brand	Total
Disposals/ Adjustment	-	-	60	-	-	-	-	-	-	60
Impairment (Refer note 6 and note 30)	18,881	39	-	23,266	149	-	-	-	75	23,529
As at March 31, 2020	**19,465**	**270**	**4,110**	**41,502**	**183**	**1,095**	**3**	**14**	**75**	**47,252**
Net Block										
As at March 31, 2020	**-**	**74**	**1,553**	**26,532**	**195**	**-**	**-**	**6**	**3,296**	**31,656**
As at March 31, 2019	**1,189**	**103**	**2,365**	**35,354**	**-**	**-**	**-**	**6**	**496**	**38,324**

*Charge for the year in relation to Goodwill represents amortisation of Goodwill recorded pursuant to acquisition of radio business of Noble Broadcasting Corporation Private Limited, effective, April 1, 2014 under a scheme of arrangement is being amortised over a period of 5 years in terms of the said scheme.

For the purposes of impairment testing of Brand with indefinite life, the recoverable amount of Brand is based on its fair value. The fair value has been determined as per Royalty Relief method. The fair value is being compared with the Carrying amount of Brand as stated above. No impairment has been observed. Discount rate (14% to 17%) and Royalty rate (4%) are the key assumptions considered in determining fair value. It is Level III valuation. There has been no change in the valuation technique.

Additional information for which impairment loss/reversal of impairment has been recognized are as under:

i) Nature of asset :Website development

Amount of Impairment: ₹ 39 lacs (Previous Year: Nil)

Reason for Impairment : Reorganisation of business

ii) Nature of asset: Licence fee

Amount of Impairment: ₹ 23,266 lacs (Previous Year: ₹ Nil) (Refer note 30)

iii) Nature of asset: Customer Relationship

Amount of Impairment: ₹ 149 lacs (Previous Year: ₹ Nil) (Refer note 30)

iv) Nature of asset: Brand

Amount of Impairment: ₹ 75 lacs (Previous Year: ₹ Nil) (Refer note 30)

Intangible assets under development:

Intangible assets under development as on March 31, 2020 mainly comprises of SAP upgradation and software application related to Job portal business. Total amount of intangible assets under development as on March 31, 2020 is ₹ 62 lacs (Previous year: ₹ 20 lacs).

NOTES TO REVISED CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2020

Note 6 : Impairment testing of goodwill

Goodwill pertaining to Education Business (reported under unallocated segment) has been tested for impairment as below:

For the purposes of impairment testing, goodwill is allocated to the Cash Generating Units (CGU) pertaining to Education business:

(₹ Lacs)

Intangible assets	Education Unit				Total	
	Higher Education		Learning Centers			
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
Goodwill	-	645	-	608	-	1,253

The recoverable amount of the CGU is based on its value in use.

Learning Center business

Owing to changing consumer needs and preferences and shift of focus to technology driven services, the Group has decided to restructure its learning Center business (english mate and study mate business), accordingly, the value in use for the aforesaid business is determined to be Nil since no cash flows from future operations are expected. The same is being compared with the Carrying amount of Goodwill as stated above. Accordingly, entire goodwill of ₹ 608 lacs pertaining to Learning center business has been impaired during the year.

Higher Education Business

The recoverable amount of the Higher Education business is based on its value in use. The value in use for the aforesaid business is determined to be Nil since no cash flows from future operations are expected. The same is being compared with the Carrying amount of Goodwill as stated above. Accordingly, entire goodwill amounting to ₹ 645 lakh has been impaired during the year.

Radio Business

Goodwill amounting to ₹ 17,628 lacs recognised on acquisition of Next Mediaworks Limited and Next Radio Limited during the current year (refer note 47)

For the purposes of impairment testing, goodwill is allocated to the Cash Generating Units (CGU) pertaining to Radio business. The recoverable amount of the CGU (₹ 24,466 lacs) is based on Fair value/Enterprise Value.

On June 30, 2019, Fair Value/Enterprise Value was computed basis the Level 1 approach. The same was compared with Net assets value including Goodwill. It resulted in impairment of entire Goodwill of ₹ 17,628 lacs.

Note 7A : Investment in joint ventures (accounted for using equity method)

(₹ Lacs)

Particulars	March 31, 2020	March 31, 2019
Unquoted		
HT Content Studio LLP *	57	-
(99.99% Profit Sharing Ratio) (in form of capital contribution)		
Sports Asia Pte Ltd.@	(256)	(256)
Nil (Previous year: Nil) Equity Share of SGD 1/- each, fully paid		
Total	**(199)**	**(256)**

* As on March 31, 2020, the Group has invested ₹ 324 lacs in HT Content Studio LLP and has accounted for net asset/ liability in the entity as per equity method of accounting.

@ As on March 31, 2020, the Company had not invested any amount in Sports Asia Pte Ltd. However, the Company had accounted for net liability of ₹ 256 lacs in the entity as per equity method of accounting.

\# Also refer note 34A

NOTES TO REVISED CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2020

Note 7B : Investments

(₹ Lacs)

Particulars	March 31, 2020	March 31, 2019
(A) Investment at fair value through profit and loss		
Unquoted		
Investment in venture capital funds	8,815	5,855
Investment in equity instruments and warrants	4,601	7,010
Investment in preference shares	1,392	1,230
Investment in debt instruments	597	1,079
Quoted		
Investment in equity instruments and warrants	1,364	3,251
Investment in mutual funds*	159,383	211,120
Total Investment at fair value through profit and loss (A)	**176,152**	**229,545**
(B) Investment at amortised cost		
Unquoted		
Investment in Bonds	-	2,500
Quoted		
Investment in Bonds	-	400
Total Investment at amortised cost (B)	**-**	**2,900**
(C) Investment at fair value through other comprehensive income		
Investment in fellow subsidiary		
Quoted		
Digicontent Limited (Refer note 45)	19	-
4.41 lacs (Previous Year: Nil) equity shares of ₹ 2 each fully paid up		
Total Investment at fair value through other comprehensive income	**19**	**-**
Total Investments (A+B+C)	**176,171**	**232,445**
Current	**55,848**	**132,803**
Non - Current	**120,323**	**99,642**
Aggregate book value of quoted investments	160,766	214,771
Aggregate market value of quoted investments	160,766	214,804
Aggregate value of unquoted investments	15,405	17,674

* ₹ 59,193 lacs (Fair value) of mutual fund (Original cost: ₹ 51,303 lacs) are pledged in favour of banks against Overdraft and ECB facility in F.Y. 19-20 (F.Y 18-19 - Fair value : ₹ 58,888 lacs & Original Cost :₹ 51,300 lacs).

Note 7C : Loans

(₹ Lacs)

Particulars	March 31, 2020	March 31, 2019
Loans carried at amortised cost		
Unsecured considered good		
Inter-Corporate Deposits (Refer Note 38A)	8,000	8,000
Security Deposit {includes receivable from Holding Company ₹ 3,435 lacs (Previous Year: ₹ 4,991 lacs)}	4,394	6,015
Loan to Employee Stock Option Trusts	97	198
Total Loans	**12,491**	**14,213**
Current	**53**	**1,607**
Non - Current	**12,438**	**12,606**

NOTES TO REVISED CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2020

Note 7C : Loans (Contd..)

(₹ Lacs)

Particulars	March 31, 2020	March 31, 2019
Secured, considered good	-	-
Unsecured, considered good	12,491	14,213
Unsecured, considered doubtful	-	-
	12,491	14,213
Allowance for bad and doubtful loans	-	-
Total Loans	12,491	14,213

Note 8 : Other Financial Assets

(₹ Lacs)

Particulars	March 31, 2020	March 31, 2019
(A) Other Financial Assets at amortised cost		
Balance with Banks :		
- Margin money (held as security)*	250	262
Lease Receivable**	1,516	1,812
Interest accrued on Inter-Corporate Deposits (Refer Note 38A)	1,916	1,010
Interest accrued on Bank deposits	129	224
Other Receivables {includes receivable from related party ₹ 2 lacs (Previous Year: ₹ 14 lacs)}	253	161
Unbilled receivables	293	218
Total Other Financial Assets at amortised cost	4,357	3,687
(B) Other Financial Assets at fair value through other comprehensive income		
(i) Derivatives		
- Forex derivative contracts@	1,001	394
Total Other Financial Assets at fair value through other comprehensive income	1,001	394
(C) Other Financial Assets at fair value through profit and loss account		
- Forex derivative contracts #	245	-
Total Other Financial Assets at fair value through profit and loss account	245	-
Total Other Financial Assets (A)+(B)+(C)	5,603	4,081
Current	1,419	1,268
Non - Current	4,184	2,813

* Represents deposit receipts pledged with banks and held as margin money.

** Represents present value of minimum lease rentals receivable in respect of assets given on finance lease to the Holding Company (Refer Note 38A).

@ Represents Derivative instruments at fair value through other comprehensive income and reflect the positive change in fair value of those foreign exchange option contracts that are designated in hedge relationships.

\# Represents Derivative instruments at fair value through profit and loss account and reflect the positive change in fair value of currency swap contract that is not designated in hedge relationships.

NOTES TO REVISED CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2020

Note 8 : Other Financial Assets (Contd..)

Loans and receivables (classified at amortised cost) are non-derivative financial assets which generate a fixed or variable interest income for the Company. The carrying value may be affected by changes in the credit risk of the counterparties.

Break up of financial assets carried at amortised cost:

(₹ Lacs)

Particulars	March 31, 2020	March 31, 2019
Investments (Note 7B)	-	2,900
Trade receivables (Note 12A)	40,081	41,205
Cash and cash equivalents (Note 12B)	5,890	15,817
Bank Balance other than mentioned above (Note 12C)	4,139	8,043
Loans (Note 7C)	12,491	14,213
Other Financial assets (Note 8)	4,357	3,687
Total	**66,958**	**85,865**

Note 9 : Other current & non- current assets

(₹ Lacs)

Particulars	March 31, 2020	March 31, 2019
Capital advances	304	428
Advances other than capital advances		
Prepaid expenses {includes receivable from related party ₹ 497 lacs (Previous Year: ₹ 573 lacs)}	1,787	3,602
Advance given {includes receivable from related party ₹ 123 lacs (Previous Year: ₹ 6 lacs)}	2,142	2,642
Balance with statutory/government authorities	6,955	4,411
Deferred Premium Call Spread	1,091	376
Total	**12,279**	**11,459**
Current	**11,109**	**8,826**
Non- current	**1,170**	**2,633**

Note 10 : Income tax assets (net)

(₹ Lacs)

Particulars	March 31, 2020	March 31, 2019
Income Tax Assets (net)	5,033	3,715
Total	**5,033**	**3,715**
Non- current	**5,033**	**3,715**

NOTES TO REVISED CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2020

Note 11 : Inventories

(₹ Lacs)

Particulars	March 31, 2020	March 31, 2019
Raw Materials [includes stock in transit- ₹ 2,649 lacs, Previous year- ₹ 2,934] lacs	11,168	13,597
Work- in- Progress	132	38
Stores and spares	2,622	2,619
Scrap and waste papers	133	63
Finished stock	88	1
Total Inventories	**14,143**	**16,318**

Note 12A : Trade Receivables

(₹ Lacs)

Particulars	March 31, 2020	March 31, 2019
Trade receivables	40,054	41,180
Receivables from related parties (Refer note 38A)	27	25
Total	**40,081**	**41,205**

(₹ Lacs)

	March 31, 2020	March 31, 2019
Secured, considered good	1,893	1,395
Unsecured, considered good	38,188	39,810
Unsecured, considered doubtful	9,086	6,223
	49,167	**47,428**
Loss allowance for bad and doubtful debts	9,086	6,223
Total Trade Receivables	**40,081**	**41,205**

No trade receivables are due from directors or other officers of the Company either severally or jointly with any other person.

Note 12B : Cash and cash equivalents

(₹ Lacs)

Particulars	March 31, 2020	March 31, 2019
Balance with banks :		
- On current accounts	1,934	4,570
- Deposits with original maturity of less than three months	2,566	2,079
Cheques/drafts on hand	1,230	8,930
Cash on hand	160	238
Total	**5,890**	**15,817**

Short-term deposits are made for varying periods of between one day and three months, depending on the immediate cash requirements of the Company and earn interest at the respective short-term deposit rates.

The Group has pledged a part of its short-term deposits to fulfill collateral requirements (refer note 16A).

NOTES TO REVISED CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2020

Note 12C : Other bank balances

(₹ Lacs)

Particulars	March 31, 2020	March 31, 2019
Other bank balances		
- Deposits with original maturity of three months or more than three months	4,129	3,315
- Deposits held in escrow account*	-	4,718
- Unclaimed dividend account**	10	10
Total	**4,139**	**8,043**

* These balances are not available for use by the Group as they represent deposit held in escrow account pursuant to the open offer made by HT Media under the SEBI(SAST) Regulations for purchase of equity shares of Next Mediaworks Limited. (Also refer note 47).

** These balances are not available for use by the Group as they represent corresponding unclaimed dividend liabilities.

For the purpose of the Statement of Cash Flow, cash and cash equivalents comprise the following:

(₹ Lacs)

Particulars	March 31, 2020	March 31, 2019
Balance with banks :		
- On current accounts	1,934	4,570
- Deposits with original maturity of less than three months	2,566	2,079
Cheques/drafts on hand	1,230	8,930
Cash on hand	160	238
	5,890	**15,817**
Less - Bank overdraft (note 16A)	3,614	1,012
Total	**2,276**	**14,805**

Note 13 : Share Capital

Authorised Share Capital

Particulars	Number of shares	Amount (₹ Lacs)
At April 1, 2018	**362,500,000**	**7,250**
Increase/(decrease) during the year	-	-
At March 31, 2019	**362,500,000**	**7,250**
Increase/(decrease) during the year	-	-
At March 31, 2020	**362,500,000**	**7,250**

Terms/ rights attached to equity shares

The Parent Company has only one class of equity shares having par value of ₹ 2 per share. Each holder of equity shares is entitled to one vote per share. The Parent Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Parent Company, the holders of equity shares will be entitled to receive remaining assets of the Parent Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

NOTES TO REVISED CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2020

Note 13 : Share Capital (Contd..)

Issued and subscribed capital

Equity shares of ₹ 2 each issued, subscribed and fully paid	Number of shares	Amount (₹ Lacs)
At April 1, 2018	**232,748,314**	**4,655**
Changes during the year	-	-
At March 31, 2019	**232,748,314**	**4,655**
Changes during the year	-	-
At March 31, 2020	**232,748,314**	**4,655**

Reconciliation of the equity shares outstanding at the beginning and at the end of the year :

Particulars	March 31, 2020		March 31, 2019	
	Number of shares	Amount (₹ Lacs)	Number of shares	Amount (₹ Lacs)
Shares outstanding at the beginning of the year	**232,748,314**	**4,655**	**232,748,314**	**4,655**
Shares Issued during the year	-	-	-	-
Shares outstanding at the end of the year	**232,748,314**	**4,655**	**232,748,314**	**4,655**
Elimination on account of Equity Shares held by HT Media Employee Welfare Trust (Refer note 45)	2,178,290	44	2,178,290	44
Shares net of elimination on account of HT Media Employee Welfare Trust	**230,570,024**	**4,611**	**230,570,024**	**4,611**

Shares held by Holding/ Ultimate Holding Company and/ or their Subsidiaries/ Associates

Out of equity shares issued by the Company, shares held by its Holding Company, Subsidiary of Holding Company are as below:

(₹ Lacs)

Particulars	March 31, 2020	March 31, 2019
The Hindustan Times Limited, the Holding Company		
1,618 lacs (previous year 1,618 lacs) equity shares of ₹ 2 each fully paid	3,235	3,235

Details of shareholders holding more than 5% shares in the Company

Particulars	March 31, 2020		March 31, 2019	
	Number of shares (Lacs)	% holding in the No in class	Number of shares	% holding in the No in class
Equity shares of ₹ 2 each fully paid				
The Hindustan Times Limited, the Holding Company	1,618	70.17%	1,618	70.17%

As per records of the Parent Company, including its register of shareholders/members and other declaration received from the shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

Shares reserved for issue under employee stock options

For details of equity shares reserved for the issue under employee stock options (ESOP) of the Group refer note 36

NOTES TO REVISED CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2020

Note 14 : Other Equity

(₹ Lacs)

Particulars	March 31, 2020	March 31, 2019
Securities Premium	49,357	49,231
Capital Redemption Reserve	2,045	2,045
Capital Reserve	8,903	8,839
General Reserve	7,631	7,631
Retained Earnings	143,202	179,929
Foreign Currency Translation Reserve	105	42
Cash flow Hedging Reserve	(231)	(148)
Cost of Hedging Reserve	(107)	(1,046)
Share-based Payment Reserve (SBP Reserve)	72	14
FVTOCI Reserve	(103)	-
Total	**210,874**	**246,537**

Securities Premium

(₹ Lacs)

Particulars	Amount
At April 1, 2018	**49,231**
Add/(Less) : Adjustment on account of Equity shares held by HT Media Employee Welfare Trust (Refer note 45)	-
At March 31, 2019	**49,231**
Add/ (Less): Adjustment on account of Equity Shares held by HT Media Employee Welfare Trust (Refer note 45)	126
At March 31, 2020	**49,357**

Securities premium is used to record the premium on issue of shares. The reserve can be utilised only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013.

Capital Redemption Reserve

(₹ Lacs)

Particulars	Amount
At April 1, 2018	**2,045**
Changes during the year	-
At March 31, 2019	**2,045**
Changes during the year	-
At March 31, 2020	**2,045**

(i) During the year 2006-07, amount of ₹ 2,000 lacs have been transferred from profit and loss account to Capital Redemption Reserve on account of redemption of 2,000,000 1% Non-cumulative Redeemable preference shares of ₹ 100/- each on September 16, 2006.

(ii) The Board of Directors at their meeting held on May 14, 2013, approved buy-back of fully paid-up equity shares of the Company having a face value of ₹ 2/- , from the existing shareholders / beneficial owners, other than the promoters/persons who are in control of the Company, from the open market through stock exchanges, at a price not exceeding ₹ 110/- per equity share payable in cash, for an aggregate amount not exceeding ₹ 2,500 lacs. The Buy back Scheme envisaged the Buy Back of Shares of minimum of 5,68,182 equity shares and a maximum of 22,72,727 equity shares. Pursuant to above, during the year ended

NOTES TO REVISED CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2020

Note 14 : Other Equity (Contd..)

March 31, 2014, the Company has bought and extinguished 22,72,727 equity shares of ₹ 2/- each. The shares extinguished had been bought for an aggregate consideration of ₹ 1,881 lacs. The excess of aggregate consideration paid for Buy-Back over the face value of shares so bought back and extinguished, amounting to ₹ 1,835 lacs, was adjusted against the Share Premium Account. Further an amount of ₹ 45 lacs (equivalent to nominal value of shares bought back) had been transferred to Capital Redemption Reserve from General Reserves.

Capital Reserve

(₹ Lacs)

Particulars	Amount
At April 1, 2018^	**8,839**
Changes during the year	-
At March 31, 2019	**8,839**
Changes during the year*	64
At March 31, 2020	**8,903**

^ Origination of ₹ 6,995 lacs is in relation to common control acquisition and ₹ 1,427 lacs is in relation to demerger of business and ₹ 417 lacs on account of redemption of preference shares.

* Pertaining to past business acquisition transferred from Goodwill (refer note 5).

General reserve

(₹ Lacs)

Particulars	Amount
At April 1, 2018	**7,631**
Changes during the year	-
At March 31, 2019	**7,631**
Changes during the year	-
At March 31, 2020	**7,631**

Share-based Payment Reserve (SBP Reserve) (Refer Note 36)

(₹ Lacs)

Particulars	Amount
At April 1, 2018	**15**
Changes during the year	(1)
At March 31, 2019	**14**
Changes during the year	58
At March 31, 2020	**72**

The Group has share option schemes under which options to subscribe for the Group's shares have been granted to certain executives and senior employees.

The share-based payment reserve is used to recognise the value of equity-settled share-based payments provided to employees, including key management personnel, as part of their remuneration.

NOTES TO REVISED CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2020

Note 14 : Other Equity (Contd..)

Retained Earnings @

(₹ Lacs)

Particulars	Amount
At April 1, 2018	**1,81,954**
Adjustment pursuant to scheme of arrangement (Refer note 48C)	319
Net Profit for the year	(1,205)
Items of other comprehensive income (OCI) recognised directly in retained earnings	
- Remeasurement on defined benefit plans, net of tax	(26)
Dividend Paid	922
Tax on Proposed Dividend expense	191
At March 31, 2019	**1,79,929**
Adjustment relating to previous years (refer note 53)	(956)
Net Profit for the year	(34,585)
Items of other comprehensive income recognised directly in retained earnings	
- Remeasurement on defined benefit plans, net of tax	(215)
Dividend Paid	922
Tax on Proposed Dividend expense	191
Adjustment for change in non controlling interest in HMVL pursuant to scheme of arrangement (Refer note 48C)	142
At March 31, 2020	**1,43,202**

Foreign Currency Translation Reserve [refer note 2.3(e)] @

(₹ Lacs)

Particulars	Amount
At April 1, 2018	**50**
(Charge)/ Credit for the year	(8)
At March 31, 2019	**42**
(Charge)/ Credit for the year	63
At March 31, 2020	**105**

Cash flow Hedging Reserve (Also refer note 40) @ #

(₹ Lacs)

Particulars	Amount *
At April 1, 2018	**-**
Changes in intrinsic value of foreign currency options	141
Changes in fair value of interest rate swaps	(239)
Tax impact	91
Amounts reclassified to profit or loss	(141)
At March 31, 2019	**(148)**
Changes in intrinsic value of foreign currency options	716
Changes in fair value of interest rate swaps	(127)
Tax impact	44
Amounts reclassified to profit or loss	(716)
At March 31, 2020	**(231)**

NOTES TO REVISED CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2020

Note 14 : Other Equity (Contd..)

Cost of Hedging Reserve (Also refer note 40) @

(₹ Lacs)

Particulars	Amount *
At April 1, 2018	**-**
Deferred costs of hedging-transaction related- Deferred time value of foreign currency option contracts (refer note 38)	(1,890)
Amount reclassified from cost of hedging reserve to profit or loss	254
Tax impact	590
At March 31, 2019	**(1,046)**
Deferred costs of hedging-transaction related- Deferred time value of foreign currency option contracts (refer note 38)	404
Amount reclassified from cost of hedging reserve to profit or loss	1,041
Tax impact	(506)
At March 31, 2020	**(107)**

* Net of non controlling interest and tax impact

@ The disaggregation of changes in OCI by each type of reserves in equity is disclosed in Note 32.

\# The effective portion of gains and loss on hedging instruments in a cash flow hedge

FVTOCI reserve

(₹ Lacs)

Particulars	Amount
At April 1, 2018	**-**
Changes during the year	-
At March 31, 2019	**-**
Changes during the year*	(103)
At March 31, 2020	**(103)**

*In relation to fair value movement of investment in fellow subsidiary Digicontent Limited.

Note 15 : Distribution made and proposed

(₹ Lacs)

Particulars	March 31, 2020	March 31, 2019
Cash dividend on equity shares declared and paid:		
Final dividend for the year ended on March 31, 2019 : ₹ 0.40 per share (March 31, 2018 : ₹ 0.40 per share)	931	931
Dividend Distribution Tax on final dividend	56	56
	987	**987**
Proposed dividends on Equity shares:		
Dividend proposed for the year ended on March 31, 2020: Nil per share (March 31, 2019: ₹ 0.40 per share)	-	931
Dividend Distribution Tax on proposed dividend	-	191
Total	**-**	**1,122**

NOTES TO REVISED CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2020

Note 16A : Borrowings

(₹ Lacs)

Particulars	Effective Interest Rate	Maturity	March 31, 2020	March 31, 2019
Non- current Borrowings				
From Banks				
Secured				
FCNR from bank	Refer Note I	Refer Note I	12,462	23,279
ECB from Bank	Refer Note II	Refer Note II	4,722	6,051
Term loan from banks	Refer Note VI	Refer Note VI	814	-
Total Non- current Borrowings			**17,998**	**29,330**
Current Borrowings				
From Banks				
Secured				
FCNR from bank	Refer Note I	Refer Note I	12,463	605
Cash credit/ Overdraft from banks	Refer Note III	Refer Note III	3,614	-
Term loan from banks	Refer Note VI	Refer Note VI	10,626	-
ECB from Bank	Refer Note II	Refer Note II	1,889	864
Unsecured				
Buyer's credit from Bank	Refer Note IV	Refer Note IV	14,095	9,435
Term loan from banks	9.25%	2-Apr-20	39	-
Overdraft from Bank	Refer Note V	Refer Note V	-	1,012
Commercial Papers from Bank	7.00%	May 8, 2020 - May 18, 2020	17,694	69,002
			60,420	**80,918**
Less : Amount clubbed under "other current financial liabilities"			15,979	1,469
Net Current Borrowings			**44,441**	**79,449**
Aggregate Secured Loans			**46,590**	**30,799**
Aggregate Unsecured Loans			**31,828**	**79,449**

Note I - Foreign Currency Non- Repatriable (FCNR) Loan from Banks (secured)

- FCNR Loan of Euro 300 lacs from Bank carries interest @ 6 month Euribor + 2.16% spread p.a. The loan is repayable in 4 semi annual equal instalments of Euro 75 lacs starting from August 06, 2020. The loan is secured by Pledge of Debt Mutual Funds investment of Company.

Note II - External Commercial Borrowing from Bank (secured)

External commercial borrowing of USD 100 lacs from Bank carries interest @USD 3 months Libor + 0.65% spread p.a. The loan is repayable in 8 semi annual equal installments of USD 12.50 lacs starting from November 29, 2019. The loan is secured by Pledge of Debt Mutual Funds investment of Company. Refer Note 40 for further details.

NOTES TO REVISED CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2020

Note 16A : Borrowings (Contd..)

Note III- Cash credit/ Overdraft from banks (secured)

- Outstanding Cash credit/ overdraft from bank was drawn @ Mibor+170 bps p.a./6.83%-6.86% p.a./1 year MCLR plus 1.4% p.a. and Cash credit/ overdraft is payable on demand. The cash credit/ overdraft from banks are secured by pledge on investments in mutual funds and lien on bank deposits.

Note IV- Buyer's credit from Bank (Unsecured)

Outstanding Buyer's Credit loan from Bank was drawn in various tranches from July 17, 2019 till March 27, 2020 @ average Interest Rate of 2-87%-2.95%% p.a. (Applicable LIBOR+Margin from time to time) and are due for repayment respective due dates starting from April 9, 2020 till December 16, 2020.

Note V- Cash Credit/ Overdraft from Banks (Unsecured)

Outstanding Cash Credit/ Overdraft from Bank was drawn @ 9.80% p.a. and payable on demand.

Note VI- Term loan from banks (secured)

- Outstanding term loan from bank was drawn @ Mibor +175 bps p.a./ 9.90% p.a. and is due for repayment by April 07, 2020 - September 19, 2021. The loan is secured by pledge on mutual funds units/ first exclusive charge on property, plant and equipment both present and future and first exclusive charge on current assets both present and future.

Debt reconciliation:

(₹ Lacs)

Particulars	Current Borrowings (including Current Portion of Long-term Borrowings and excluding Bank Overdraft classified as part of Cash and Cash Equivalent)	Non Current Borrowings	Total
As at April 1, 2018	**117,644**	**570**	**118,214**
Cash Flows:			
-Drawdowns	829,357	31,289	860,646
-Repayments	(868,256)	-	(868,256)
Non-Cash movements:			
-Foreign exchange adjustments	(308)	(1,060)	(1,368)
-Re-classification of Long-term Borrowing	1,469	(1,469)	-
As at March 31, 2019	**79,906**	**29,330**	**109,236**
Cash Flows:			
-Drawdowns	475,389	-	475,389
-Repayments	(518,579)	-	(518,579)
Non-Cash movements:			
-Foreign exchange adjustments	944	2,299	3,243
-Re-classification of Long-term Borrowing	15,792	(15,792)	-
-Acquisition of subsidiary (Refer Note 47)	3,354	2,161	5,515
As at March 31, 2020	**56,806**	**17,998**	**74,804**

NOTES TO REVISED CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2020

Note 16B : Trade Payables

(₹ Lacs)

Particulars	March 31, 2020	March 31, 2019
Trade Payable		
- total outstanding dues of micro enterprises and small enterprises	327	172
- total outstanding due to related parties (Refer Note 38A)	2,997	4,492
- total outstanding dues other than of micro enterprises and small enterprises	25,827	28,457
Total	**29,151**	**33,121**
Current	**29,151**	**33,121**

Note 16 C : Other financial liabilities

(₹ Lacs)

Particulars	March 31, 2020	March 31, 2019
Financial liabilities at fair value through profit or loss		
(i) Derivatives		
- Derivative Liability Designated as Hedge (Refer note 40)	152	259
- Derivative contract not Designated as Hedge	275	29
Total financial liabilities at fair value through profit or loss	**427**	**288**
Other financial liabilities at amortised cost		
Current maturity of long term loans (refer note 16A)	15,979	1,469
Sundry deposits	27,656	37,994
Interest accrued but not due on borrowings and others	468	423
Unclaimed dividend *	10	10
Book overdraft	404	-
Liability-Premium Call Option	1,483	2,438
Payable to fellow subsidiary	-	1,720
Employee related payables	9,044	7,003
Others	(1,651)	1,281
Total other financial liabilities at amortised cost	**53,393**	**52,338**
Total other financial liabilities	**53,820**	**52,626**
Current	**53,044**	**51,247**
Non- Current	**776**	**1,379**
* Amount payable to Investor Education and Protection Fund	Nil	Nil

Break up of financial liabilities carried at amortised cost

(₹ Lacs)

Particulars	March 31, 2020	March 31, 2019
Borrowings (non-current) [Note 16A]	17,998	29,330
Borrowings (current) [Note 16A]	44,441	79,449
Current maturity of long term loans (Note 16C)	15,979	1,469

NOTES TO REVISED CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2020

Note 16 C : Other financial liabilities (Contd..)

(₹ Lacs)

Particulars	March 31, 2020	March 31, 2019
Book Overdraft (Note 16C)	404	-
Sundry deposits (Note 16C)	27,656	37,994
Interest accrued but not due on borrowings and others (Note 16C)	468	423
Unclaimed dividend (Note 16C)	10	10
Liability-Premium Call Option (Note 16C)	1,483	2,438
Payable to fellow subsidiary (Note 16C)	-	1,720
Employee related payables (Note 16C)	9,044	7,003
Others (Note 16C)	(1,651)	1,281
Trade payables (Note 16B)	29,151	33,121
Total financial liabilities carried at amortised cost	**1,44,983**	**1,94,238**

Note 17 : Income Tax

The major components of income tax expense for the year ended March 31, 2020 and March 31, 2019 are :

Statement of Profit and Loss :

Profit or loss section

(₹ Lacs)

Particulars	March 31, 2020	March 31, 2019
Current income tax :		
Current income tax charge	3,757	2,459
Adjustments in respect of current income tax of previous year	38	(853)
Deferred tax :		
Relating to origination and reversal of temporary differences	(4,811)	(2,937)
Adjustments in respect of Deferred tax charge/ (credit) of previous year	834	(3,868)
Income tax expense reported in the Statement of Profit and Loss	**(182)**	**(5,199)**

OCI section :

Deferred tax related to items recognised in OCI during the year :

(₹ Lacs)

Particulars	March 31, 2020	March 31, 2019
Income tax (charge)/credit on remeasurements of defined benefit plans	172	19
Income tax (charge)/credit on cash flow hedges	59	90
Income tax (charge)/credit on cost of hedge	(510)	591
Income tax charged to OCI	**(279)**	**700**

NOTES TO REVISED CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2020

Note 17 : Income Tax (Contd..)

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for March 31, 2020 and March 31, 2019:

(₹ Lacs)

Particulars	March 31, 2020	March 31, 2019
Accounting profit before income tax	**(34,367)**	**(3,610)**
At India's statutory income tax rate of 34.944% (Previous year: 34.608%)	(12,009)	(1,261)
Adjustments in respect of current income tax of previous years	38	(853)
Adjustments in respect of deferred income tax of previous years	834	(3,868)
Adjustment in respect to change in tax rate for subsequent financial years	2	8
Adjustments related to business losses set off against capital gain	677	-
Non-Taxable Income for tax purposes:		
Income from Investments & Sale of Investment property	(3,596)	(3,772)
Non-deductible expenses for tax purposes:		
Difference in Tax Base and Book Base of Investments	488	624
Loss/Provision on Investments	6,596	2,486
Other non-deductible expenses	384	710
Other Adjustments:		
Income Tax at Lower rate	69	(558)
Adjustments in respect of change in tax rate	1,305	-
Net losses of subsidiaries on which deferred tax asset have not been recognised (net of intragroup eliminations & consolidation adjustments)	5,030	2,388
Deferred tax recognised on brought forward business losses and unabsorbed depreciation	-	(953)
Deferred tax recognised on temporary differences pertaining to previous years	-	(150)
At the effective income tax rate	**(182)**	**(5,199)**
Income tax expense reported in the Statement of Profit and Loss	**(182)**	**(5,199)**

Deferred tax

Deferred tax relates to the following:

(₹ Lacs)

Particulars	March 31, 2020	March 31, 2019	Movement during the year
Deferred tax liabilities			
Differences in depreciation in block of fixed assets as per tax books and financial books	6,453	10,361	(3,908)
Difference between tax base and book base on Investments	2,310	1,822	(488)
Others	-	80	(80)
Gross deferred tax liabilities	**8,763**	**12,263**	**(3,500)**
Deferred tax assets			
Effect of expenditure debited to the Statement of Profit and Loss in the current year/earlier years but allowed for tax purposes in following years	1,703	2,236	(533)
Allowance for doubtful debts and advances	1,745	2,297	(552)

NOTES TO REVISED CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2020

Note 17 : Income Tax (Contd..)

(₹ Lacs)

Particulars	March 31, 2020	March 31, 2019	Movement during the year
Carry forward of unabsorbed depreciation and losses	2,679	3,706	(1,027)
Unutilized MAT Credit	10,574	11,689	(1,115)
Differences in depreciation/ impairment in block of fixed assets as per tax books and financial books	80	27	53
Others	123	28	95
Gross deferred tax assets	**16,904**	**19,983**	**(3,079)**
Deferred tax assets (net)	**(8,141)**	**(7,720)**	**(421)**

Disclosed in the Balance Sheet as follows:

(₹ Lacs)

Particulars	March 31, 2020	March 31, 2019
Deferred tax assets	9,778	7,720
Deferred tax liabilities	(1,637)	-
Deferred tax assets (net)	**8,141**	**7,720**

Reconciliation of deferred tax assets (net):

(₹ Lacs)

Particulars	March 31, 2020	March 31, 2019
Opening balance	7,720	215
Adjustment (refer note 53)	204	-
Tax income/(expense) during the period recognised in profit or loss	3,977	6,805
Tax income/(expense) during the period recognised in OCl	(274)	700
Less: Deferred tax liability arising on acquisition of Next Mediaworks Limited and Next Radio Limited (Refer Note 47)	(3,486)	-
Closing balance	**8,141**	**7,720**

Deductible temporary differences, unused tax losses, and unused tax credits for which no deferred tax asset is recognised in the Balance Sheet as on March 31, 2020 are as below:

(₹ Lacs)

Particulars	March 31, 2020	March 31, 2019
Deferred tax Assets		
on Carry forward business loss (Available for 8 Assessment Year, majority of these losses will expire by March 31, 2027)	4,252	3,917
on Carry forward business loss (Available for infinite period)	172	134
on unabsorbed depreciation (Available for infinite period)	4,331	3,999
on other temporary difference	248	217
Total Deferred tax Assets	**9,003**	**8,267**
Deferred tax Liability		
on WDV of property, plant and equipment and investment property	1,223	1,301
Total Deferred tax Liability	**1,223**	**1,301**
Net Deferred tax Assets	**7,780**	**6,967**

NOTES TO REVISED CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2020

Note 18 : Other current and non-current liabilities

(₹ Lacs)

Particulars	March 31, 2020	March 31, 2019
Advances from Customers	242	33
Government Grant*	1,208	1,327
Customer credit balances	1,330	1,527
Statutory dues	1,174	1,259
Total	**3,954**	**4,146**
Current	**2,865**	**2,938**
Non- current	**1,089**	**1,208**

*** Government Grant**

(₹ Lacs)

Particulars	March 31, 2020	March 31, 2019
At April 1	**1,327**	**1,446**
Released to Statement of Profit and Loss	(119)	(119)
At March 31	**1,208**	**1,327**
Current	**119**	**119**
Non- current	**1,089**	**1,208**

* towards purchase of certain items of property, plant and equipment.

Note 19 : Contract liabilities

(₹ Lacs)

Particulars	March 31, 2020	March 31, 2019
Advance from Customers	436	8,034
Deferred revenue	10,854	3,830
Total	**11,290**	**11,864**
Current	**10,854**	**11,126**
Non-Current	**436**	**738**

Reconciliation

Opening Balance as at April 1, 2019	**11,864**
Add: Acquisition of Subsidiary (Refer Note 47)	679
Add: Accrued during the year	5,374
Add: Exchange Fluctuation	63
Less: Revenue recognised from opening contract liability	(6,690)
Closing Balance as at March 31, 2020	**11,290**

NOTES TO REVISED CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2020

Note 20 : Provisions

(₹ Lacs)

Particulars	March 31, 2020	March 31, 2019
Provision for employee benefits		
Provision for Leave Benefits (refer note 35)	377	350
Provision for Gratuity (refer note 35)	1,576	605
Others		
Provision for litigations (refer note 37)	113	-
Total	**2,066**	**955**
Current	**1,654**	**720**
Non- Current	**412**	**235**

Note 21 : Income tax liability (net)

(₹ Lacs)

Particulars	March 31, 2020	March 31, 2019
Current tax liability	222	-
Total	**222**	**-**

Note 22 : Revenue from operations

Revenue from contracts with customers

(₹ Lacs)

Particulars	March 31, 2020	March 31, 2019
Sale of products		
- Sale of newspaper and publications	26,109	27,275
- Sale of newsprint	-	648
Sale of services		
- Advertisement revenue	1,37,996	1,57,658
- Airtime sales	19,932	19,217
- Income from digital services	7,865	6,646
- Job work revenue and commission income	3,717	3,454
- Fees Income	1,792	2,386
Other operating revenues		
- Sale of scrap, waste papers and old publication	1,393	2,003
- Forfeiture of security deposits	9,386	500
- Others	70	100
Total	**2,08,260**	**2,19,887**

NOTES TO REVISED CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2020

Note 22 : Revenue from operations (Contd..)

Reconciliation of revenue recognised with the contracted price is as follows:

(₹ Lacs)

Particulars	March 31, 2020	March 31, 2019
Contract price	213,235	224,108
Adjustments to the contract price	(4,975)	(4,221)
Revenue recognised	**208,260**	**219,887**

The reduction towards variable consideration comprises of volume discounts, returns, credits etc.

Note 23 : Other Income

(₹ Lacs)

Particulars	March 31, 2020	March 31, 2019
Interest income on EIR basis on		
- Bank deposits	486	2,057
- Loan to fellow subsidiary/Joint Venture	1,006	904
- Others	304	246
Dividend income on		
- Investment in Mutual Funds	2	-
Other non - operating income		
Finance income from debt instruments at FVTPL *	16,010	15,219
Fair value gain on derivative contracts@	245	-
Profit on sale of investments	-	274
Profit on sale of investment properties	9	14
Income from Government Grant **	119	621
Income on assets given on financial lease (refer note 31)	134	139
Unclaimed balances/liabilities written back (net)	1,247	215
Foreign Exchange Fluctuation Income (Net)	-	666
Rental income	2,450	2,715
Unwinding of discount on security deposit	299	275
Net gain on disposal of property, plant and equipment	-	53
Miscellaneous Income	395	186
Total	**22,706**	**23,584**

* Gain on account of fair value movement (refer note 2.3 (t) Debt instruments at FVTPL).

@ Gain on account of fair value movement in mark to market of derivative instruments at FVTPL

** Includes Government grants of ₹ 119 lacs towards purchase of certain items of property, plant and equipment (Previous year: ₹ 119 lacs) and ₹ Nil towards Electricity duty exemption (Previous year : ₹ 502 lacs).

NOTES TO REVISED CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2020

Note 24 : Cost of materials consumed

(₹ Lacs)

Particulars	March 31, 2020	March 31, 2019
Consumption of raw material		
Inventory at the beginning of the year	13,597	10,023
Add: Purchase during the year	54,544	81,658
Less : Sale of damaged newsprint	276	465
	67,865	**91,216**
Less: Inventory at the end of the year	11,168	13,597
Total	**56,697**	**77,619**

Note 25 : (Increase)/ decrease in inventories

(₹ Lacs)

Particulars	March 31, 2020	March 31, 2019
Inventory at the beginning of the year		
- Finished Goods	1	-
- Work -in- progress	38	5
- Scrap and waste papers	63	57
Inventory at the end of the year		
- Finished Goods	88	1
- Work -in- progress	132	38
- Scrap and waste papers	133	63
(Increase)/ decrease in inventories		
- Finished Goods	(87)	(1)
- Work -in- progress	(94)	(33)
- Scrap and waste papers	(70)	(6)
Total	**(251)**	**(40)**

Note 26 : Employee benefits expense

(₹ Lacs)

Particulars	March 31, 2020	March 31, 2019
Salaries, wages and bonus	38,316	35,736
Contribution to provident and other funds	1,673	1,459
Employee Stock Option Scheme	63	(1)
Gratuity expense (Refer Note 35)	468	388
Workmen and Staff welfare expenses	670	617
Total	**41,190**	**38,199**

NOTES TO REVISED CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2020

Note 27 : Finance costs

(₹ Lacs)

Particulars	March 31, 2020	March 31, 2019
Interest on debts and borrowings	8,231	10,708
Interest on lease liabilities	1,238	-
Exchange difference regarded as an adjustment to borrowing costs	235	399
Bank charges	209	243
Total	**9,913**	**11,350**

Note 28 : Depreciation and amortization expense

(₹ Lacs)

Particulars	March 31, 2020	March 31, 2019
Depreciation of tangible assets (Refer Note 3)	6,313	6,470
Amortization of intangible assets (Refer Note 5)	6,718	3,967
Depreciation on Investment Properties (Refer Note 4)	385	339
Depreciation expense of Right - of - use assets (Refer Note 31)	4,805	-
Total	**18,221**	**10,776**

Note 29 : Other expenses

(₹ Lacs)

Particulars	March 31, 2020	March 31, 2019
Consumption of stores and spares	4,404	5,154
Printing and service charges	5,508	5,836
News service and despatches	2,299	2,367
Service Charges on Ad Revenue	1,109	1,091
Services for mobile content and media buying	1,938	205
Visiting Lecturer fees	955	1,305
Power and fuel	3,569	3,983
Advertising and sales promotion	13,610	16,180
Freight and Forwarding charges	2,786	2,898
Rent (Refer Note 31)	1,792	5,849
Rates and taxes	159	849
Insurance	523	621
Repairs and maintenance:		
Plant and machinery	3,190	2,930
Building	261	350
Others	368	237
Travelling and conveyance	6,653	6,723
Communication costs	1,203	939

NOTES TO REVISED CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2020

Note 29 : Other expenses (Contd..)

(₹ Lacs)

Particulars	March 31, 2020	March 31, 2019
Legal and professional fees	7,720	7,343
Payment to auditors	195	162
Director's sitting fees	137	48
Exchange differences (net)	2,561	-
Loss allowance for bad and doubtful debts (includes bad debts written off)	3,101	2,081
Loss on disposal/ impairment of property, plant and equipment and intangible assets	125	128
Fair value of financial instruments through profit and loss*	4,822	5,704
Content Sourcing Fees	17,165	19,197
License fees	3,527	2,132
Loss on sale of investments	377	923
Impairment of investment properties (refer note 4)	1,323	4,604
Donations	308	420
Miscellaneous expenses	4,653	4,807
Total	**96,341**	**1,05,066**

* Loss on account of fair value movement in relation to investment in equity/preference/debt instruments classified at FVTPL category

Note 30 : Exceptional items Gain/ (Loss)

(₹ Lacs)

Particulars	March 31, 2020	March 31, 2019
Provision for litigation *	-	(3,300)
Impairment of goodwill @	(18,881)	(180)
Business closure expenses^	(851)	-
Impairment of intangible assets #	(23,490)	-
Total	**(43,222)**	**(3,480)**

* Based on Business Purchase Agreement dated October 1, 2004 , a dispute between The Hindustan Times Ltd (HTL) and certain section of its ex workers, who were part of the business transferred to the Company, the Company had made a provision of ₹ 3,300 lacs (Net of GST) during the year ended March 31, 2019 and out of this provision ₹ 2,030 lacs (Net of TDS) was reimbursed to HTL during the year ended March 31, 2019 towards in tern disbursement to the workers. The Supreme court has accepted the Special Leave Petition (SLP) of HTL.

@ Pertains to impairment of goodwill which was recognised on acquisition of Subsidiaries [India Education Services Private Limited (IESPL), HT Learning Centres Limited (HTLC), Next Mediaworks Limited (NMWL) and Next Radio Limited (NRL)] (Refer note 6).

^ Pertains to business closure expenditure pursuant to announcement of restructuring of the study mate business of a wholly owned subsidiary (HTLC).

\# The Group after considering the current economic environment has performed an impairment assessment of intangible assets. As the recoverable amount of certain Cash Generating Unit ("CGU") [₹ 34,012 lacs] is lower than the carrying amount of assets, the Group has recognised an impairment loss of ₹ 23,490 lacs towards Intangible Assets as an exceptional item. The recoverable amount of CGU is based on its value in use using discount rate in range of 14%-16%. The same is being compared with the carrying amount of Intangible Assets forming part of CGU as at 31 March, 2020 to assess impairment. For this purpose, each Radio license has been considered as a separate CGU.

NOTES TO REVISED CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2020

Note 31: Leases (refer note 2.2(n) of accounting policies)

Leases as Lessee

The Company has taken various residential, office and godown premises under lease arrangements.

i) The details of the right-of-use asset held by the Company is as follows:

(₹ Lacs)

Particulars	Leasehold Land	Vehicle	Buildings	Total
Balance at April 1, 2019*	**4,993**	**-**	**13,221**	**18,214**
Reclassification from prepaid rent	-	-	1,187	**1,187**
Depreciation charge for the year	(76)	(3)	(4,726)	**(4,805)**
Additions to right-of-use assets	-	50	7,309	**7,359**
Derecognition of right-of-use assets	(98)	-	(1,618)	**(1,716)**
Balance at March 31, 2020	**4,819**	**47**	**15,373**	**20,239**

* inclusive of right-of-use asset in relation to subsidiary acquisition of ₹ 2,423 lacs. (Refer note 47)

ii) Set out below are the carrying amounts of lease liabilities and the movements during the period:

(₹ Lacs)

Particulars	Amount
Balance at April 1, 2019 #	13,221
Additions	5,255
Accretion of interest	1,238
Payments- Principal	(4,235)
Payments- Interest	(1,238)
Balance at March 31, 2020	**14,241**
Current	**4,477**
Non- current	**9,764**

The maturity analysis of lease liabilities are disclosed in Note 42.

inclusive of lease liability in relation to subsidiary acquisition of ₹ 2,279 lacs. (Refer note 47)

iii) Amounts recognised in profit or loss:

(₹ Lacs)

Particulars	Amount
Interest on lease liabilities	1,238
Depreciation expense of right-of-use assets	(4,805)
Expenses relating to short-term leases	1,792

iv) Amounts recognised in Statement of Cash Flow:

(₹ Lacs)

Particulars	Amount
Total cash outflow for leases	4,235

NOTES TO REVISED CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2020

Note 31: Leases (refer note 2.2(n) of accounting policies) (Contd..)

Leases as lessor

i) Finance lease

The Company has entered into a finance lease arrangement with its Holding Company.

For the year ended March 31, 2020 :

During 2019-20, the Company recognised interest income on lease receivables of ₹ 134 lacs

The following table sets out a maturity analysis of lease receivables, showing the undiscounted lease payments to be received after the reporting date-

(₹ Lacs)

Particulars	Amount
Less than one year	230
One to two years	230
Two to three years	259
Three to four years	265
Four to five years	265
More than five years	957
Total undiscounted lease receivable	**2,206**
Unearned finance income	679
Net investment in the lease	**1,527**

For the year ended March 31, 2019 :

Future minimum lease receivables under finance lease together with the present value of the minimum lease receivables are as follows :

(Amount in ₹ Lacs)

Particulars	Minimum lease receivables	Present value of lease receivables
Less than one year	225	208
After one year but not more than five years	983	743
More than five years	1,221	666

ii) Operating lease

The Company has entered into operating leases on its investment property.

Rental income recognised by the Company during 2019-20 is ₹ 112 lacs (Previous year : ₹ 88 lacs)

For the year ended March 31, 2020 :

The following table sets out a maturity analysis of lease payments, showing the undiscounted lease payments to be received after the reporting date-

(₹ Lacs)

Particulars	Amount
Less than one year	120
One to two years	66
Two to three years	31

NOTES TO REVISED CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2020

Note 31: Leases (refer note 2.2(n) of accounting policies) (Contd..)

(₹ Lacs)

Particulars	Amount
Three to four years	-
Four to five years	-
More than five years	-
Total	**217**

For the year ended March 31, 2019 :

The Parent Company has entered into operating leases on its investment property. These are generally cancellable leases and are renewable by mutual consent on mutually agreed terms with or without rental escalations.

Note 32 : Other Comprehensive Income

The disaggregation of changes to OCI by each type of reserve in equity (net of non controlling interests) is shown below:

During the year ended March 31, 2020 :-

(₹ Lacs)

Particulars	Retained earnings	Foreign Currency translation reserve	FVTOCI Reserve	Cash flow hedging reserve	Cost of hedging reserve	Total
Exchange differences on translation of foreign operation	-	63	-	-	-	**63**
Re- measurement on defined benefit plans (net of non controlling interest and income tax effect)	(215)	-	-	-	-	**(215)**
Change in fair value of investments	-	-	(103)	-	-	**(103)**
Cash flow Hedging Reserve (net of non controlling interest and income tax effect)	-	-	-	(83)	-	**(83)**
Cost of Hedging Reserve (net of non controlling interest and income tax effect)	-	-	-	-	939	**939**
Total	**(215)**	**63**	**(103)**	**(83)**	**939**	**601**

During the year ended March 31, 2019 :-

(₹ Lacs)

Particulars	Retained earnings	Foreign Currency translation reserve	Change in fair value of investments	Cash flow hedging reserve	Cost of hedging reserve	Total
Exchange differences on translation of foreign operation	-	(8)	-	-	-	**(8)**
Re- measurement on defined benefit plans (net of non controlling interest and income tax effect)	(26)	-	-	-	-	**(26)**

NOTES TO REVISED CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2020

Note 32 : Other Comprehensive Income (Contd..)

(₹ Lacs)

Particulars	Retained earnings	Foreign Currency translation reserve	Change in fair value of investments	Cash flow hedging reserve	Cost of hedging reserve	Total
Cash flow Hedging Reserve (net of non controlling interest and income tax effect)	-	-	-	(148)	-	**(148)**
Cost of Hedging Reserve (net of non controlling interest and income tax effect)	-	-	-	-	(1,046)	**(1,046)**
Total	**(26)**	**(8)**	**-**	**(148)**	**(1,046)**	**(1,228)**

Note 33 : Earnings per share (EPS)

Basic EPS amounts are calculated by dividing the profit/ (loss) for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit/ (loss) attributable to equity holders by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

The following reflects the income and share data used in the basic and diluted EPS computations:

(₹ Lacs)

Particulars	March 31, 2020	March 31, 2019
Loss attributable to equity holders (₹ Lacs)	(34,585)	(1,205)
Weighted average number of Equity shares for basic EPS (Lacs) *	**2,306**	**2,306**
Weighted average number of Equity shares for diluted EPS (Lacs) *	**2,306**	**2,306**
Basic EPS	**(15.00)**	**(0.52)**
Diluted EPS	**(15.00)**	**(0.52)**

* Net off equity shares of 22 lacs held by HT Media Employee Welfare Trust. These are not included in calculation of diluted earning per share because these are anti diluted.

Note 33A : Group information

Information about subsidiaries

The consolidated financial statements of the Company includes subsidiaries listed in the table below :

Name	Principal activities	Country of incorporation	% equity interest	
			March 31, 2020	March 31, 2019
Hindustan Media Ventures Limited	Printing and Publication of Newspapers and Periodicals	India	74.40	74.30
HT Music & Entertainment Company Limited	Radio broadcasting activities	India	100.00	100.00
HT Digital Media Holdings Limited	Business of providing payroll processing services and consultancy services	India	100.00	100.00

NOTES TO REVISED CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2020

Note 33A : Group information (Contd..)

Name	Principal activities	Country of incorporation	% equity interest	
			March 31, 2020	March 31, 2019
Firefly e-Ventures Limited*	Internet related business for providing educational services	India	99.99	99.99
HT Mobile Solutions Limited*	Mobile marketing, social media marketing, advertising, mobile CRM and loyalty campaigns, mobile music content and ring tones and integrates with other media campaigns and strategies	India	99.16	99.16
HT Overseas Pte Ltd	Business and management consultancy services	Singapore	100.00	100.00
HT Education Limited	Education	India	100.00	100.00
HT Learning Centers Limited	Business of conducting coaching/ tutorial classes, set up training centers, activities incidental and ancillary thereto	India	100.00	100.00
HT Global Education Private Limited (Formerly HT Global Education) @#	Operate and manage schools, colleges, universities, institutes	India	100.00	100.00
Topmovies Entertainment Limited	Internet related business for providing movie reviews and ratings	India	100.00	100.00
India Education Services Private Limited	Providing higher education through its business school BRIDGE School of Management	India	99.00	99.00
Next Mediaworks Limited (w.e.f. April 15, 2019)	Radio broadcasting activities	India	51.00	-
Next Radio Limited (w.e.f. April 15, 2019) ^	Radio broadcasting activities	India	99.60	-
Syngience Broadcast Ahmedabad Limited (w.e.f. April 15, 2019) ^ ^	Radio broadcasting activities	India	100.00	-
Shine HR Tech Limited (w.e.f November 26, 2019)	Business relating to internet	India	100.00	-
HT Noida (Company) Limited (w.e.f. February 11, 2020) ^^^	To invest in properties and carrying out the business of renting of properties	India	100.00	-

Footnote

* These Companies are subsidiary of HT Media Limited through its wholly owned subsidiary HT Digital Media Holdings Limited.

@ The name of the Company has been changed from HT Global Education to HT Global Education Private Limited with effect from January 22, 2019 due to surrender of license for carrying non-profit activities under section 8 of the Companies Act, 2013.

\# As on March 31, 2020, the Company is "Under Process of Striking off".

^ Subsidiary of HT Media Limited through Next Mediaworks Limited. [Effective holding is 74.81% (HT Media Limited holds 48.60% equity stake in the Company directly and 51.40% equity stake is held directly by Next Media Works Limited)]

^^ Subsidiary of HT Media Limited through Next Radio Limited. [Effective holding is 74.81% [Next Radio Limited holds 100% equity stake in the Company]

^^^ Subsidiary of HT Media Limited through Hindustan Media Ventures Limited. [Effective holding is 74.40%]

NOTES TO REVISED CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2020

Note 33A : Group information (Contd..)

The Holding Company

Refer note 38 for details of Holding Company and Ultimate Holding Company.

Parties having direct or indirect control over the Company (Holding Company)

Earthstone Holding (Two) Private Limited (formerly known as Earthstone Holding (Two) Limited) is the holding Company of The Hindustan Times Limited.

Joint arrangement in which the Company is a joint venturer

a) The Company has 50.5% share in Sports Asia Pte Ltd through HT Overseas Pte Ltd(Previous Year : 50.5%) both incorporated and operating in Singapore

b) The Company has 99.99% share in HT Content Studio LLP through Hindustan Media Ventures Limited. The Joint Venture was created on August 21, 2019 (Effective interest in the JV is 74.40%) and is incorporated and operating in India.

Note 34 : Material partly owned subsidiaries

Financial information of subsidiaries that have material non-controlling interests is provided below:

Proportion of equity interest held by non-controlling interests:

%

Name	Country of Incorporation	March 31, 2020	March 31, 2019
Hindustan Media Ventures Limited	India	25.60	25.70

Information regarding non-controlling interest

(₹ Lacs)

Particulars	March 31, 2020	March 31, 2019
Accumulated balances of material non-controlling interest	38,768	36,328
Profit/(loss) allocated to material non-controlling interest	2,850	2,712

The summarised financial information (consolidated) of the subsidiary are provided below. This information is based on amounts before inter-company eliminations.

Summarised Statement of Profit and Loss for the year ended March 31, 2020 and March 31, 2019:

(₹ Lacs)

Particulars	March 31, 2020	March 31, 2019
Revenue (including other incomes)	90,455	95,599
Cost of raw material and components consumed	28,248	40,234
Changes in inventories of finished goods, Stock in trade and work-in-progress	(77)	(14)
Employee benefits expense	12,555	11,165
Other expenses	28,929	30,733
Depreciation and amortization expense	3,066	2,122
Finance costs	949	1,759
Profit/ (loss) for the year before tax	**16,785**	**9,600**

NOTES TO REVISED CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2020

Note 34 : Material partly owned subsidiaries (Contd..)

(₹ Lacs)

Particulars	March 31, 2020	March 31, 2019
Income tax	4,888	(1,241)
Profit/ (loss) for the year after tax	**11,897**	**10,841**
Share of profit / (loss) of Joint Venture	(267)	-
Net profit after taxes and share of profit/ (loss) of Associate	**11,630**	**10,841**
Other Comprehensive Income	(538)	(289)
Total comprehensive income	**11,092**	**10,552**
Attributable to non-controlling interests	2,850	2,712
Dividends paid to non-controlling interests	(273)	(273)

Summarised Balance Sheet as at March 31, 2020 and March 31, 2019 :

(₹ Lacs)

Particulars	March 31, 2020	March 31, 2019
Current assets, including cash and cash equivalents	60,978	82,649
Non-current assets	131,161	90,628
Current liabilities, including tax payable	32,698	25,466
Non-current liabilities, including deferred tax liabilities	8,025	6,441
Total equity	**151,416**	**141,370**
Attributable to:		
Equity holders of parent	112,648	105,042
Non-controlling interest	38,768	36,328

Note 34A : Interest in joint venture

A) Joint Venture- Sports Asia Pte. Ltd.

The Group has a 50.5 % interest in Sports Asia Pte Ltd, a joint venture which owns a website "90 min.in'. The Group's interest in Sports Asia Pte Ltd is accounted for using the equity method in the consolidated financial statements. Summarised financial information of the joint venture, based on its Ind-AS financial statements, and reconciliation with the carrying amount of the investment in consolidated financial statements are set out below:

Summarised Balance Sheet as at March 31, 2020 and March 31, 2019:

(₹ Lacs)

Particulars	March 31, 2020	March 31, 2019
Current liabilities, including tax payable	315	315
Non-current liabilities, including deferred tax liabilities	192	192
Equity	**(507)**	**(507)**
Proportion of the Group's ownership	50.50%	50.50%
Carrying amount of the investment*	**(256)**	**(256)**

* The Group has accounted for net liability under equity method of accounting

NOTES TO REVISED CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2020

Note 34A : Interest in joint venture (Contd..)

Summarised Statement of Profit and Loss of Sports Asia Pte Ltd :

(₹ Lacs)

Particulars	March 31, 2020	March 31, 2019
Profit for the year	-	-
Other Comprehensive Income	-	-
Total comprehensive income for the year	-	-
Group's share of profit for the year	-	-

The group had no contingent liabilities or capital commitments relating to its interest in Sports Asia Pte Ltd as at March 31, 2020 and March 31, 2019. The joint venture had no contingent liabilities or capital commitments as at March 31, 2020 and March 31, 2019. Sports Asia Pte Ltd cannot distribute its profits until it obtains the consent from the two venture partners.

B) Joint Venture- HT Content Studio LLP

The Group has made capital contribution in HT Content Studio LLP in the current year. The Group has 99.99% share in HT Content Studio LLP through Hindustan Media Ventures Limited (Effective interest in the JV is 74.40%). The Joint Venture was created on August 21, 2019 . The Group's interest in HT Content Studio LLP is accounted for using the equity method in the consolidated financial statements. Summarised financial information of the joint venture, based on its Ind-AS financial statements, and reconciliation with the carrying amount of the investment in consolidated financial statements are set out below:

Summarised Balance Sheet as at March 31, 2020:

(₹ Lacs)

Particulars	March 31, 2020
Current assets, including cash and cash equivalents	194
Non-current assets	13
Current liabilities, including tax payable	150
Equity	**57**
Proportion of the Group's ownership (Effective interest in the JV is 74.40%)	**99.99%**
Carrying amount of the investment	**57**

Summarised Statement of Profit and Loss:

(₹ Lacs)

Particulars	March 31, 2020
Revenue	-
Depreciation & amortization	1
Employee benefit	232
Other expense	34
Loss before tax	**(267)**
Income tax expense	-
Loss for the year	**(267)**
Other Comprehensive Income	-
Total comprehensive income for the year	**(267)**
Share of loss for the year (excluding Non Controlling Interest)	**(199)**
Non Controlling Interest in the loss for the year of the JV	**(68)**

The group had capital commitments of ₹ 76 lacs relating to its interest in HT Content Studio LLP as at March 31, 2020 . The joint venture had no contingent liabilities or capital commitments as at March 31, 2020 . HT Content Studio LLP cannot distribute its profits until it obtains the consent from the two venture partners.

NOTES TO REVISED CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2020

Note 35 : Employee Benefits

A. Defined Benefit Plan : Gratuity

(₹ Lacs)

Particulars	March 31, 2020	March 31, 2019
Defined benefit gratuity plan	1,576	605
Total	**1,576**	**605**
Current	**1,185**	**370**
Non- Current	**391**	**235**

HT Media Group has a defined benefit plan. Every employee who has completed five years or more of services gets a gratuity on separation at 15 days salary (last drawn salary) for each completed year of service. HT Media Ltd and Hindustan Media Ventures limited has formed separate Gratuity Trust/Fund to which contribution is made based on actuarial valuation done by independent valuer.

The gratuity plan is governed by the Payment of Gratuity Act, 1972. The Group has purchased an insurance policy through its' Gratuity Trust, which is a year-on-year cash accumulation plan in which the interest rate is declared on yearly basis and is guaranteed for a period of one year. The insurance company, as part of the policy rules, makes payment of all gratuity outgoes happening during the year (subject to sufficiency of funds under the policy). The policy, thus, mitigates the liquidity risk. However, being a cash accumulation plan, the duration of assets is shorter compared to the duration of liabilities. Thus, the Group is exposed to movement in interest rate (in particular, the significant fall in interest rates, which should result in increase in liability without corresponding increase in the asset).

The following table summarizes the components of net benefit expenses recognized in the Consolidated Profit & Loss Account and the funded status and amount recognized in the Consolidated Balance Sheet for respective plans:

Defined Benefit gratuity Plan

Changes in the defined benefit obligation and fair value of plan assets as at March 31, 2020 :

(₹ Lacs)

Particulars	March 31, 2020	March 31, 2019
	Present value of Obligation	Present value of Obligation
Opening Balance	3,474	3,562
Acquisition of subsidiary (refer note 47)	203	-
Current Service Cost	411	351
Interest Expense or cost	285	285
Re-measurement (or Actuarial) (gain) / loss arising from:		
- change in demographic assumptions	(4)	-
- change in financial assumptions	310	66
- experience variance (i.e. Actual experience vs assumptions)	233	(118)
Past Service Cost	-	-
Benefits Paid	(648)	(672)
Acquisition Adjustment	-	-
Total	**4,264**	**3,474**

NOTES TO REVISED CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2020

Note 35 : Employee Benefits (Contd..)

(₹ Lacs)

Particulars	March 31, 2020	March 31, 2019
	Fair Value of Plan Assets	Fair Value of Plan Assets
Opening Balance	2,869	3,099
Acquisition of subsidiary (refer note 47)	96	-
Investment Income	228	248
Employer's contribution	70	234
Benefits Paid	(603)	(614)
Return on plan assets, excluding amount recognised in net interest expenses	28	(98)
Total	**2,688**	**2,869**

The major categories of plan assets of the fair value of the total plan assets are as follows:

Intangible assets	India gratuity Plan	
	March 31, 2020	March 31, 2019
Investment in Funds managed by trust	100%	100%

The principal assumptions used in determining gratuity obligation for the Company's plans are shown below:

Particulars	March 31, 2020	March 31, 2019
	%	%
Discount Rate	6.85% to 8.00%	7.75% to 8.00%
Salary Growth Rate	5% to 7.5%	5% to 10%
Withdrawal Rate		
Up to 30 years	3%	3%
31 - 44 years	2%	2%
Above 44 years	1%	1%

A quantitative sensitivity analysis for significant assumption as at March 31, 2020 is as shown below:

India gratuity plan:

(₹ Lacs)

Particulars	March 31, 2020	March 31, 2019
Defined Benefit Obligation (Base)	4,264	3,474

Impact on defined benefit obligation

(₹ Lacs)

Particulars	March 31, 2020		March 31, 2019	
	1% decrease	1% increase	1% decrease	1% increase
Discount Rate	2,951	(2,483)	296	(253)
Salary Growth Rate	(2,487)	2,947	(256)	290
Withdrawal Rate	(2,531)	2,574	(29)	31

Note 35 : Employee Benefits (Contd..)

The sensitivity analyses above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

The following payments are expected contributions to the defined benefit plan in future years:

(₹ Lacs)

Particulars	March 31, 2020	March 31, 2019
Within the next one year (next annual reporting period)	262	202
More than one year and upto five years	1,469	1,344
More than five years and upto ten years	2,736	2,418
More than ten years	4,354	3,798
Total expected payments	**8,821**	**7,762**

Average duration of the defined benefit plan obligation is 7 years to 18 years (Previous year- 7 years to 21 years)

B. Defined Contribution Plan

(₹ Lacs)

Particulars	March 31, 2020	March 31, 2019
Contribution to Provident and Other funds		
Charged to Statement of Profit and Loss	1,673	1,459

C. Leave Encashment (unfunded)

The Company recognises the leave encashment expenses in the Statement of Profit & Loss based on actuarial valuation.

The expenses recognised in the Statement of Profit & Loss and the Leave encashment liability at the beginning and at the end of the year :

(₹ Lacs)

Particulars	March 31, 2020	March 31, 2019
Liability at the beginning of the year	350	540
Acquisition of subsidiary (refer note 47)	29	-
Paid during the year	(100)	(187)
Provided during the year	98	(3)
Liability at the end of the year	**377**	**350**

Note 36 : Share-based payments

In accordance with the Securities and Exchange Board of India (Share Based Employee benefits) Regulations, 2014 and Ind-AS 102 Share-based Payment, the scheme detailed below is managed and administered, compensation benefits in respect of the scheme is assessed and accounted by the Group Companies and the Parent Company. To have an understanding of the scheme, relevant disclosures are given below.

As approved by the shareholders at their Extra-ordinary General Meeting held on October 21, 2005, during an earlier year, the Parent Company has given interest-free loan of ₹ 2,174 lacs (As on March 31, 2020 ₹ 2,004 lacs) to HT Media Employee Welfare Trust which in turn purchased 468,044 Equity Shares of ₹ 10/- each of HT Media Limited (as on date equivalent to 2,340,220 Equity Shares of ₹ 2/- each) from the open market [average cost per share – ₹ 92.91 based on Equity Share of ₹ 2/- each], for the purpose

NOTES TO REVISED CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2020

Note 36 : Share-based payments (Contd..)

of granting Options under the 'HTML Employee Stock Option Scheme' (the Scheme), to eligible employees. The foresaid loan to HT Media Employee Welfare Trust has been eliminated on consolidation of the trust (Refer Note 45)

During the financial year 2007-08, the Scheme was modified to the effect – (a) Options granted w.e.f. September 15, 2007 shall vest as per previous revised schedule of vesting period; and (b) to extend the coverage of the Scheme to the eligible full-time employees of the subsidiary companies.

The Options granted under the Scheme shall vest as per the Schedules of vesting period which are hereinafter referred to as 'Plan A', 'Plan B' (applicable to Options granted w.e.f. September 15, 2007) and Plan C (applicable to Options granted w.e.f. October 8, 2009). Options granted under both the plans are exercisable for a period of 10 years after the scheduled vesting date of the last tranche of the Options as per the Scheme.

The relevant details of the Scheme are as under.

	Plan A	Plan B	Plan C
Dates of Grant	09.01.2006 05.12.2006 23.01.2007	25.09.2007 20.05.2009 31.05.2011	08.10.2009 24.10.2019
Date of Board approval	20.09.2005	12.10.2007	30.09.2009
Date of Shareholder's approval	21.10.2005	30.11.2007	03.10.2009
Number of options granted	889,760* 99,980* 228,490	773,765 453,982 83,955	486,932 1,519,665
Method of Settlement	Equity	Equity	Equity
Vesting Period (see table below)	12 to 48 months	12 to 48 months	12 to 24 months
Fair Value on the date of Grant (In ₹)	50.05 85.15 95.49	114.92 50.62 113.7	68.9 9.04
Exercise Period	10 years after the scheduled vesting date of the last tranche of the Options, as per the Scheme		
Vesting Conditions	Employee remaining in the employment of the Company during the vesting period		

*Adjusted for face value of ₹ 2/- after stock split

Note: Approvals obtained from the Board of Directors and Shareholders of HTML for the 'Plan B' were with retrospective effect from September 15, 2007.

Details of the vesting period are:

Vesting Period from the Grant date	Vesting Schedule		
	Plan A	Plan B	Plan C
On completion of 12 months	25%	25%	75%
On completion of 24 months	25%	25%	25%
On completion of 36 months	25%	25%	-
On completion of 48 months	25%	25%	-

NOTES TO REVISED CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2020

Note 36 : Share-based payments (Contd..)

The details of activity under Plan A, Plan B and Plan C of the Scheme have been summarized below:-

Plan A

Particulars	March 31, 2020		March 31, 2019	
	Number of options	Weighted Average Exercise Price (₹)	Number of options	Weighted Average Exercise Price (₹)
Outstanding at the beginning of the year	363,260	92.30	454,540	92.30
Granted during the year	-	-	-	-
Forfeited during the year	-	-	91,280	92.30
Exercised during the year	-	-	-	-
Expired during the year	363,260	92.3	-	-
Outstanding at the end of the year	-	-	363,260	92.30
Exercisable at the end of the year	-	-	363,260	92.30
Weighted average remaining contractual life (in years)	-		0.78	
Weighted average fair value of options granted during the year	N/A		N/A	

Plan B

Particulars	March 31, 2020		March 31, 2019	
	Number of options	Weighted Average Exercise Price (₹)	Number of options	Weighted Average Exercise Price (₹)
Outstanding at the beginning of the year	83,264	92.30	83,264	92.30
Granted during the year	-	-	-	-
Forfeited during the year	-	-	-	-
Exercised during the year	-	-	-	-
Expired during the year	-	-	-	-
Outstanding at the end of the year	83,264	92.30	83,264	92.30
Exercisable at the end of the year	83,264	92.30	83,264	92.30
Weighted average remaining contractual life (in years)	3.14		4.14	
Weighted average fair value of options granted during the year	N/A		N/A	

NOTES TO REVISED CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2020

Note 36 : Share-based payments (Contd..)

Plan C

Particulars	March 31, 2020		March 31, 2019	
	Number of options	Weighted Average Exercise Price (₹)	Number of options	Weighted Average Exercise Price (₹)
Outstanding at the beginning of the year	212,101	117.55	273,549	117.55
Granted during the year	1,519,665	19.80	-	-
Forfeited during the year	-	-	61,448	117.55
Exercised during the year	-	-	-	-
Expired during the year	-	-	-	-
Outstanding at the end of the year	1,731,766	31.77	212,101	117.55
Exercisable at the end of the year	212,101	117.55	212,101	117.55
Weighted average remaining contractual life (in years)	10.34		2.53	
Weighted average fair value of options granted during the year	9.04		N/A	

The details of exercise price for stock options outstanding at the end of the year ended March 31, 2020 are:-

Range of exercise prices	Number of options outstanding	Weighted average remaining contractual life of options (in years)	Weighted average exercise price (₹)
Plan A			
₹ Nil	-	-	-
Plan B			
₹ 92.30	83,264	3.14	92.30
Plan C			
₹ 19.80- ₹ 117.50	1,731,766	10.34	31.77

NOTES TO REVISED CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2020

Note 36 : Share-based payments (Contd..)

The details of exercise price for stock options outstanding at the end of the previous year ended March 31, 2019 are:-

Range of exercise prices	Number of options outstanding	Weighted average remaining contractual life of options (in years)	Weighted average exercise price (₹)
Plan A			
₹ 92.30	363,260	0.78	92.3
Plan B			
₹ 92.30	83,264	4.14	92.3
Plan C			
₹ 117.55	212,101	2.53	117.55

HTML has availed exemption under Ind-AS 101 in respect of Share-based payments that had been vested before the transition date. The Company has elected to avail this exemption and accordingly, vested options have been measured at intrinsic value.

The employee compensation cost (accounting charge for the year) calculated using the fair value* of stock options is ₹ 46 lacs (March 31, 2019: ₹ Nil)

The employee compensation cost (accounting charge for the year) calculated using the intrinsic value of stock options is ₹ Nil (March 31, 2019: ₹ Nil)

*Fair value is calculated as per the Black Scholes Options Pricing Model

Particulars	
Risk free interest Rate	6.64%
Expected life	6.225 Years
Expected volatility**	37.29%
Dividend yield	1.01%
Price of the underlining share in market at the time of option grant (₹)	19.80
Exercise price (₹)	19.80
Fair value (₹)	9.04

** Volatility is a measure of the amount by which a price has fluctuated or is expected to fluctuate during a period. The measure of volatility used in the Black-Scholes option-pricing model is the annualized standard deviation of the continuously compounded rates of return on the stock over a period of time.

II. The Hindustan Times Limited (the ultimate Parent Company) and HT Media Limited (the Parent Company) has given loan to "HT Group company's – Employee Stock Option Trust" which in turn has purchased Equity Shares of ₹ 10/- each of the Company for the purpose of granting Options under the 'HT Group company's –Employee Stock Option Rules' ("HT ESOP"), to eligible employees of the group.

NOTES TO REVISED CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2020

Note 36 : Share-based payments (Contd..)

The Parent Company has given loan of ₹ 243 lacs [As on March 31, 2020 ₹ 97 lacs, net of payable to the trust (refer note 7C)] to "HT Group Companies – Employee Stock Option Trust" which in turn has purchased 37,338 Equity Shares of ₹ 10/- each of Hindustan Media Venture Limited (HMVL) – Subsidiary Company of HT Media Limited, for the purpose of granting Options under the 'HT Group Companies –Employee Stock Option Scheme' (the Scheme), to eligible employees of the group. On these purchased shares, the trust has also received 238,964 shares out of the bonus shares issued by the HMVL on February 21, 2010.

A. Details of Options granted as on March 31, 2020 are given below:

Type of Arrangement	Date of Grant	Number of options granted	Fair Value on the date of Grant (In ₹)	Vesting conditions	Weighted average remaining contractual life (in years)	Method of Settlement
Employee Stock Option	September 15, 2007	193,782	16.07	¼ of the shares vest each year over a period of four years starting from one year after the date of grant	1.46	Equity
Employee Stock Option	May 20, 2009	11,936	14.39	¼ of the shares vest each year over a period of four years starting from one year after the date of grant	3.14	Equity
Employee Stock Option	February 4, 2010	150,729	87.01	50% on the date of grant and 25% vest each year over a period of 2 years starting from the date of grant	3.14	Equity
Employee Stock Option	March 8, 2010	17,510	56.38	¼ of the shares vest each year over a period of four years starting from one year after the date of grant	3.94	Equity
Employee Stock Option	April 1, 2010	4,545	53.87	¼ of the shares vest each year over a period of four years starting from one year after the date of grant	4.01	Equity
Employee Stock Option	October 25, 2019	220,376	34.80	¼ of the shares vest each year over a period of four years starting from one year after the date of grant	13.58	Equity

Weighted average fair value of the options outstanding is ₹ 35.72 per option (Previous Year ₹ 56.38 per option).

NOTES TO REVISED CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2020

Note 36 : Share-based payments (Contd..)

B. Summary of activity under the plans is given below :

	March 31, 2020		March 31, 2019	
	Number of options	Weighted Average Exercise Price (₹)	Number of options	Weighted Average Exercise Price (₹)
Outstanding at the beginning of the year	9,810	59.99	9,810	59.99
Granted during the year	220,376	72.20	-	-
Forfeited during the year	-	-	-	-
Exercised during the year	-	-	-	-
Expired during the year	-	-	-	-
Outstanding at the end of the year	230,186	71.68	9,810	59.99
Exercisable at the end of the year	9,810	59.99	9,810	59.99
Weighted average remaining contractual life (in years)	13.17		4.94	
Weighted Average fair value option granted	34.8		-	

C. The details of exercise price for stock options outstanding at the end of the year ended March 31, 2020 are:

A stock option gives an employee, the right to purchase equity shares of the Company at a fixed price within a specific period of time. The details of exercise price for stock options outstanding at the end of the year are as under:

	Range of exercise prices	Number of options outstanding	Weighted average remaining contractual life of options (in years)	Weighted average exercise price (₹)
2019-20	₹ 1.35 to ₹ 72.20	230,186	13.17	71.68
2018-19	₹ 1.35 to ₹ 60	9,810	4.94	59.99

Options granted are exercisable for a maximum period of 14 years after the scheduled vesting date as per the Scheme.

HMVL has availed exemption under Ind-AS 101 in respect of Share-based payments that had been vested before the transition date. HMVL has elected to avail this exemption and accordingly, vested options as on transition date have been measured at intrinsic value.

The employee compensation cost (accounting charge for the year) calculated using the fair value* of stock options is ₹ 17 lacs (March 31, 2019: ₹ NIL)

The employee compensation cost (accounting charge for the year) calculated using the intrinsic value of stock options is ₹ Nil (March 31, 2019: ₹ Nil)

*Fair value is calculated as per the Black Scholes Options Pricing Model

NOTES TO REVISED CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2020

Note 36 : Share-based payments (Contd..)

Particulars	
Risk free interest Rate	6.85%
Expected life	8.25 Years
Expected volatility**	32.85%
Dividend yield	0.93%
Price of the underlining share in market at the time of option grant (₹)	72.20
Exercise price (₹)	72.20
Fair value (₹)	34.80

** Volatility is a measure of the amount by which a price has fluctuated or is expected to fluctuate during a period. The measure of volatility used in the Black-Scholes option-pricing model is the annualized standard deviation of the continuously compounded rates of return on the stock over a period of time.

III. One of the subsidiary Company, Firefly e-Ventures Limited (FEVL), has granted Employee Stock Options (ESOPs) to its own employees and to the employees of its Ultimate Holding Company "HT Media Limited" and to the employees of its Fellow subsidiaries "Hindustan Media Ventures Limited" under the Scheme.

The scheme detailed below is managed and administered, compensation benefits in respect of the scheme is assessed and accounted by the Company in accordance with Ind AS 102 (Share based payments).

The relevant details of the scheme and the grant are as below.

Details of Options granted as on March 31, 2020 are given below:

Type of Arrangement	Date of Grant	Number of options granted	Fair Value on the date of Grant (In ₹)	Vesting conditions	Weighted average remaining contractual life (in years)	Method of Settlement
Employee Stock Option (Plan A)	16-Oct-09	9,869,800	4.82	25% - 12 Month from the date of Grant, 25% - 24 Month from the date of Grant, 25% - 36 Month from the date of Grant, 25% - 48 Month from the date of Grant.	3.55	Equity

C. Summary of activity under the plans is given below : - Plan A

	March 31, 2020		March 31, 2019	
	Number of options	Weighted Average Exercise Price (₹)	Number of options	Weighted Average Exercise Price (₹)
Outstanding at the beginning of the year	6,168,025	10	6,760,249	10
Granted during the year	-	-	-	-
Forfeited during the year	-	-	592,224	10
Exercised during the year	-	-	-	-

Note 36 : Share-based payments (Contd..)

	March 31, 2020		March 31, 2019	
	Number of options	Weighted Average Exercise Price (₹)	Number of options	Weighted Average Exercise Price (₹)
Expired during the year	-	-	-	-
Outstanding at the end of the year	6,168,025	10	6,168,025	10
Exercisable at the end of the year	6,168,025	10	6,168,025	10
Weighted average remaining contractual life (in years)	3.55		4.55	

As no stock options have been granted during the current year and previous year, the disclosures regarding estimated fair value are not provided.

Options granted are exercisable for a maximum period of 14 years after the scheduled vesting date as per the Scheme.

FEVL has availed exemption under Ind-AS 101 in respect of Share-based payments that had been vested before the transition date. FEVL has elected to avail this exemption and accordingly, vested options have been measured at intrinsic value.

The employee compensation cost (accounting charge for the year) calculated using the intrinsic value of stock options is ₹ Nil (March 31, 2019: ₹ Nil)

Note 37 : Commitments and contingencies

(a) Commitments

(₹ Lacs)

Particulars	March 31, 2020	March 31, 2019
A. Capital Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of capital advances)	4,329	619

B. Other Commitments

Commitment under EPCG Scheme

The Parent Company has obtained licenses under the Export Promotion Capital Goods ('EPCG') Scheme for importing capital goods at a concessional rate of customs duty against submission of bonds in September, 2008.

Under the terms of the respective scheme, the Company is required to export goods or/and services of FOB value equivalent to eight times the duty saved in respect of licenses within eight years from the date of issuance of license. Accordingly, the Company was required to export goods and services of FOB value of ₹ 20,017 lacs by September 18, 2018 (after extended time).

However, due to oversight of the assessing officers of Customs at the time of clearance of the goods, unconditional concession from BCD of 5% prescribed vide Sr. No. 267A of the Notification No. 21/2002-Cus dated 01 March 2002 as also CVD of 8% under Sr. No. 12 of Notification No. 6/2006-CE dated 01 March 2006 was not provided/applied. As a result of the said omission,

NOTES TO REVISED CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2020

Note 37 : Commitments and contingencies (Contd..)

the duty foregone/ duty saved amount has been incorrectly computed and consequently, the export obligation also been incorrectly computed.

The duty saved amount under the EPCG Scheme is ascertained basis the actual import duty of capital goods effected by a license holder, such as the Petitioner (HT Media) in the present case. The Company filed a letter in March, 2019 with custom authorities for rectification in custom tariff rates used to compute 'duty saved amount' and for corresponding amendment in export obligation as mentioned above thereby reducing the actual export obligation. This letter was rejected by custom authorities in May 2019 against which the Company has filed a writ petition before Mumbai High Court in August 2019. The department has filed its reply to the Writ Petition. The matter came up for hearing on 27.04.2020 when Hon'ble High Court of Bombay has directed the Customs Department that no coercive action shall be taken against HT Media and adjourned the matter for 9th June, 2020. However due to Covid-19 and limited functioning of the High Court the matter has not come up for hearing till date and will be listed in due course. HT is protected as the stay is till the next date of hearing.

Basis management assessment, the balance export obligation as on March 31, 2020 is ₹ Nil.

Commitment to invest in specific funds

Particulars	March 31, 2020		March 31, 2019	
	Amount Invested	Future Commitment	Amount Invested	Future Commitment
Blume Ventures Fund IA	₹ 300 lacs	-	₹ 300 lacs	-
Trifecta Venture Debt Fund-I	₹ 2,000 lacs	-	₹ 2,000 lacs	-
Trifecta Venture Debt Fund-II	₹ 844 lacs	₹ 156 lacs	-	-
Paragon Partners Growth Fund - I	₹ 1950 lacs	₹ 50 lacs	₹ 1352 lacs	₹ 648 lacs
WaterBridge Ventures I	₹ 426 lacs	₹ 75 lacs	₹ 376 lacs	₹ 125 lacs
Stellaris Venture Partners India I	₹ 655 lacs	₹ 345 lacs	₹ 505 lacs	₹ 495 lacs
Fireside Ventures Investment Fund I	₹ 436 lacs	₹ 64 lacs	₹ 368 lacs	₹ 132 lacs

Other commitments

The Subsidiary Company, HT Overseas Pte Ltd has a commitment to pay SGD 221,245 to Columbia University in New York for the benefit of its Graduate School of Journalism to be paid in the future.

Letter of Support

In the previous year, the Parent Company had given letters of support to its subsidiaries (HT Learning Centers Limited and India Education Services Private Limited) to enable the said subsidiaries to continue its operations.

Guarantees

(₹ Lacs)

Particulars	March 31, 2020	March 31, 2019
Bank Guarantee	4,789	2,332

NOTES TO REVISED CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2020

Note 37 : Commitments and contingencies (Contd..)

(b) Contingent Liabilities

Claims against the Company not acknowledged as debts

HT Media Limited (The Parent Company)

Legal claim contingency

(i) In respect of income tax demand under dispute ₹ 880.98 lacs (previous year ₹ 760.89 lacs) against the same the Company has paid tax under protest of ₹ 824.55 lacs (previous year ₹ 648.96 lacs). The tax demands are mainly on account of disallowances of expenses claimed by the Company under the Income Tax Act.

(ii) Service tax authorities have raised additional demands for ₹ 61 lacs (Previous Year: ₹ 61 lacs) for various financial years against the same the Company has paid tax under protest of ₹ 61 lacs (previous year ₹ 61 lacs).

The above listed tax demands are being contested by the Company before the appropriate appellate authorities. Management believes that Company's tax positions are likely to be upheld by such authorities. No tax expenses have been accrued in the financial statements for these tax demands.

(iii) During the year ended March 31, 2005, the Company acquired the printing undertaking at New Delhi from The Hindustan Times Limited ("HTL"). Ex-workmen of HTL challenged the transfer of business by way of a writ in Hon'ble Delhi High Court, which was dismissed on May 9, 2006. Thereafter, these workmen raised the industrial dispute before Industrial Tribunal-I, New Delhi ("Tribunal"). The case was decided by an award by Industrial Tribunal, on January 23, 2012, wherein the workmen were granted reinstatement and relief of treating them in continuity of services under terms and conditions of service as before their alleged termination w.e.f. October 3, 2004. As per the award, they will not be entitled to any notice pay or compensation u/s 25 FF of Industrial Dispute Act. The said notice - pay or compensation, if any, received by them, will have to be refunded to the Company.

The said award after publication came into operation w.e.f. April 1, 2012. The HTL issued several letters to the workmen, followed by the public notice seeking refund of the notice pay and retrenchment compensation so received, as directed by Industrial Tribunal without any results. The workmen also filed the Execution Proceeding for Back wages on April 2, 2012, Execution Court vide its order dated October 8, 2012, held that "No Back Wages" have been granted and decree in relation thereto cannot be executed". The Execution Court vide its order dated January 04, 2013 directed the management to reinstate the workman without insisting for refund of notice pay and retrenchment compensation. The said order of the Ld. Execution Court was challenged before High Court of Delhi. Since HTL has no factory, it offered notional reinstatement & Salary w.e.f. April 18, 2013. HTL informed the High Court during the pendency of the petition that since HTL is currently engaged in non-industrial activities, it can offer non-industrial work to a maximum of 38 (thirty eight) workmen based on seniority. It was also submitted that HTL will accordingly exercise its rights and remedies as available under the Industrial Disputes Act, 1947 qua the remaining workmen. Accordingly, HTL issued letters of posting to 38 workmen on December 4, 2013 and paid compensation under Section 25FFF of the Industrial Dispute Act, 1947 to remaining 167 workmen. Single Bench of Delhi High Court on September 14, 2015 delivered the judgment wherein Court relied on the Judgment of Division Bench and held that the parties will be at liberty to pursue the logical corollary. The proceedings before the Execution Court re-started after judgment of Single Bench of Delhi High Court.

The Execution Court ordered HTL to reinstate the workmen as earlier reinstatement was not in accordance with Award dated January 23, 2012 and also directed to make payment of wages accordingly. HTL challenged the said order of Execution Court before single bench of Hon'ble Delhi High Court.

Vide order dated August 27, 2018 Single Judge, Delhi High Court dismissed the Writ and directed the Management to reinstate the workmen along with the benefits of "continuity of services" under terms and conditions of the service as

NOTES TO REVISED CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2020

Note 37 : Commitments and contingencies (Contd..)

before their termination on October 03, 2004. Single Judge further directed the Management to deposit the wages of all the workmen, who have not yet attained the age of superannuation for the period from January 01, 2014 till August 31, 2018 as per the Award with the Executing Court within one month from the date of order.

The Management of HTL filed appeal to the Division Bench against the said judgment dated August 27, 2018 the Division Bench on October 16, 2018 dismissed the appeal on technical / maintainability ground without getting into merits of the matter.

The Management of HTL filed two separate Special Leave Petitions (SLP's) before the Hon'ble Supreme Court of India. First SLP against the orders dated August 27, 2018 read with order dated September 07, 2018 passed in Review Petition by the Single Judge of Delhi High Court, and the Second SLP challenging the Order dated October 16, 2018 passed by the Division Bench of Delhi High Court, seeking stay of the said judgments. One of the two SLPs was admitted by Apex Court by issue-of 'Notice' to opposite parties without staying the execution proceeding. However, Hon'ble Supreme Court of India was pleased to direct that "consequential action will, naturally, be subject to the outcome of the Special Leave Petition". The Second SLP is dismissed considering that the issue will be decided in the first SLP itself.

The Management of HTL issued letters of reinstatements and made payments to the workmen in accordance with order dated December 24, 2018 before the Ld. Execution court against personal Bond for refund of the amount so paid in case Supreme Court decides the matter in its favour. Ld. Execution Court vide order dated March 27, 2019 directed the Management to increase all other benefits including Basic pay and other concomitant benefits as if they had actually been in service and had been serving with the Management since 2004. Further, Management was directed to calculate the wages/salary of the decree holders after giving them notional increase in Basic pay and other related allowances/ benefits. In the meantime, the Management has challenged the order dated March 27, 2019 passed by Ld. Execution Court before Hon'ble High Court of Delhi. The Court issued notice to the Respondents on April 3, 2019 but no stay was granted.

The matter was listed before the Ld. Executing Court for adjudication of the Application dated May 27, 2019 filed by the workmen challenging the transfer order issued to workmen wherein the Court directed HTL to not take any adverse action against the present decree holders on account of their non-joining, pursuant to the transfer letter, from May 29, 2019 onwards and HTL shall not transfer any decree holder anywhere outside the limits of Delhi/NCR till further orders.

The HTL again challenged the order dated May 29, 2019 passed by Execution Court, before Delhi High Court vide W.P.(C) 6505/2019 wherein Hon'ble Court issued notice to Workmen for July 15, 2019 along with W.P.(C) 6328/2019 and CM(M) 529/2019.

Accordingly, W.P.(C) 6328/2019, W.P.(C) 6505/2019 and CM(M) 529/2019 were listed before Delhi High Court for arguments on 15th July, 2019 thereby Hon'ble High Court heard the matter and finally sent both parties before the Execution Court to hear all the parties and pass a final order to determine the liability of the judgment debtor in respect of the award in the execution and matters were listed for October 22, 2019 before Delhi High Court.

As the High Court has already directed the Execution Court to pass final order, the Management did not press the pending three petitions and sought to withdraw them with liberty to challenge final order passed by Execution Court in accordance with law and consequently the three Petitions vide its no. W.P.(C) 6328/2019, W.P.(C) 6505/2019 and CM(M) 529/2019 were dismissed as withdrawn on October 22, 2019.

In the meantime, HTL initiated Domestic Enquiry against 25 Workmen who were reinstated in January, 2019 on grounds of misconduct & absenteeism. The said Enquiry reports finding are against Workmen. Subsequently, show cause notices have been sent to concerned 25 Workmen. In accordance with the said report, four workmen who were not physically capable to do work have been terminated in accordance with due procedure of law.

NOTES TO REVISED CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2020

Note 37 : Commitments and contingencies (Contd..)

Since the Execution Court stayed the transfer order of the Workmen outside Delhi NCR, the Management transferred the workmen to various location within Delhi NCR. The Workmen joined the location and attended the training but after the training they stopped coming on duty. The Management informed the Workmen that if they do not join duty at the transferred locations their salaries will not be payable. Hence in accordance with order dated September 5,2019 passed by the Hon'ble Execution Court no salaries are being paid to Workmen w.e.f. September 9, 2019 on no work no pay principle.

In the mean time, few applications were filed by Decree Holders before Execution Court and the replies to the applications have been filed by the HTL. The matter before Execution Court is listed for arguments wherein Ld. Execution Judge relisted the matter for 08.12.2020 for physical hearing and in case 08.12.2020 happens to be not the day of physical hearing of the Court then the matter would be adjourned for next immediate date of physical hearing.

On the issue of back wages, the workmen also filed Writ Petition against the order of Ld. Execution Court dated October 08, 2012 denying them back wages. This issue of Back wages is finally decided by Hon'ble Supreme Court vide order dated August 1, 2016 holding that back wages are not payable.

Another small group of workmen filed another SLP (C) No. 28705/2015 challenging the same order of Division Bench, Delhi High Court, virtually on same grounds, which is pending for hearing though there is a likely hood of same fate as of another SLP. The workmen thereafter filed a fresh Writ Petition before the single bench of Delhi High Court challenging the award dated January 23, 2012 to the extent of denial of back wages and concomitant benefits. The said Writ Petition was dismissed vide order dated October 3, 2016 on the ground of Res- judicata and on account of delay or latches. The judgment of the Single Bench of Delhi High Court was challenged by the workmen before Division Bench of High Court, wherein notice was issued to the Company. The said matter is now listed on August 10, 2020 for final arguments before the Division Bench.

Since the issue of Back wages has been decided by Hon'ble Supreme Court and the Single Judge of the Hon'ble Delhi High Court, the Company does not expect a material adverse outcome in the current round of litigation.

Hindustan Media Ventures Limited

A. Claims against the Company not acknowledged as debts

(₹ Lacs)

Particulars	March 31, 2020	March 31, 2019
a) The Company has filed a petition before the Hon'ble Patna High Court against an initial claim for additional contribution of ₹ 73 lacs made by Employees State Insurance Corporation (ESIC) relating to the years 1989-90 to 1999-00. The Company has furnished a bank guarantee amounting to ₹ 13 lacs to ESIC. The Hon'ble High Court had initially stayed the matter and on July 18, 2012 disposed of the Petition with the Order of "No Coercive Step shall be taken against HMVL" with direction to move for ESI Court. Matter is still pending in Lower Court. There is no further progress in the matter during the year.	73	73
b) The Company has filed a petition before the Hon'ble Patna High Court against the demand of ₹ 10 lacs (including interest) for short payment of ESI dues pertaining to the years from 2001 to 2005. The Hon'ble High Court had initially stayed the matter and on July 18, 2012 disposed of the Petition with the Order of "No Coercive Step shall be taken against HMVL" with direction to move for ESI Court. Matter is still pending in Lower Court. There is no further progress in the matter during the year.	10	10

NOTES TO REVISED CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2020

Note 37 : Commitments and contingencies (Contd..)

B. During the current year and as in the previous financial year, the management has received several claims substantially from employees in UP, Jharkhand and Bihar who are either retired or separated from the Company regarding the benefits of Majithia Wage Board recommendations. However, all such claims/ recovery order(s) issued by ALC/ DLC office are generally either stayed by the respective Hon'ble High Court(s) or are pending before ALC/ DLC.

Based on management assessment and current status of the above matter, the management is confident that no provision is required in the financial statements as on March 31, 2020.

C. Income- tax authorities have raised additional demands for ₹ 669 lacs (Previous Year: ₹ 293 lacs) for various financial years. The tax demand are mainly on account of disallowances of expenses claimed by the Company under the Income Tax Act. The Company is contesting the demands before the appropriate appellate authorities and the management believes that Company's tax positions are likely to be upheld by such authorities. No tax expenses have been accrued in the financial statements for these tax demands.

Next Mediaworks Limited

Claims against the Company not acknowledged as debts

a) In respect of income tax demand under dispute ₹ 193 lacs (previous year ₹ 193 lacs) against the same the Company has paid tax under protest of ₹ 98.41 lacs (previous year ₹ 98.41 lacs).

Based on management assessment and current status of the above matter, the management is confident that no provision is required in the financial statements as on March 31, 2020.

Next Radio Limited

Claims against the Company not acknowledged as debts

a) In respect of Income tax demand under dispute ₹ 39 lacs (Previous Year ₹ 47 lacs).

b) In respect of Service tax demand under dispute ₹ 25 lacs (Previous Year NIL).

Based on management assessment and current status of the above matter, the management is confident that no provision is required in the financial statements as on March 31, 2020.

HT Overseas Pte Ltd

A Joint Venture was incorporated on June 1, 2016 by HT Overseas Pte. Ltd. (HTOS), NBM Capital L.P. and Sportority Limited. The Joint Venture entered "License agreement" with Sportority Limited which provides Sportority Limited to render services to Joint Venture in consideration of fees payable on quarterly basis. The Joint Venture has not yet issued any shares to its shareholders and has never been capitalised. However, Sportority Limited has questioned over the payment of its service fee and served the legal notice to HTOS to fund Joint Venture in order to pay the fee. Presently, the correspondences are being done and no legal suit has been filed. At the reporting date, the parties are trying to reach an amicable settlement. HTOS has been advised by its legal counsel that, based on the discussion on collaboration between both the parties, in all likelihood, the matter will be settled in the range of US$ 1,00,000 to US$ 1,50,000. Accordingly, on a conservative basis, during the year, HTOS has recorded a provision of US$ 150,000 (approximately to ₹ 113 lacs) in its financial statements. (refer note 20).

NOTES TO REVISED CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2020

Note 38 : Related party disclosures

Following are the Related Parties and transactions entered with related parties for the relevant financial year :

i) List of Related Parties and Relationships:-

Parties having direct or indirect control over the Company (Holding Company)	Earthstone Holding (Two) Private Limited * (Ultimate controlling party is the Promoter Group)
Holding Company	The Hindustan Times Limited
Joint Ventures	Sports Asia Pte Ltd. HT Content Studio LLP (w.e.f August 21, 2019)
Fellow subsidiaries (with whom transactions have occurred during the year)	Digicontent Limited HT Digital Streams Limited
Entities which are post employment benefit plans	HT Media Limited Working Journalist Gratuity Fund HT Media Limited Non Journalist & Other Employees Gratuity Fund HMVL Editorial Employees Gratuity Fund HMVL Non Editorial & Other Employees Gratuity Fund
Key Management Personnel	Mrs. Shobhana Bhartia (Chairperson & Editorial Director of Parent Company) Mr. Praveen Someshwar (Managing Director & CEO w.e.f. August 1, 2018) Mr.Priyavrat Bhartia (Non- Executive Director of Parent Company) Mr. Shamit Bhartia (Ceased to be Non- Executive Director of Parent Company w.e.f December 30, 2019 and re-appointed w.e.f March 31, 2020) Mr. Dinesh Mittal (ceased to be Whole Time Director w.e.f. August 8, 2018) Ms. Aruna Sundararajan (appointed as Non-executive Independent Director of Parent Company w.e.f March 31, 2020 and ceased to be Non-executive Independent Director of Parent Company w.e.f. June 15, 2020) Ms. Sindhushree Khullar (appointed as Non-executive Independent Director of Parent Company w.e.f May 10, 2019 and ceased to be Non-executive Independent Director of Parent Company w.e.f. September 30, 2019) Mr. K. N. Memani (ceased to be Non-Executive Independent Director of Parent Company w.e.f April 1, 2019) Mr. Ajay Relan (Non-Executive Independent Director of Parent Company) Mr. Vivek Mehra (Non-Executive Independent Director of Parent Company) Mr. Vikram Singh Mehta (Non-Executive Independent Director of Parent Company)
Relatives of Key Management Personnel (with whom transactions have occurred during the year)	Mrs. Nutan Mittal (Relative of Mr. Dinesh Mittal who ceased to be Whole Time Director w.e.f. August 8, 2018) Mrs.Tripti Someshwar (Relative of Mr. Praveen Someshwar)

*Earthstone Holding (Two) Private Limited (formerly known as Earthstone Holding (Two) Limited) is the holding Company of The Hindustan Times Limited.

NOTES TO REVISED CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2020

Note 38 : Related party disclosures (Contd..)

ii) Transactions with related parties

Refer Note 38 A

iii) Terms and conditions of transactions with related parties

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash (other than Inter-corporate Deposit given). There have been no guarantees provided or received for any related party receivable or payables.

iv) Transactions with key management personnel

Refer Note 38 A

Note 38A : Transactions during the year with related parties (refer note A)

(₹ Lacs)

Transaction during the year ended		Holding Company	Fellow subsidiaries	Joint Venture	Key Management Personnel (KMP's) / Directors	Relatives of Key Management Personnel (KMP's) (refer note B)	Entities which are post employment benefit plans	Total
Revenue Transactions:								
Income from Advertisement & Digital Services	31-Mar-20	5	178	-	-	-	-	**183**
	31-Mar-19	8	-	-	-	-	-	**8**
Interest received on finance lease arrangement	31-Mar-20	134	-	-	-	-	-	**134**
	31-Mar-19	139	-	-	-	-	-	**139**
Infrastructure Support Services (Seats) Given	31-Mar-20	-	2,117	-	-	-	-	**2,117**
	31-Mar-19	-	-	-	-	-	-	**-**
Income from treasury and management support services	31-Mar-20	-	87	-	-	-	-	**87**
	31-Mar-19	-	-	-	-	-	-	**-**
Interest earned on inter corporate deposit given	31-Mar-20	-	1,006	-	-	-	-	**1,006**
	31-Mar-19	-	-	-	-	-	-	**-**
Content procurement fees	31-Mar-20	-	16,871	-	-	-	-	**16,871**
	31-Mar-19	-	-	-	-	-	-	**-**
Service fee paid	31-Mar-20	-	1,384	-	-	-	-	**1,384**
	31-Mar-19	-	-	-	-	-	-	**-**
Advertisement Expenses *	31-Mar-20	-	323	-	-	-	-	**323**
	31-Mar-19	799	-	-	-	-	-	**799**

NOTES TO REVISED CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2020

Note 38A : Transactions during the year with related parties (refer note A) (Contd..)

(₹ Lacs)

Transaction during the year ended		Holding Company	Fellow subsidiaries	Joint Venture	Key Management Personnel (KMP's) / Directors	Relatives of Key Management Personnel (KMP's) (refer note B)	Entities which are post employment benefit plans	Total
Rent and maintenance charges *	31-Mar-20	3,046	-	-	-	-	-	**3,046**
	31-Mar-19	1,692	-	-	-	-	-	**1,692**
Share of revenue given on joint sales / revenue sharing	31-Mar-20	-	126	-	-	-	-	**126**
	31-Mar-19	-	-	-	-	-	-	**-**
Remuneration paid to Key Management Personnel (KMP's) / Directors	31-Mar-20	-	-	-	2,016	-	-	**2,016**
	31-Mar-19	-	-	-	2,088	-	-	**2,088**
Payment for Car Lease	31-Mar-20	-	-	-	-	20	-	**20**
	31-Mar-19	-	-	-	-	14	-	**14**
Others:								
Reimbursement of expenses incurred on behalf of the companies in the Group by parties	31-Mar-20	530	19	-	-	-	-	**549**
	31-Mar-19	2,603	-	-	-	-	-	**2,603**
Reimbursement of expenses incurred on behalf of the parties by companies in the Group	31-Mar-20	-	126	-	-	-	-	**126**
	31-Mar-19	-	-	-	-	-	-	**-**
Dividend paid	31-Mar-20	647	-	-	-	-	-	**647**
	31-Mar-19	647	-	-	-	-	-	**647**
Non Executive Director's Sitting Fee	31-Mar-20	-	-	-	55	-	-	**55**
	31-Mar-19	-	-	-	64	-	-	**64**
Payment to Gratuity Trust	31-Mar-20	-	-	-	-	-	-	**-**
	31-Mar-19	-	-	-	-	-	234	**234**
Investment in form of capital contribution	31-Mar-20	-	-	324	-	-	-	**324**
	31-Mar-19	-	-	-	-	-	-	**-**
Balance Outstanding:								
Investment in form of capital contribution	31-Mar-20	-	-	324	-	-	-	**324**
	31-Mar-19	-	-	-	-	-	-	**-**
Trade & Other Receivables (including advances given)	31-Mar-20	2,161	4	-	-	-	-	**2,165**
	31-Mar-19	2,409	21	-	-	-	-	**2,430**

NOTES TO REVISED CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2020

Note 38A : Transactions during the year with related parties (refer note A) (Contd..)

(₹ Lacs)

Transaction during the year ended		Holding Company	Fellow subsidiaries	Joint Venture	Key Management Personnel (KMP's) / Directors	Relatives of Key Management Personnel (KMP's) (refer note B)	Entities which are post employment benefit plans	Total
Trade Payables including Other Payables	31-Mar-20	99	2,896	-	-	2	-	**2,997**
	31-Mar-19	865	5,347	-	-	-	-	**6,212**
Inter- Corporate Deposit & Interest accrued on it	31-Mar-20	-	9,916	-	-	-	-	**9,916**
	31-Mar-19	-	9,010	-	-	-	-	**9,010**
Security Deposit Given	31-Mar-20	3,435	-	-	-	-	-	**3,435**
	31-Mar-19	4,991	-	-	-	-	-	**4,991**

* This also includes paid to the agent on behalf of the Company.

Note A - The transactions above does not include VAT, GST etc.

Note B - 'Key Management Personnel and Relatives of Promoters who are under the employment of the Company are entitled to post employment benefits and other long term employee benefits recognised as per Ind-AS 19 - 'Employee Benefits' in the financial statements. As these employee benefits are lump sum amounts provided on the basis of actuarial valuation, the same is not included above. Accordingly, the above mentioned payment is in the nature of short term employee benefits.

Note C- Refer note 37 for letter of support given for/on behalf of subsidiaries.

Note 39: Segment information

For management purposes, the Group is organised into business units based on its products and services and has three reportable segments, as follows:

- Printing and Publication of Newspapers and Periodicals
- Business of entertainment, radio broadcast and all other related activities through its Radio channels operating under brand name 'Fever 104', 'Radio Nasha 107.2' and 'Radio One' in India
- Business of providing internet related services through 'Shine.com' (job portal).

No operating segments have been aggregated to form the above reportable operating segments.

The Chief Operating Decision Maker (CODM) of the Group monitors the operating results of above-mentioned business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the consolidated financial statements. Also, the Group's financing (including finance costs and finance income) and income taxes are managed on a Group basis and are not allocated to operating segments.

The geographical revenue is allocated based on the location of the customers. The Group primarily caters to the domestic market and hence it has been considered as to be operating in a single geographical location.

Transfer prices between operating segments are on an arm's length basis in a manner similar to transactions with third parties.

NOTES TO REVISED CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2020

Note 39: Segment information (Contd..)

(₹ Lacs)

Particulars	March 31, 2020 (Revised *)	March 31, 2019
1. Segment Revenue		
a) Printing and Publishing of Newspaper and Periodicals	1,78,990	1,92,601
b) Radio Broadcast & Entertainment	20,166	19,404
c) Digital	7,865	6,645
d) Unallocated	1,815	2,409
Total	**2,08,836**	**2,21,059**
Less : Inter segment revenue	576	1,172
Net sales/ Income from operations	**2,08,260**	**2,19,887**
2. Segment results profit/(loss) before tax and finance costs from each segment		
a) Printing and Publishing of Newspaper & Periodicals	15,443	4,558
b) Radio Broadcast & Entertainment	(5,881)	3,068
c) Digital	(1,471)	(1,927)
d) Unallocated	(12,029)	(18,063)
Total	**(3,938)**	**(12,364)**
Less : Finance cost (Refer note 27)	9,913	11,350
Less : Exceptional items (Net) (Refer note 30)	43,222	3,480
Add: Other Income (Refer note 23)	22,706	23,584
Profit before tax	**(34,367)**	**(3,610)**
3. Segment Assets		
a) Printing and Publishing of Newspaper & Periodicals	1,34,388	1,39,317
b) Radio Broadcast & Entertainment	38,985	46,330
c) Digital	259	1,961
d) Unallocated	2,60,720	3,11,376
Total Assets	**4,34,352**	**4,98,984**
4. Segment Liabilities		
a) Printing and Publishing of Newspaper & Periodicals	93,547	96,355
b) Radio Broadcast & Entertainment	8,696	2,747
c) Digital	4,379	6,624
d) Unallocated	68,244	1,05,765
Total Liabilities	**1,74,866**	**2,11,491**

*Refer note 53

5. Other Disclosures

Amount of Investment in a Joint Venture accounted for under equity method	March 31, 2020	March 31, 2019
a) Printing and Publishing of Newspaper & Periodicals	-	-
b) Radio Broadcast & Entertainment	-	-
c) Digital	-	-
d) Multimedia Content Management	-	-
e) Unallocated	(199)	(256)
Total	**(199)**	**(256)**

NOTES TO REVISED CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2020

Note 39: Segment information (Contd..)

Capital Expenditure (excluding capital advances)	March 31, 2020	March 31, 2019
a) Printing and Publishing of Newspaper & Periodicals	2,221	8,338
b) Radio Broadcast & Entertainment	627	77
c) Digital	-	9
d) Unallocated	6	194
Total	**2,854**	**8,618**

Depreciation	March 31, 2020	March 31, 2019
a) Printing and Publishing of Newspaper & Periodicals	9,707	6,468
b) Radio Broadcast & Entertainment	7,246	3,532
c) Digital	400	83
d) Unallocated	868	693
Total	**18,221**	**10,776**

Adjustments and eliminations

Finance income and costs, and fair value gains and losses on financial assets are not allocated to individual segments as the underlying instruments are managed on a group basis.

Current taxes, deferred taxes and certain financial assets and liabilities are not allocated to those segments as they are also managed on a group basis.

Capital expenditure consists of additions of property, plant and equipment and intangible assets.

Information about major customers

No single customer represents 10% or more of the Group's total revenue during the year ended March 31, 2020 and March 31, 2019.

Note 40 : Hedging activities and derivatives

Derivatives not designated as hedging instruments

The Group uses foreign exchange forward contracts, call spread option, interest rate swaps (floating to fixed) to manage its foreign currency and interest rate risk exposures. These contracts are not designated as cash flow hedges other than Euro 30 Million FCNR Loan and USD 100 lacs ECB Loan and are entered into for periods consistent with underlying transactions exposure.

Derivatives designated as hedging instruments

The Group has taken-

1. Euro 30 Million FCNR Loan and
2. USD 100 lacs ECB Loan

with floating rate of interest. The Group has taken Call Spread option to mitigate foreign currency risk in relation to repayment of principal amount of Euro 30 Million and USD 100 lacs ECB Loan and Interest Rate Swap (Floating to Fixed) to mitigate interest rate risk. The Group designates (Cash Flow Hedge):

NOTES TO REVISED CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2020

Note 40 : Hedging activities and derivatives

- Intrinsic Value of Call Spread option to hedge foreign currency risk for repayment of Principal Amount in relation to FCNR Euro 30 Million Loan availed in Euro and USD 100 lacs ECB Loan availed in USD.
- Interest Rate Swap (Floating to Fixed) to hedge interest rate risk in respect of Floating rate of interest in relation to FCNR Euro 30 Million Loan and USD 100 lacs ECB Loan.

For year ended March 31, 2020

Disclosure of effects of hedge accounting on financial position for year ended March 31, 2020:

Type of hedge and risks	Nominal value (Notional amount being used to calculate payments made on hedge instrument)	Carrying amount of hedging instrument		Line item in Balance Sheet that includes hedging instrument	Maturity	Hedge ratio	Average strike rate of hedging instrument
		Assets in ₹ lacs	Liabilities in ₹ lacs				
Cash flow hedge							
Foreign exchange risk							
Foreign currency options	Euro 30 Million	382	-	-	February 6, 2019 to February 4, 2022	1:1	82.45
Foreign currency options	USD 87.5 lacs	619	-	Financial Asset at FVTOCI (Refer Note 8)	May 31, 2018 to May 31, 2023	1:1	71.50
							Fixed Interest rate
Interest rate risk							
Interest rate swap	Euro 30 Million	-	141	Financial Liability at FVTPL (Refer Note 16C)	February 6, 2019 to February 4, 2022	1:1	2.27%
Interest rate swap	USD 87.5 lacs	-	287	Financial Liability at FVTPL (Refer Note 16C)	May 31, 2018 to May 31, 2023	1:1	3.66%

NOTES TO REVISED CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2020

Note 40 : Hedging activities and derivatives (Contd..)

(₹ Lacs)

Type of hedge and risks	Changes in fair value of hedging instrument recognised in OCI	Hedge ineffectiveness recognised in profit or (loss)	Line item in Statement of Profit and Loss that includes recognised hedge ineffectiveness	Amount reclassified from cash flow hedging reserve to profit or loss	Line item affected in Statement of Profit and Loss because of the reclassification	Cost of Hedging recognised in OCI	Amount reclassified from cost of hedging reserve to profit or loss	Line item affected in Statement of Profit and Loss because of the reclassification
Cash flow hedge								
Foreign exchange risk								
Foreign currency options (FCNR)	382	-	-	382	Foreign Exchange Loss	559	914	Finance Cost
Foreign currency options (ECB)	449	90	Foreign Exchange Loss	449	Foreign Exchange Loss	140	171	Finance Cost
Interest rate risk								
Interest rate swap (FCNR)	4	-	-	-	-	-	-	-
Interest rate swap (ECB)	165	-	-	-	-	-	-	-

Disclosure of effects of hedge accounting on financial position for year ended March 31, 2019:

Type of hedge and risks	Nominal value (Notional amount being used to calculate payments made on hedge instrument)	Carrying amount of hedging instrument		Line item in Balance Sheet that includes hedging instrument	Maturity	Hedge ratio	Average strike rate of hedging instrument
		Assets in ₹ lacs	Liabilities in ₹ lacs				
Cash flow hedge							
Foreign exchange risk							
Foreign currency options	Euro 30 Million	-	-	-	February 6, 2019 to February 4, 2022	1:1	79.71
Foreign currency options	USD 100 lacs	170	-	Financial Asset at FVTOCI (Refer Note 8)	May 31, 2018 to May 31, 2023	1:1	68.30
							Fixed Interest rate
Interest rate risk							
Interest rate swap	Euro 30 Million FCNR Loan	-	137	Financial Liability at FVTPL (Refer Note 16C)	February 6, 2019 to February 4, 2022	1:1	2.27%
Interest rate swap	USD 100 lacs ECB	-	122	Financial Liability at FVTPL (Refer Note 16C)	May 31, 2018 to May 31, 2023	1:1	3.66%

NOTES TO REVISED CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2020

Note 40 : Hedging activities and derivatives (Contd..)

(₹ Lacs)

Type of hedge and risks	Changes in fair value of hedging instrument recognised in OCI	Hedge ineffectiveness recognised in profit or (loss)	Line item in Statement of Profit and Loss that includes recognised hedge ineffectiveness	Amount reclassified from cash flow hedging reserve to profit or loss	Line item affected in Statement of Profit and Loss because of the reclassification	Cost of Hedging recognised in OCI	Amount reclassified from cost of hedging reserve to profit or loss	Line item affected in Statement of Profit and Loss because of the reclassification
Cash flow hedge								
Foreign exchange risk								
Foreign currency options (FCNR)	-	1,264	Foreign Exchange Gain	-	-	1,504	132	Finance Cost
Foreign currency options (ECB)	170	-	-	170	Foreign Exchange Loss	465	146	Finance Cost
Interest rate risk								
Interest rate swap (FCNR)	137	-	-	-	-	-	-	-
Interest rate swap (ECB)	122	-	-	-	-	-	-	-

Movements in cash flow hedging reserve and costs of hedging reserve

(₹ Lacs)

Risk category	Foreign currency risk	Interest rate risk	Total
Derivative instruments	**Foreign currency options**	**Interest rate swaps**	
Cash flow hedging reserve			
As at April 1, 2018	-	-	-
Add: Changes in intrinsic value of foreign currency options	170	-	170
Add: Changes in fair value of interest rate swaps	-	(259)	(259)
Less: Amounts reclassified to profit or loss	170	-	170
As at March 31, 2019 (before tax)	**-**	**(259)**	**(259)**
Less: Deferred tax relating to FY 18-19	-	(91)	(91)
As at March 31, 2019 (after tax)	**-**	**(168)**	**(168)**
Add: Changes in intrinsic value of foreign currency options	831	-	831
Add: Changes in fair value of interest rate swaps	-	(169)	(169)
Less: Amounts reclassified to profit or loss	(831)	-	(831)
As at March 31, 2020 (before tax)	**-**	**(337)**	**(337)**
Less: Deferred tax relating to FY 19-20	-	(59)	(59)
As at March 31, 2020 (after tax)	**-**	**(278)**	**(278)**

NOTES TO REVISED CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2020

Note 40 : Hedging activities and derivatives (Contd..)

(₹ Lacs)

	Foreign currency risk
	Foreign currency options
Costs of hedging reserve	
As at April 1, 2018	-
Add: Deferred costs of hedging-transaction related- Deferred time value of foreign currency option contracts	(1,968)
Less: Amount reclassified from cost of hedging reserve to profit or loss	278
As at March 31, 2019 (before tax)	**(1,690)**
Less: Deferred tax relating to FY 18-19	(590)
As at March 31, 2019 (after tax)	**(1,100)**
Add: Deferred costs of hedging-transaction related- Deferred time value of foreign currency option contracts	372
Less: Amount reclassified from cost of hedging reserve to profit or loss	1,085
As at March 31, 2020 (before tax)	**357**
Less: Deferred tax relating to FY 19-20	511
As at March 31, 2020 (after tax)	**(154)**

Hedge Effectiveness

Hedge effectiveness is determined at the inception of the hedge relationship, and through periodic prospective effectiveness assessments to ensure that an economic relationship exists between the hedged item and hedging instrument.

The Group enters into hedge relationships where the critical terms of the hedging instrument match exactly with the terms of the hedged item. The Group performs a qualitative assessment of effectiveness. As all critical terms matched during the year, the economic relationship was 100% effective.

Further, Since the USD as on March 31 , 2020 has gone above the upper limit defined in the range of Call Spread for certain installments of loan payable in future, the USD fluctuation has impacted income statement.

Note 41 : Fair values

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values:

Particulars	Carrying value		Fair value		Fair Value measurement hierarchy level
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	
	₹ lacs	₹ lacs	₹ lacs	₹ lacs	
Financial assets measured at Fair Value through profit and loss (FVTPL)					
Investment in Mutual Funds valued at FVTPL - Quoted (Note 7B)	1,59,383	2,11,120	1,59,383	2,11,120	Level 1

NOTES TO REVISED CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2020

Note 41 : Fair values (Contd..)

Particulars	Carrying value		Fair value		Fair Value measurement hierarchy level
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	
	₹ lacs	₹ lacs	₹ lacs	₹ lacs	
Investment in equity instruments and warrants- Quoted (Refer Note 7B)	1,364	3,251	1,364	3,251	Level 1
Investment in venture capital funds- Unquoted (Refer Note 7B)	8,815	5,855	8,815	5,855	Level 2
Investment in equity instruments and warrants- Unquoted (Refer Note 7B)	1,085	2,891	1,085	2,891	Level 2
Investment in equity instruments and warrants- Unquoted (Refer Note 7B)	3,516	4,119	3,516	4,119	Level 3
Investment in preference shares- Unquoted (Refer Note 7B)	1,392	1,149	1,392	1,149	Level 3
Investment in preference shares- Unquoted (Refer Note 7B)	-	81	-	81	Level 2
Investment in debt instruments- Unquoted (Refer Note 7B)	-	149	-	149	Level 2
Investment in debt instruments- Unquoted (Refer Note 7B)	597	930	597	930	Level 3
Forex derivative contract (Note 8)	245	-	245	-	Level 2
Financial assets measured at Amortised Cost					
Investment in Bonds- Quoted (Note 7B)	-	400	-	433	Level 1
Investment in Bonds- Unquoted (Note 7B)	-	2,500	-	2,500	Level 2
Loans given (Note 7C)	12,491	14,213	12,491	14,213	Level 2
Margin money (held as security in form of fixed deposit) (Note 8)	250	262	250	262	Level 2
Financial assets measured at Fair Value through other comprehensive income					
Investment in equity instruments and warrants- Quoted (Note 7B)	19	-	19	-	Level 1
Forex derivative contract (Note 8)	1,001	394	1,001	394	Level 2
Total	**2,06,927**	**2,65,739**	**2,06,927**	**2,65,772**	
Financial liabilities measured at Fair Value through Profit and Loss (FVTPL)					
Derivative Liability Designated as Hedge (Note 16C)	152	259	152	259	Level 2
Derivative contract not Designated as Hedge (Note 16C)	275	29	275	29	Level 2
Financial liabilities measured at Amortised Cost					
FCNR and ECB Loan and Term Loan from Bank including current maturities of long term borrowing clubbed under "other current financial liabilities" (Note 16A)	33,977	30,799	33,977	30,799	Level 2
Liability-Premium Call Option (Note 16C)	1,483	2,438	1,483	2,438	Level 2
Total	**35,887**	**33,525**	**35,887**	**33,525**	

NOTES TO REVISED CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2020

Note 41 : Fair values (Contd..)

The management assessed that fair value of trade receivables, cash and cash equivalents, other bank balances, other current non- derivative financial assets, short- term borrowings, trade payables and other current non- derivative financial liabilities approximate their carrying amounts that are reasonable approximations of fair value largely due to the short-term maturities of these instruments. The fair value of the financial assets and liabilities is the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

- The fair values of Long term interest-bearing borrowings and loans are determined by using Discounted Cash Flow(DCF) method using discount rate that reflects the issuer's borrowing rate as at the end of the reporting period.
- The fair values of the investment in unquoted equity shares/ debt instruments/ preference shares have been estimated using a Discounted Cash Flow (DCF) model and/or comparable investment price such as last round of funding made in the investee Company. The valuation requires management to make certain assumptions about the model inputs, including forecast cash flows, discount rate, credit risk and volatility. The probabilities of the various estimates within the range can be reasonably assessed and are used in management's estimate of fair value for these unquoted investments.
- Investments in quoted mutual funds being valued at Net Asset Value.
- Investments in quoted equity shares are valued at closing price of stock on recognized stock exchange.
- Investments in venture capital funds are valued using valuation techniques, which employs the use of market observables inputs and the assessment of Net Asset Value.
- The Company enters into derivative financial instruments such as Interest rate swaps, Coupon only swap, Call Spread Options, foreign exchange forward contracts being valued using valuation techniques, which employs the use of market observable inputs. The Company uses Mark to Market valuation provided by Bank for valuation of these derivative contracts.
- The loans and investment in bonds are evaluated by the Company based on parameters such as interest rate, risk factors, risk characteristics and individual credit-worthiness of the counterparty. Based on this evaluation, allowances are taken into account for the expected losses.
- Investment in quoted bonds and are recorded at amortised cost. Fair value of quoted bonds are determined basis the closing price of the bonds on recognised stock exchange.
- Fixed bank deposits with more than 12 months maturity has been derived basis the interest accrued on fixed deposits upto the Balance Sheet date.

The significant unobservable inputs used in the fair value measurement categorised within Level 3 of the fair value hierarchy together with a quantitative sensitivity analysis as at March 31, 2020 and March 31, 2019 are as shown below:

Description of significant unobservable inputs to valuation as at March 31, 2020:

Particulars	Valuation technique	Significant unobservable inputs	Range (weighted average)	Impact of Increase to fair value (₹ lacs)	Impact of Decrease to fair value (₹ lacs)
Investment in unquoted debt/ equity/preference instruments at Level 3*	Discounted cash flow	Weighted Average Cost of Capital (+/- 1%)	20%- 40%	(30)	37

NOTES TO REVISED CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2020

Note 41 : Fair values (Contd..)

Particulars	Valuation technique	Significant unobservable inputs	Range (weighted average)	Impact of Increase to fair value (₹ lacs)	Impact of Decrease to fair value (₹ lacs)
		Terminal growth rate (+/- 1%)	4%-5%	20	(16)
		Volatility (+/- 5%)	41%- 51%	304	(302)
		Discount for lack of marketability (+/- 5%)	10%-20%	(124)	125
		Environment Risk (+/- 5%)	5%-20%	(211)	211
		EV/Revenue Multiple (+/- 5%)	1.3X-15X	211	(201)

Description of significant unobservable inputs to valuation as at March 31, 2019:

Particulars	Valuation technique	Significant unobservable inputs	Range (weighted average)	Impact of Increase to fair value (₹ lacs)	Impact of Decrease to fair value (₹ lacs)
Investment in unquoted debt/ equity/preference instruments at Level 3*	Discounted cash flow	Weighted Average Cost of Capital (+/- 1%)	17.50%	(177)	225
		Terminal growth rate (+/- 1%)	5%	147	(113)

* The sensitivity analysis disclosures for the previous year ended March 31, 2019, in relation to certain equity instruments and preference shares investments classified at FVTPL is not been disclosed since the management believes that there is no movement in the fair value on the reporting date.

** In relation to previous year, the investment was classified as level III under FVTOCI category. The sensitivity analysis disclosures in relation to certain equity shares investments classified at FVTOCI is not been disclosed since the management believes that there is no movement in the fair value on March 31, 2019.

The discount for lack of marketability represents the amounts that the Company has determined that market participants would take into account when pricing the investments.

Reconciliation of fair value measurement of investment in unquoted equity shares/ preference shares/ debentures measured at FVTPL (Level III) :

Particulars	Total ₹ lacs
At April 1, 2018	**3,216**
Purchases	4,119
Impact of Fair value movement	(1,137)

NOTES TO REVISED CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2020

Note 41 : Fair values (Contd..)

Particulars	Total ₹ lacs
As at March 31, 2019	**6,198**
Purchases	1,989
Transfers#	(1,042)
Sales	-
Impact of Fair value movement	(1,638)
As at March 31, 2020	**5,507**

#During the year an Investment having book value of ₹ 1,185 lacs (previous year Nil) has been transferred from Level 3 to Level 2. Certain securities were valued basis Discounted Cash Flow (DCF) model (Level 3) during the previous year. The same has been valued during the current year basis observable data (Level 2).

Further, investment having a book value of ₹ 143 lacs (previous year Nil) has been transferred from Level 2 to Level 3. Certain securities were valued basis observable data (Level 2) during the previous year. The same has been valued during the current year basis Discounted Cash Flow (DCF) model (Level 3).

Note 42: Financial risk management objectives and policies

The Group's principal financial liabilities, other than derivatives, comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Group's operations and to support its operations. The Group's principal financial assets include loans, trade and other receivables, and cash and cash equivalents that derive directly from its operations. The Group also enters into foreign exchange derivative transactions.

The Group is exposed to market risk, credit risk and liquidity risk. The Group's senior management oversees the mitigation of these risks. The Group's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Group's policies and risk objectives. All derivative activities for risk management purposes are carried out by specialist teams that have the appropriate skills, experience and supervision. It is the Group's policy that no trading in derivatives for speculative purposes will be undertaken. The policies for managing each of these risks, which are summarised below:-

I Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk:

a) interest rate risk,
b) currency risk, and
c) equity price risk.

Financial instruments affected by market risk include loans and borrowings, deposits and derivative financial instruments.

The sensitivity analyses in the following sections relate to the position as at March 31, 2020 and March 31, 2019.

The analysis exclude the impact of movements in market variables on: the carrying values of gratuity and other post retirement obligations and provisions.

The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at March 31, 2020 and March 31, 2019.

NOTES TO REVISED CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2020

Note 42: Financial risk management objectives and policies (Contd..)

a) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long-term debt obligations, viz, FCNR Loan and ECB with floating interest rates (refer note 40).

The Group manages interest rate risk by taking interest rate swap (floating to fixed). Refer Note 40 for details.

The Sensitivity Analysis for impact on OCI in relation to interest rate swap-

Particulars	MTM Valuation		Impact on OCI (₹ Lacs)	
Interest rate swap	10%	-10%	16	(16)

b) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the companies operating activities (when revenue or expense is denominated in a foreign currency), investment & borrowing in foreign currency etc.

The Group manages its foreign currency risk by hedging foreign currency transactions with forward covers and option contracts. These transactions generally relates to purchase of imported newsprint, borrowings in foreign currency.

When a derivative is entered into for the purpose of being a hedge, the Company negotiates the terms of those derivatives to match the terms of the underlying exposure.

Foreign currency sensitivity-Unhedged Foreign Currency Exposure

The following tables demonstrate the sensitivity to a reasonably possible change in exchange rates, with all other variables held constant. The impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities.

	Foreign Currency (in lacs)				(₹ Lacs)	
	Outstanding Balances		Change in Foreign Currency Rate		Effect on profit before tax	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
Change in USD rate						
Trade payables	54	39	+/(-) 1%	+/(-) 1%	41	27
Interest Payable (Buyers Credit)	2	3	+/(-) 1%	+/(-) 1%	2	2
Borrowings (Buyers Credit)	187	115	+/(-) 1%	+/(-) 1%	141	79
Trade Receivables	4	6	+/(-) 1%	+/(-) 1%	3	5
Change in GBP rate						
Investments	-	2	+/(-) 1%	+/(-) 1%	-	2
Change in SGD rate						
Investments	158	141	+/(-) 1%	+/(-) 1%	83	72
Trade Receivables	2	-	+/(-) 1%	+/(-) 1%	1	-
Change in CAD rate						
Investments	-	1	+/(-) 1%	+/(-) 1%	-	1
Change in Euro rate						
Trade payables	1	-	+/(-) 1%	+/(-) 1%	1	-
Interest Payable -FCNR EURO	3	1	+/(-) 1%	+/(-) 1%	2	1

NOTES TO REVISED CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2020

Note 42: Financial risk management objectives and policies (Contd..)

c) Equity price risk

The Group invests in listed and non-listed equity securities which are susceptible to market price risk arising from uncertainties about future values of the investment securities. The Group manages the equity price risk through diversification and by placing limits on individual and total equity instruments. Reports on the equity portfolio are submitted to the Group's senior management on a regular basis. The Group's Investment Committee reviews and approves all equity investment decisions. (Refer note 41)

II Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

Trade receivables and contract assets and unbilled receivables

An impairment analysis is performed at each reporting date on an individual basis for major clients. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in Note 12A and Note 8 . The Group does not hold collateral as security.

The Group evaluates the concentration of risk with respect to trade receivables and contract assets as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets.

Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made as per guidelines and within limits approved by Board of Directors. Board of Directors/ Management reviews and update guidelines, time to time as per requirement. The guidelines are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

III Liquidity risk

The Group monitors its risk of shortage of funds using a liquidity planning tool.

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of Bank overdrafts, Bank loans & Money Market Borrowing. Approximately 77% of the Group's borrowings will mature in less than one year at March 31, 2020 (March 31, 2019: 73%) based on the carrying value of borrowings reflected in the financial statements.

The Group assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Group has access to a sufficient variety of sources of funding i.e. investments / Bank limits for Borrowing/ cash accrual from Operation and debt maturing within 12 months can be paid/ rolled over with existing lenders.

For further details, refer Note 52.

NOTES TO REVISED CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2020

Note 42: Financial risk management objectives and policies (Contd..)

The table below summarises the maturity profile of the Group's financial liabilities:

(₹ Lacs)

	Within 1 year	More than 1 year	Total
As at March 31, 2020			
Borrowings	44,441	17,998	62,439
Lease Liabilities	4,477	9,764	14,241
Trade and other payables	29,151	-	29,151
Other financial liabilities	53,044	776	53,820
As at March 31, 2019			
Borrowings	79,449	29,330	1,08,779
Trade and other payables	33,121	-	33,121
Other financial liabilities	51,247	1,379	52,626

Collateral

The Group has pledged part of its Investment in Mutual Funds in order to fulfill the collateral requirements for Borrowing. At March 31, 2020 and March 31, 2019, the invested values of the Investment in Mutual Funds pledged were ₹ 51,303 lacs and ₹ 51,300 lacs respectively. The counterparties have an obligation to return the securities to the Company and the Company has an obligation to repay the borrowing to the counterparties upon maturity/ due date. There are no other significant terms and conditions associated with the use of collateral. Securities except pledge given against outstanding Bank facilities details is provided in borrowing note (note 16A).

Note 43: Capital management

For the purpose of the Group's capital management, capital includes issued equity capital, securities premium and all other equity reserves . The primary objective of the Group's capital management is to maximise the shareholder value.

The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Group monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Group includes within net debt, interest bearing loans and borrowings, interest accrued on borrowings, less cash and cash equivalents.

(₹ Lacs)

Particulars	March 31, 2020 ₹ lacs	March 31, 2019 ₹ lacs
Borrowings including current maturity of long term borrowing (Note 16A)	78,418	1,10,248
Interest accrued but not due on borrowings and others (Refer Note 16C)	468	423
Less: cash and cash equivalents (Note 12B)	(5,890)	(15,817)
Less: Other bank balances (Note 12C)	(4,139)	(8,043)
Net debt	**68,857**	**86,811**
Equity attributable to equity holders of parent	2,15,485	2,51,148
Total capital	**2,15,485**	**2,51,148**
Capital and debt	**2,84,342**	**3,37,959**
Gearing ratio	**24%**	**26%**

NOTES TO REVISED CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2020

Note 43: Capital management (Contd..)

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings.

The Company has satisfied all financial debt covenants prescribed in the terms of bank loan for the year ended March 31, 2020 and March 31, 2019 except Total Debt to EBIDTA ratio for FCNR loan taken from Citibank in March 31, 2019. Required waiver approval dated April 15, 2019 had been obtained from Citibank to condone the non-compliance and non-adherence of the Total Debt to EBITDA Ratio for financial condition test till FCNR loan maturity.

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2020 and March 31, 2019.

Note 44: Standards issued but not yet effective

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2020.

Note 45:

The Parent Company has consolidated the financial statements of HT Media Employee Welfare Trust ("Trust") in its standalone financial statements. Accordingly, the amount of loan of ₹ 2,004 lacs (Previous Year ₹ 2,004 lacs) outstanding in the name of Trust in the books of the Company at the year end has been eliminated against the amount of loan outstanding in the name of Company appearing in the books of Trust at the year end. The investment of ₹ 1,896 lacs (previous year ₹ 2,022 lacs) made by the Trust in the equity shares of the Company (through secondary market) has been shown as deduction from the Share Capital to the extent of face value of the shares [₹ 44 lacs (previous year ₹ 44 lacs)] and Securities Premium Account to the extent of amount exceeding face value of equity shares [₹ 1,852 lacs (previous year ₹ 1,978 lacs)]. The investment of ₹ 19 lacs made by the Trust in the equity shares of Digicontent Limited has been shown as Investments at fair value through other comprehensive income . Further, the amount of dividend of ₹ 9 lacs (previous year ₹ 9 lacs) received by the Trust from the Company during the year end has been reduced from dividend paid during the year.

Note 46:

Capital Advances include ₹ 119 lacs (Previous year ₹ 119 lacs) paid towards Company's proportionate share for right to use in the Common Infrastructure for channel transmission (for its four stations) to be built on land owned by Prasar Bharti and to be used by all the broadcasters at respective stations as per the terms of bid document on FM Radio Broadcasting (Phase II & Phase III)

Note 47: Business Combination [Acquisition of Next Mediaworks Limited (NMW), Next Radio Limited (NRL, 51.40% Subsidiary of NMW) and Syngience Broadcast Ahmedabad Limited(SBAL, a wholly owned Subsidiary of NRL)

On April 9, 2019, HT Media Limited (HTML or "the Company") acquired 14.18% of the fully diluted voting equity share capital of NMW pursuant to an open offer under the SEBI (SAST) Regulations and on April 15, 2019 acquired 36.82% of the fully diluted voting equity share capital of NMW from the promoters and members of the promoter group of NMW.

NOTES TO REVISED CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2020

Note 47: Business Combination [Acquisition of Next Mediaworks Limited (NMW), Next Radio Limited (NRL, 51.40% Subsidiary of NMW) and Syngience Broadcast Ahmedabad Limited(SBAL, a wholly owned Subsidiary of NRL) (Contd..)

Additionally, during the year HTML acquired 48.60% non controlling stake in NRL

Pursuant to above, Next Mediaworks Limited (NMW) and its subsidiaries have become subsidiaries of the Company effective April 15, 2019. NMW carries out business of "Radio Broadcast and Entertainment" through its subsidiary Next Radio Limited (NRL). The acquisition was carried out by the Company to enlarge business of "Radio Broadcast and Entertainment".

Details of the purchase consideration, the net assets acquired and goodwill are as follows:

Particulars	Amount (₹ Lacs)
Cash paid till the date of acquisition	9,211
Redemption liability recognised on the date of acquisition*	18,432
Total Purchase Consideration	**27,643**

*For acquiring stake from NCI in NRL for which risks and rewards of ownership have been transferred to the Company. The liability has been discharged during the year.

The assets and liabilities recognised as a result of the acquisition are as follows:

(₹ Lacs)

Particulars	Fair Value recognised on Acquisition
Assets	
Property, plant and equipment	322
Non-current asset held for sale*	200
Other intangible assets	23,541
Right of use Asset	2,423
Investments	55
Loan	238
Trade receivables	2,784
Cash and cash equivalents	152
Other bank balance	78
Other financial assets	33
Other assets	326
Income tax assets	532
Total Assets	**30,684**
Liabilities	
Lease liability	(2,279)
Borrowings	(5,515)
Trade payables	(2,124)
Other financial liabilities	(2,053)
Other liabilities	(256)
Contract liabilities	(679)
Provisions	(155)
Deferred tax liability	(3,486)
Total Liabilities	**(16,547)**
Net identifiable net assets/ (liabilities) at fair value	**14,137**

* Non current assets held for sale represents immovable property which was sold at ₹ 200 lacs during the year ended March 31, 2020

NOTES TO REVISED CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2020

Note 47: Business Combination [Acquisition of Next Mediaworks Limited (NMW), Next Radio Limited (NRL, 51.40% Subsidiary of NMW) and Syngience Broadcast Ahmedabad Limited(SBAL, a wholly owned Subsidiary of NRL) (Contd..)

Calculation of Goodwill:

Particulars	Amount (₹ Lacs)
Purchase consideration	27,643
Non-controlling interest in the acquired entity	4,122
Less: Net identifiable net assets/ (liabilities) acquired	(14,137)
Goodwill	**17,628**

The Company elected to recognise the non-controlling interests at its proportionate share of the acquired net identifiable assets.

The fair value of the trade receivables amounts to ₹ 2,784 lacs. None of the trade receivables is credit impaired and it is expected that the full contractual amounts can be collected.

The goodwill comprises the value of expected synergies arising from the acquisition and customer list and customer contracts, that do not qualify for separate recognition. None of the goodwill recognised is expected to be deductible for income tax purposes.

Transaction costs were expensed and are included in other expenses (Refer note 29).

From the date of acquisition, NMW and its subsidiaries have contributed ₹ 5,871 lacs of revenue and ₹ 1,921 lacs of loss before tax to the Group for year ended March 31, 2020. If the acquisitions had occurred on April 1, 2019, revenue and profit/(loss) before tax for the year ended March 31, 2020 would be substantially same.

Particulars	Amount (₹ Lacs)
Outflow of cash to acquire subsidiaries, net of cash acquired:	
Purchase consideration	27,643
Net outflow of cash - investing activities	**27,643**

Note 48 : Scheme of Arrangements

A. Reduction of equity share capital of HT Music and Entertainment Company Limited

The Board of Directors of HT Music & Entertainment Company Limited (HTME) [subsidiary of HT Media Limited (HTML)] at its meeting held on April 4, 2019 had approved an application for reduction of share capital of HTME from ₹ 33,400 lacs to ₹ 3,400 lacs. The proposal was approved by the equity shareholders of HTME on April 5, 2019, followed by sanction thereof by Hon'ble NCLT, Mumbai Bench ("NCLT") on February 6, 2020 (order received on February 18, 2020). In terms of the order of NCLT, HTME returned ₹ 30,000 lacs to it's shareholder viz. HTML on February 27, 2020. Impact of capital reduction of HTME has been considered in HTME's and HTML's standalone financial statements for FY 19-20.

The aforesaid scheme did not have any impact on the consolidated financial statements of the Group.

B. Scheme of amalgamation between Firefly e-Ventures Limited (FEVL), HT Digital Media Holdings Limited (HTDH), HT Education Limited (HTEL), HT Learning Centers Limited (HTLC), India Education Services Private Limited (IESPL), Topmovies Entertainment Limited (TMEL) with HT Mobile Solutions Limited (HTMSL)

A scheme of amalgamation u/s 230-232 of the Companies Act, 2013 which provides for merger of Firefly e-Ventures Limited (FEVL), HT Digital Media Holdings Limited (HTDMH), HT Education Limited (HTEL), HT Learning Centers Limited (HTLC), India

Note 48 : Scheme of Arrangements (Contd..)

Education Services Private Limited (IESPL) and Topmovies Entertainment Limited (TMEL) with HT Mobile Solutions Limited (HTMS) ("Scheme"), has been approved by the Board of Directors of respective companies at their meeting held on March 18, 2020. A joint application for sanction of the Scheme was filed before the Hon'ble National Company Law Tribunal, New Delhi Bench (NCLT) on July 14, 2020, and NCLT vide its order dated October 12, 2020 has directed to convene meetings of equity shareholders of FEVL, HTDMH, IESPL and HTMS and unsecured creditors of HTMS on December 7, 2020, while dispensing the requirement to convene meeting(s) of shareholders/creditors of other companies, having received consent therefor from the respective shareholders and creditors. Pending requisite approval(s), impact of the proposed Scheme has not been considered in the above results.

C. Transfer of Business to Consumer (B2C) business to Hindustan Media Ventures Limited by India Education services Private Limited

Pursuant to a Scheme of Arrangement u/s 230 and 232 of the Companies Act, 2013 between Hindustan Media Ventures Limited [HMVL, a subsidiary of HT Media Limited, Resulting Company] and a fellow subsidiary company viz. India Education Services Private Limited (IESPL) [Demerged Company], and their respective shareholders (Scheme), sanctioned by Hon'ble National Company Law Tribunal, Kolkata Bench and New Delhi Bench vide their respective orders dated August 5, 2019 (amended vide order dated August 28, 2019) (certified copy received on November 08, 2019) and October 22, 2019 (certified copy received on November 11, 2019) respectively, the Business to Consumer (B2C) Education business of Demerged Company along with its related assets and liabilities have been transferred to Resulting Company.

Certified copy of the orders sanctioning the Scheme have been filed with Registrar of Companies (RoC), Delhi and Bihar on November 19, 2019. Accordingly, the Scheme has been given effect in accordance with Appendix C ""Business combinations of entities under common control"" of Ind AS 103 (Business Combinations) i.e. at the beginning of the comparative period (April 1, 2018). Consequently, the numbers related to the comparative period (i.e., FY 2018-19) have been restated accordingly.

Pursuant to the Scheme, the Resulting Company has allotted its 2,77,778 equity shares of ₹ 10 each to the shareholders of Demerged Company on December 5, 2019 in the proportion of 10 equity shares of ₹ 10 each fully paid up of the Resulting Company for every 72 equity shares of ₹ 10 each fully paid up of the Demerged Company.

Consequent to the above, HT Media Limited has received additional 2,75,000 equity shares of HMVL, thereby reducing the non controlling interest in HMVL to 25.604% from the existing 25.697%. Accordingly, the non controlling interest in HMVL has reduced by ₹ 142 lacs during the year and a corresponding increase of ₹ 142 lacs has been recorded in the owners equity in the Group.

Further, non controlling interest in net liability of B2C business of IESPL as on April 1, 2018 has increased by ₹ 319 lacs, thereby increasing the other equity.

D. The subsidiary companies viz. Syngience Broadcast Ahmedabad Limited (SBAL) and Next Radio Limited (NRL) filed a joint application before Hon'ble National Company Law Tribunal, Mumbai Bench (NCLT) on 21st May, 2020 for recall of NCLT's earlier order dated October 5, 2017 sanctioning the Scheme of Arrangement between NRL & SBAL and their respective shareholders & creditors (Scheme) for transfer of Ahmedabad FM Radio Broadcasting business of NRL into SBAL; and reverse all actions that may have been taken on the basis of said NCLT's order including any corporate actions, changes to issued capital, filing with any regulatory authority etc. The said joint application was filed as NRL did not receive approval of Ministry of Information & Broadcasting (MIB) for transfer of Ahmedabad FM Radio license from NRL to SBAL pursuant to the Scheme, as a result of which the Scheme did not come into effect. The application was allowed by NCLT vide order passed on September 22, 2020. Accordingly, the allotment of 1,82,10,000 equity shares of ₹ 10/- each by SBAL to NRL on November 27, 2017 pursuant to the Scheme was void ab-initio, and the paid-up share capital of SBAL was reduced to ₹ 1,55,00,000 comprising of 15,50,000 equity shares of ₹ 10 each. The same has also been updated on MCA portal on November 6, 2020. Impact of the NCLT order has not been considered in March 2020 results since it does not relate to conditions existing on the Balance sheet date

NOTES TO REVISED CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2020

Note 49 :

Additional information as required under Schedule III of the Companies Act, 2013, of the enterprises consolidated as subsidiaries/ joint ventures.

Particulars	Net assets i.e. total assets minus total liabilities		Share in Profit or Loss		Share in other Comprehensive income		Share in total Comprehensive income	
	As % of consolidated net assets	Amount (₹ Lacs)	As % of consolidated profit or loss	Amount (₹ Lacs)	As % of consolidated other comprehensive income	Amount (₹ Lacs)	As % of total comprehensive income	Amount (₹ Lacs)
Current Year : As on March 31, 2020								
I. Parent :								
HT Media Limited	46.65%	1,00,529	98.32 %	(34,004)	158.31 %	953	97.26 %	(33,051)
II. Subsidiaries :								
a) Indian								
Hindustan Media Ventures Limited	64.09%	1,38,105	(39.66)%	13,718	(89.20)%	(537)	(38.79)%	13,181
HT Music and Entertainment Company Limited	0.50%	1,067	4.42 %	(1,528)	0.17 %	1	4.49 %	(1,527)
Firefly e-ventures Limited	0.06%	121	0.00 %	-	0.00 %	-	0.00 %	-
HT Mobile Solutions Limited	0.70%	1,511	(0.47)%	163	0.00 %	-	(0.48)%	163
HT Digital Media Holdings Limited	0.03%	75	0.09 %	(32)	0.00 %	-	0.09 %	(32)
HT Learning Centers Limited	0.25%	528	5.73 %	(1,983)	0.17 %	1	5.83 %	(1,982)
HT Education Limited	0.00%	2	0.00 %	(1)	0.00 %	-	0.00 %	(1)
HT Global Education Private Limited (Formerly HT Global Education)	0.00%	-	0.01 %	(2)	0.00 %	-	0.01 %	(2)
Topmovies Entertainment Limited	0.06%	124	(0.08)%	26	0.00 %	-	(0.08)%	26
India Education Services Pvt. Ltd	0.00%	10	0.05 %	(16)	0.00 %	-	0.05 %	(16)
Shine HR Tech Limited	0.00%	4	0.00 %	(1)	0.00 %	-	0.00 %	(1)
Next Mediaworks Limited	0.12%	254	0.40 %	(138)	0.33 %	2	0.40 %	(136)
Next Radio Limited	5.95%	12,817	18.90 %	(6,537)	(4.15)%	(25)	19.31 %	(6,562)
Syngience Broadcast Ahmedabad Private Limited	0.00%	4	0.02 %	(6)	0.00 %	-	0.02 %	(6)
HT Noida Company Limited	0.00%	5	0.00 %	-	0.00 %	-	0.00 %	-

NOTES TO REVISED CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2020

Note 49 : (Contd..)

Particulars	Net assets i.e. total assets minus total liabilities		Share in Profit or Loss		Share in other Comprehensive income		Share in total Comprehensive income	
	As % of consolidated net assets	Amount (₹ Lacs)	As % of consolidated profit or loss	Amount (₹ Lacs)	As % of consolidated other comprehensive income	Amount (₹ Lacs)	As % of total comprehensive income	Amount (₹ Lacs)
b) Foreign								
HT Overseas Pte Ltd.	0.27%	575	11.11 %	(3,844)	10.47 %	63	11.13 %	(3,781)
III. Non- controlling interest in all subsidiaries	(18.58)%	(40,047)	0.38 %	(133)	23.92 %	144	(0.03)%	11
IV. Joint Venture (Investment as per Equity Method)								
a) Indian								
HT Content Studio LLP	0.03 %	57	0.77 %	(267)	0.00 %	-	0.79 %	(267)
b) Foreign								
Sports Asia Pte. Ltd.	(0.12)%	(256)	0.00 %	-	0.00 %	-	0.00 %	-
Total	**100.00%**	**2,15,485**	**100.00%**	**(34,585)**	**100.00%**	**602**	**100.00%**	**(33,983)**
Previous Year : As on March 31, 2019								
I. Parent :								
HT Media Limited	56.28 %	1,41,337	780.83 %	(9,409)	82.51 %	(1,014)	428.23 %	(10,423)
II. Subsidiaries :								
a) Indian								
Hindustan Media Ventures Limited	53.68 %	1,34,821	(1021.74)%	12,312	23.52 %	(289)	(493.96)%	12,023
HT Music and Entertainment Company Limited	1.22 %	3,067	(96.02)%	1,157	(0.16)%	2	(47.62)%	1,159
Firefly e-ventures Limited	0.06 %	148	0.25 %	(3)	0.00 %	-	0.12 %	(3)
HT Mobile Solutions Limited	0.72 %	1,814	(68.05)%	820	(0.16)%	2	(33.77)%	822
HT Digital Media Holdings Limited	0.09 %	219	(9.05)%	109	0.00 %	-	(4.48)%	109
HT Learning Centers Limited	0.09 %	220	97.59 %	(1,176)	0.00 %	-	48.32 %	(1,176)
HT Education Limited	0.00 %	3	0.08 %	(1)	0.00 %	-	0.04 %	(1)
HT Global Education Private Limited (Formerly HT Global Education)	0.00 %	2	0.00 %	-	0.00 %	-	0.00 %	-
Topmovies Entertainment Limited	0.26 %	659	(0.17)%	2	0.00 %	-	(0.08)%	2
India Education Services Pvt. Ltd	0.36 %	898	36.93 %	(445)	(0.33)%	4	18.12 %	(441)

NOTES TO REVISED CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2020

Note 49 : (Contd..)

Particulars	Net assets i.e. total assets minus total liabilities		Share in Profit or Loss		Share in other Comprehensive income		Share in total Comprehensive income	
	As % of consolidated net assets	Amount (₹ Lacs)	As % of consolidated profit or loss	Amount (₹ Lacs)	As % of consolidated other comprehensive income	Amount (₹ Lacs)	As % of total comprehensive income	Amount (₹ Lacs)
b) Foreign								
HT Overseas Pte Ltd.	1.82 %	4,561	147.47 %	(1,777)	0.73 %	(9)	73.38 %	(1,786)
III. Non- controlling interest in all subsidiaries	(14.47)%	(36,345)	231.87 %	(2,794)	(6.10)%	75	111.71 %	(2,719)
IV. Joint Venture (Investment as per Equity Method)								
a) Foreign								
Sports Asia Pte. Ltd.	(0.10)%	(256)	0.00 %	-	0.00 %	-	0.00 %	-
Total	**100.00%**	**2,51,148**	**100.00%**	**(1,205)**	**100.00%**	**(1,229)**	**100.00%**	**(2,434)**

Note 50: Capitalized expenditure

During the previous year, the Company has capitalized the following expenses of revenue nature to the cost of property, plant and equipment/capital work in progress (CWIP). Consequently, expenses disclosed under the respective notes are net of amounts capitalized by the Company.

(₹ Lacs)

Particulars	March 31, 2020	March 31, 2019
Raw Material Consumption	-	11
Travelling and conveyance	-	31
Miscellaneous Expenses	-	15
Total	**-**	**57**

Note 51: Management has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amount of property, plant and equipment, intangible assets, investment properties, inventories, receivables, other financial and non-financial assets of the Group. In developing the assumptions relating to the possible future uncertainties because of this pandemic, the Group, as at the date of adoption of these consolidated financial statements has used internal and external sources of information. The Group has performed sensitivity analysis on the assumptions used, to the extent applicable and based on current factors estimated that the carrying amount of above mentioned assets as at March 31, 2020 will be recovered after recording impairment loss on intangible assets. Given the uncertainties associated with nature, condition and duration of COVID-19, the impact assessment on the Group's financial statements will be continuously made and provided for as required (refer note 30).

Note 52: The Group has incurred losses in current year, which has resulted in partial erosion of the net worth of the Group as at March 31, 2020. Further, the Group's current liabilities exceed its current assets as at March 31, 2020. Based on projections, which

Note 52: (Contd..)

considers appropriate changes to its business strategies, the Group expects to earn cash inflow from operating activities, which can be used to settle liabilities in the near future. The Group believes such anticipated internally generated funds from operations in future, along with its fully available revolving undrawn credit facilities as at March 31, 2020 and certain other current assets (financial and non-financial) as at March 31, 2020 will enable it to meet its future known obligations due in next year, in the ordinary course of business. The Group also has investment in debt mutual funds, which are liquid and not under lien, and which presently are classified as non current financial assets and can be monetized, if required.

The Group has considered the impact of COVID-19 pandemic in the projections. Further, the Group believes that obligation falling due beyond one year from the reporting date can also be met from various internal and external sources, in the ordinary course of business.

Note 53: Note on Revision of Financials

The Company received a whistleblower complaint ("WB Complaint") in August 2020 from a named employee of the radio business on his last working day. The WB Complaint alleged anomalies resulting in deficiencies in certain financial reporting processes of the radio business of the Group. The Company, in accordance with its whistleblower policy, and as confirmed by respective Audit Committees appointed an independent law firm which worked closely with two independent accounting firms for an in-depth comprehensive review. The said investigation brought out practices indicating the following deficiencies and lapses during financial years 2017-18, 2018-19, 2019-20 and 2020-21:

1. Practice of pre-billing (i.e. billing and booking revenue for services yet to be consumed/ delivered) resulting in reporting of higher revenue in financial statements. Such billing remained unconsumed/ undelivered.

2. Potential manipulation of debtor ageing by issuance of inappropriate credit notes and additional invoices to avoid higher provisioning for bad debts.

3. Circulating improper balance confirmation requests (by including invoices without delivery/ requests for advertisement) to customers (with such balances either remaining unconfirmed or disputed) resulting in reporting higher revenue.

4. Potentially improper credit approvals including forced/ credit approval under protest at the instructions of senior management of the Radio business.

Further, based on a very detailed investigation performed, the investigating team and the management concluded that the above mentioned findings were confined to a stream of revenue ('pure money') of radio business of the above mentioned subsidiary only and were not pervasive across other financial statement captions. The said investigation did not reveal existence of any personal profiteering or siphoning of funds or embezzlement or misappropriation of funds.

The final findings of the investigation have been presented to the Audit Committees and Board of Directors of the Company, including multiple status update briefings in the interim. The Audit Committees have considered the report. The management has also placed before the Audit Committees an action plan for (a) strengthening internal financial controls and systems; (b) centralizing the revenue assurance function; (c) a plan for integration of IT systems used in the radio business; and (d) recommendations from Chief HR Officer to bring about changes in HR policies and practices with emphasis on adoption of better ethical codes and practices. The Audit Committees have also made their recommendations for action against the employees involved in the wrongdoings to the respective Board of Directors for their consideration. The Board of Directors have considered and accepted the said investigation report and are in the process of taking appropriate steps in the best interest of the Group and its various stakeholders.

As an outcome of said investigation, the Group has revised its consolidated financial statements for the year ended 31 March 2020 which were earlier approved by the Board of Directors on June 26, 2020.

NOTES TO REVISED CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2020

Note 53: Note on Revision of Financials (Contd..)

The Company has made an assessment of and believes that it has provided for the financial impact arising from the this matter including non-compliances with laws and regulations, to the extent identified and believes that the additional financial impact, if any, arising from adjustments due to instances other than those identified is not expected to be material.

These deficiencies, along with their consequential impact, have led to identification that the Group needs to further strengthen its internal control environment, in order to minimize the instances of overriding of certain internal controls by senior management officials. The Group is taking necessary action to address these material weaknesses including tightening of internal controls.

The findings of the investigation have direct (as quantified in the investigation report) and consequential impact on certain other financial statement captions.

The impact of the anomalies recorded in the revised consolidated financial statements and also affirmed by the aforesaid investigation is as below:

In Statement of Profit and Loss Account

(₹ Lacs)

Financial statement caption	Original	Revision on account of investigation	Revised
	Year ended March 31, 2020		
Revenue from operations	2,10,474	(2,271)	2,08,203

Further, the revised consolidated financial statements have also recognised the impact of adjusting events occurring after the reporting period (including the period after the date of approval of pre-revised financial result (June 26, 2020) till date of approval of the revised consolidated financial statements i.e. November 27, 2020), which are significantly impacted by present economic and market conditions including COVID-19. These adjustments are as follows:

In Statement of Profit and Loss Account

(₹ Lacs)

Financial statement caption	Original issued financial statements	Revision on account of investigation as mentioned above	Consequential and other impact	Revised financial statements
	Year ended March 31, 2020			
Total Revenue	2,33,027	(2,271)	210	2,30,966
Total Expenses	2,23,507	-	(1,396)	2,22,111
Exceptional items loss	(26,208)	-	(17,014)	(43,222)
Loss before tax	**(16,688)**	**(2,271)**	**(15,408)**	**(34,367)**
Tax expense	4,787	-	(4,969)	(182)
Loss after tax	**(21,475)**	**(2,271)**	**(10,439)**	**(34,185)**

NOTES TO REVISED CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2020

Note 53: Note on Revision of Financials (Contd..)

In Balance Sheet

(₹ Lacs)

Financial statement caption	Original issued financial statements	Revision Impact	Revised financial statements
	As at March 31, 2020		
Property, plant and equipment	45,931	174	46,105
Intangible Assets	48,844	(17,188)	31,656
Deferred tax assets (net)	4,617	5,161	9,778
Income tax assets (net)	5,004	29	5,033
Trade receivables	44,189	(4,108)	40,081
Cash and cash equivalents	6,165	(275)	5,890
Other current financial assets	1,416	3	1,419
Other current assets	10,690	419	11,109
Net Impact on Assets		**(15,785)**	
Other equity	2,24,653	(13,779)	2,10,874
Non Controlling Interest	39,934	113	40,047
Deferred tax liabilities (net)	1,625	12	1,637
Trade payable	28,931	(107)	28,824
Other financial liabilities	55,026	(1,982)	53,044
Contract liabilities	10,896	(42)	10,854
Net Impact on Liabilities		**(15,785)**	

Since the impact of the anomalies pertaining to periods on or before March 31, 2019, as disclosed below, is not material in relation to the operations of the Group, the impact relating to earlier years (i.e. financial years 2017-18 and 2018-19) has been recognised in the retained earnings as at April 1, 2019.

Adjustments in Retained earnings as at April 1, 2019 :

Particulars	Amount (₹ Lacs)
Decrease in revenue from operations	(1,115)
Increase in other expenses	(45)
Deferred tax credit	(204)
Total decrease	**(956)**

NOTES TO REVISED CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2020

Note 54: The Board of Directors of the Company at its meeting held on July 28, 2020 has approved investment to acquire 100% stake in 'Mosaic Media Ventures Private Limited'. The Company has entered into Share Purchase Agreement (SPA) dated November 9, 2020 with existing shareholders of 'Mosaic Media Ventures Private Limited' to acquire 100% stake. Pending completion of the transaction which shall be post the satisfactory completion of conditions precedent as per the the SPA, the impact of the acquisition has not been considered in the financial statements.

In terms of our revised report of even date attached

For **B S R and Associates**
Chartered Accountants
(Firm Registration Number: 128901W)

Rajesh Arora
Partner
Membership No. 076124

Place: Gurugram
Date: November 27, 2020

For and on behalf of the Board of Directors of **HT Media Limited**

Piyush Gupta
Group Chief Financial Officer

Dinesh Mittal
Group General Counsel & Company Secretary

Praveen Someshwar
Managing Director & Chief Executive Officer
(DIN: 01802656)

Shobhana Bhartia
Chairperson & Editorial Director
(DIN: 00020648)

Place: New Delhi
Date: November 27, 2020

ANNEXURE A

Statement containing salient features of the financial statement of subsidiaries or associate companies or joint ventures

PART "A" : SUBSIDIARIES

(Except information for number of shares - Amount in lacs)

Sr. No	1	2	3	4	5	6		7	8	9	10	11	12	13	14	15	16
Name of the Subsidiary Company	Hindustan Media Ventures Limited	HT Music and Entertainment Company Limited	HT Digital Media Holdings Limited	Firefly e-Ventures Limited (Refer Note a)	HT Mobile Solutions Limited (Refer Note a)	HT Overseas Pte. Ltd (Refer Note b)		HT Education Limited	HT Learning Centers Limited	HT Global Education Private Limited (Formerly HT Global Education) (Refer Note c) #	Topmovies Entertainment Limited	India Education Services Private Limited	Next Mediaworks Limited	Next Radio Limited (Refer Note d)	Syngience Broadcast Ahmedabad Private Limited (Refer Note e)	Shine HR Tech Limited	HT Noida (Company) Limited (Refer Note f)
Date since when subsidiary was acquired	1-Jul-03	28-Oct-05	26-Sep-07	11-Jun-07	19-Feb-09	19-Aug-10		1-Apr-11	5-Feb-10	13-May-11	24-May-13	18-Jul-17	15-Apr-19	15-Apr-19	15-Apr-19	26-Nov-19	11-Feb-20
Reporting period for the subsidiary concerned, if different from the holding company's reporting period.	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	SGD, 1 SGD = ₹ 52.98	INR	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
a) Share Capital	7,367	3,400	2,607	12	3,546	155	7,794	2,922	8,807	15	1,150	200	6,689	7,574	1,976	5	5
b) Reserves and surplus	144,316	405	1,229	(24)	(1,533)	(149)	(7,519)	(2,921)	(12,325)	(15)	(574)	(190)	(6,036)	(7,207)	(6)	(1)	-
c) Total Assets	192,406	4,450	3,840	199	3,235	25	1,323	3	1,184	-	581	43	2,460	15,150	2,004	5	5
d) Total Liabilities	40,723	645	4	211	1,222	20	1,048	3	4,702	-	5	33	1,807	14,783	33	1	-
e) Investments	118,553	-	71	-	60	22	1,176	-	-	-	80	-	2,231	1,976	-	-	-
f) Turnover @	90,455	2,765	11	20	2,347	22	1,115	-	1,914	-	33	-	229	5,742	17	-	-
g) Profit / (Loss) before Taxation ^	16,785	1,042	473	-	219	(83)	(4,267)	(537)	(2,467)	(2)	30	(16)	(2,094)	(5,042)	12	(1)	-
h) Provision for Tax Expenses/(benefits)	4,888	320	27	-	70	-	-	-	-	-	-	-	-	-	4	-	-
i) Profit / (Loss) after Taxation	11,897	722	446	-	149	(83)	(4,267)	(537)	(2,467)	(2)	30	(16)	(2,094)	(5,042)	8	(1)	-
j) Proposed Dividend (includes Dividend Distribution Tax)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Extent of shareholding (%)	74.40%	100.00%	100.00%	99.99%	99.16%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	99.00%	51.00%	99.60%	99.60%	100.00%	100.00%

a. Indirect subsidiaries of HT Media Limited. Shares held through HT Digital Media Holdings Limited.

b. HT Overseas Pte Ltd is a foreign subsidiary and Financial Statements are denominated in Singapore Dollars. Share capital, Reserves & Surplus, Total Assets, Total Liabilities and Investments are translated at year end exchange rate : Singapore Dollar = ₹ 52.98 and Turnover, Profit before taxation, Provision for taxation and Profit after taxation are translated at annual average exchange rate of Singapore Dollar = ₹ 51.66.

c. The name of the Company was changed from HT Global Education to HT Global Education Private Limited with effect from January 22, 2019 due to surrender of license for carrying non-profit activities under section 8 of the Companies Act, 2013.

d. Indirect subsidiary of HT Media Limited. Shares held through Next Mediaworks Limited.

e. Indirect subsidiary of HT Media Limited. Shares held through Next Radio Limited.

f. Indirect subsidiary of HT Media Limited. Shares held through Hindustan Media Ventures Limited.

As on March 31, 2020, the Company is "Under Process of Striking off".

@ Includes Other Income.

^ Includes Exceptional items

PART " B" : ASSOCIATES AND JOINT VENTURES

Statement pursuant to first proviso to sub-section (3) of section 129 of the Companies Act, 2013 related to Associate Companies and Joint ventures

Name of the Associates/ Joint Ventures	Sports Asia Pte Limited	HT Content Studio LLP
Relationship with the Parent Company (HT Media Limited)	Joint venture	Joint venture
1. Latest audited Balance Sheet Date	March 31, 2020	March 31, 2020
2. Date on which Joint Venture was associated or acquired	June 9, 2016	August 21, 2019
3. Shares of Joint Ventures held at the year end		
Equity shares		
Number (In lacs)	-	NA
Amount of Investment in Joint Venture (₹ in lacs)	-	324
Extend of Holding %	50.50%	99.99%
4. Description of how there is significant influence	Joint Venture Agreement	% Holding through Capital Contribution
5. Reason why the Joint venture is not consolidated	Not Applicable	Not Applicable
6. Networth attributable to Shareholding as per latest audited Balance Sheet (₹ in lacs)	(256)	57
7. Profit /(Loss) for the year (₹ in lacs)		
i. Considered in Consolidation	-	(267)
ii. Not Considered in Consolidation	-	-

For and on behalf of the Board of Directors of **HT Media Limited**

Rajesh Arora
Partner
Membership No. 076124

Piyush Gupta
Group Chief Financial Officer

Dinesh Mittal
Group General Counsel & Company Secretary

Praveen Someshwar
Managing Director & Chief Executive Officer
(DIN: 01802656)

Shobhana Bhartia
Chairperson & Editorial Director
(DIN: 00020648)

Place: New Delhi
Date: November 27, 2020

Statement on Impact of Audit Qualifications submitted alongwith Annual Audited Consolidated Financial Results

Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2020

[See Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016]

I.	Sl. No.	Particulars	Beginning of Comparative period (₹ in lacs)		Comparative period (FY 2018-19) (₹ in lacs)	
			Audited Figures (as reported before adjusting for qualifications)	Adjusted Figures (audited figures after adjusting for qualifications)	Audited Figures (as reported before adjusting for qualifications)	Adjusted Figures (audited figures after adjusting for qualifications)
	1.	Turnover / Total income	-	-	2,43,471	2,42,875
	2.	Total Expenditure (including exceptional item)	-	-	2,47,081	2,47,074
	3.	Net Profit/(Loss) before tax	-	-	(3,610)	(4,199)
	4.	Net Profit/(Loss) after tax	-	-	1,589	1,204
	5.	Earnings Per Share	-	-	(0.52)	(0.69)
	6.	Total Assets	4,94,388	4,93,827	4,98,984	4,98,056
	7.	Total Liabilities	2,05,794	2,05,804	2,11,491	2,11,519
	8.	Net Worth	2,88,594	2,88,023	2,87,493	2,86,537
	9.	Any other financial item(s) (as felt appropriate by the management)	Nil	Nil	Nil	Nil

II. Audit Qualification (each audit qualification separately):

a. Details of Audit Qualification: *As discussed in Note 10 to the revised consolidated annual financial results pursuant to a whistleblower complaint received, an investigation was conducted which brought out certain deficiencies in the Radio business and instances of reporting higher revenue, incorrect debtors, contractual liabilities and trade payables with consequential impact on provision for doubtful debts and taxes etc. relating to a significant stream of revenue of the radio business in the Holding Company and its subsidiary company, NRL. Further, as brought out by the investigation, such practices were continuing since last few years.*

As mentioned in the note, the Group has identified an amount of ₹ 1,115 lacs, which pertains to deficiencies in revenue recognised for financial years 2017-18 and 2018-19 in the Radio business. After adjusting the increase in other expenses and the deferred tax credit, the total decrease in the opening retained earnings is ₹ 956 lacs. The Group has accounted for such adjustment in the retained earnings as at April 1, 2019 instead of restating the corresponding figures for the year ended March 31, 2019. This constitutes a departure from the applicable Ind AS prescribed under section 133 of the Act, thereby resulting in the non-adjustment in the amounts reported for corresponding year ended March 31, 2019 with respect to revenue from operations, expenses and taxes as well as trade receivables and other items of the balance sheet. However, this does not have any impact on the loss for the year ended March 31, 2020 or on total equity as at March 31, 2020.

I.	Sl. No.	Particulars	Beginning of Comparative period (₹ in lacs)		Comparative period (FY 2018-19) (₹ in lacs)	
			Audited Figures (as reported before adjusting for qualifications)	Adjusted Figures (audited figures after adjusting for qualifications)	Audited Figures (as reported before adjusting for qualifications)	Adjusted Figures (audited figures after adjusting for qualifications)
	b.	Type of Audit Qualification : *Qualified Opinion*				
	c.	Frequency of qualification: *Appeared first time*				
	d.	For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views: *The Group has taken cognizance of the certain anomalies alleged by the whistleblower, which have been affirmed by the investigation conducted by a reputed law firm who in turn also appointed leading accounting firms. The anomalies affirmed are restricted to the pure money transaction segment of radio business inthe Holding Company and its subsidiary company, NRL.* *Accordingly, to reflect true and fair view of the Group's financials, the financial statements for the year ended 2019-20 have been revised. In respect of anomalies pertaining to periods on or before March 31, 2019, financial impact has been assessed and adjusted against the retained earnings as on April 1, 2019 on ground of materiality instead of restating comparative period.*				
	e.	For Audit Qualification(s) where the impact is not quantified by the auditor: *Not Applicable*				
		(i) Management's estimation on the impact of audit qualification: *Not Applicable*				
		(ii) If management is unable to estimate the impact, reasons for the same: *Not Applicable*				
		(iii) Auditors' Comments on (i) or (ii) above: *Not Applicable*				

For B S R and Associates
Chartered Accountants
(Firm Registration Number: 128901W)

Rajesh Arora
Partner
Membership No. 076124
Place: Gurugram
Date: December 01, 2020

For and on behalf of HT Media Limited

Piyush Gupta
Group Chief Financial Officer
Place: New Delhi
Date: December 01, 2020

Praveen Someshwar
Managing Director & Chief Executive Officer
Place: New Delhi
Date: December 01, 2020

Vivek Mehra
Audit Committee Chairman
Place: Mukteshwar
Date: December 01, 2020

Notes

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HT: IRS Q4, 2019; HH: IRS Q4, 2019; Radio: RAM for the week ending March 14, 2020; Mint: IRS Q4, 2019; Shine: Shine.com; Brunch: IRS Q4, 2019;

HT Media Limited

Hindustan Times House, 2nd Floor
18-20, Kasturba Gandhi Marg
New Delhi - 110 001, India
Email: investor@hindustantimes.com
Website: www.htmedia.in

a K&A creation | www.kalolwala.co.in

Digicontent Limited

CIN:- L74999DL2017PLC322147

Registered Office: Hindustan Times House ,2nd Floor, 18-20, Kasturba Gandhi Marg, New Delhi-110001, India

Tel: +91-11- 6656 1234 Fax: +91-11-6656 1270

Website:- www.digicontent.co.in E-mail:-investor@digicontent.co.in

Un-audited Standalone Financial Results for the quarter and six months ended September 30, 2020

Statement of Un-audited Standalone Financial Results for the quarter and six months ended September 30, 2020

(INR in Lakhs except earnings per share data)

		Three Months Ended			Six Months ended		Year ended
S.No.	Particulars	30.09.2020 Un-audited	30.06.2020 Un-audited	30.09.2019 Un-audited	30.09.2020 Un-audited	30.09.2019 Un-audited	31.03.2020 Audited
1	**Income**						
	a) Revenue from Operations	21	28	423	49	800	1,560
	b) Other Income	53	56	57	109	94	211
	Total Income	**74**	**84**	**480**	**158**	**894**	**1,771**
2	**Expenses**						
	a) Employee benefits expense	73	135	270	208	569	1,109
	b) Finance costs	274	270	246	544	490	1,006
	c) Depreciation and amortisation expense	2	3	5	5	12	20
	d) Other expenses	79	99	103	178	251	577
	Total Expenses	**428**	**507**	**624**	**935**	**1,322**	**2,712**
3	**(Loss) before exceptional items and tax (1-2)**	**(354)**	**(423)**	**(144)**	**(777)**	**(428)**	**(941)**
3a	**Profit/(Loss) before finance costs, tax, depreciation and amortisation expenses (EBITDA) (3+2b+2c) and exceptional items**	**(78)**	**(150)**	**107**	**(228)**	**74**	**85**
4	Exceptional Items	-	-	-	-	-	-
5	**(Loss) before Tax (3+4)**	**(354)**	**(423)**	**(144)**	**(777)**	**(428)**	**(941)**
6	**Tax Expense**						
	a) Current tax	-	-	-	-	-	-
	b) Deferred tax charge	-	-	-	-	132	133
	Total tax expense	**-**	**-**	**-**	**-**	**132**	**133**
7	**(Loss) after tax (5-6)**	**(354)**	**(423)**	**(144)**	**(777)**	**(560)**	**(1,074)**
8	**Other Comprehensive Income (net of tax)**						
	a) Items that will not be reclassified to profit or loss	18	(1)	4	17	(1)	(3)
	Total Other Comprehensive Income/(Loss)	**18**	**(1)**	**4**	**17**	**(1)**	**(3)**
9	**Total Comprehensive (Loss) (7+8)**	**(336)**	**(424)**	**(140)**	**(760)**	**(561)**	**(1,077)**
10	Paid-up Equity Share Capital (Face value - INR 2/- per share)	1,164	1,164	1,164	1,164	1,164	1,164
11	Other Equity excluding Revaluation Reserves as per the balance sheet						9,032
12	(Loss) per share						
	(of INR 2/- each)	(not annualised)	(not annualised)	(not annualised)	(not annualised)	(not annualised)	
	Basic & Diluted	(0.61)	(0.73)	(0.25)	(1.34)	(0.96)	(1.85)

Notes :

1 The above un-audited standalone financial results for the quarter and six months ended September 30, 2020 were reviewed and recommended by the Audit Committee and approved by the Board of Directors at their respective meetings held on October 20, 2020. The Statutory Auditors of the Company have conducted "Limited Review" of these results in terms of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended. The modified limited review report for the quarter and six months ended 30 September 2020 may have an impact on the said results with regard to matter fully explained in Note 8.

2 The standalone financial results have been prepared in accordance with the Indian Accounting Standards ('Ind AS') prescribed under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules as amended from time to time.

3 The Company is engaged in the business of "Entertainment & Digital Innovation Business" and there is no other reportable segments as per Ind AS 108 on Operating Segments.

4 The certificate of CEO and CFO in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in respect of the above results has been placed before the Board of Directors.

5 Revenue from operations has decreased significantly in the current period as compared to corresponding periods, primarily due to abandonment of Brand Promotion Business on account of significant decline in the demand of Brand Promotion advertisement campaigns/ content service.

6 Previous period's figures have been re-grouped/ re-classified wherever necessary, to correspond with those of the current period's classification.

7 Management has been continuously evaluating the possible effects that may result from the pandemic relating to COVID-19 on the operations and financial results of the Company for the quarter and six months ended 30 September 2020. The Company has considered and taken into account internal and external information and has performed sensitivity analysis based on current estimates in assessing the recoverability of financial and non financial assets. Given the uncertainties associated with nature, condition and duration of COVID-19, the impact assessment on the Company's financial information will be continuously made and provided for as required.

8 The Company carries out the business of Entertainment and Digital Innovation and has regular revenue from such business activities. As at 31 March 2020, the Company holds not less than 90% of its net assets in the form of investment in equity shares and loans in 100% subsidiary company. Investment in equity shares in 100% subsidiary company constitute not less than 60% of its net assets. The Company does not trade in its investments in shares, bonds, debentures, debt or loans in group companies and it does not carry on any other financial activity referred to in Section 45I(c) and 45I (f) of the Reserve Bank of India Act, 1934. A question has been raised if the Company technically meets the conditions as stated in the Master Direction - Core Investment Companies (Reserve Bank) Directions, 2016, as amended ('Regulations') issued by the Reserve Bank of India, to be classified as a Core Investment Company (CIC). Further in case the Company is classified as CIC, it may be a systemically important Core Investment Company as well since it holds total assets of not less than Rs.100 crore and holds public funds.

The Company is evaluating RBI regulations in consultation with external counsel and / or regulators and will evaluate the requirement for registration with RBI, accordingly.

9	Standalone Balance Sheet as at September 30, 2020 is as given below :		
			(INR in Lakhs)
	Particulars	As at September 30, 2020 Un-audited	As at March 31, 2020 Audited
A	**ASSETS**		
1)	**Non-current assets**		
	(a) Property, plant and equipment	1	1
	(b) Intangible assets	8	13
	(c) Investment in subsidiaries	17,580	17,580
	(d) Income tax assets (net)	61	50
	Total non-current assets	**17,650**	**17,644**
2)	**Current assets**		
	(a) Financial assets		
	(i) Trade receivables	31	143
	(ii) Cash and cash equivalents	310	630
	(iii) Loans	1,851	1,851
	(iv) Other financial assets	242	209
	(b) Contract assets	9	12
	(c) Other current assets	38	10
	Total current assets	**2,481**	**2,855**
	Total assets	**20,131**	**20,499**
B	**EQUITY AND LIABILITIES**		
1)	**Equity**		
	(a) Equity share capital	1,164	1,164
	(b) Other equity	8,272	9,032
	Total equity	**9,436**	**10,196**
2)	**Liabilities**		
	Non-current liabilities		
	(a) Financial liabilities		
	(i) Borrowings	8,000	8,000
	(ii) Other financial liabilities	2,423	1,916
	(b) Provisions	24	52
	Total non-current liabilities	**10,447**	**9,968**
	Current liabilities		
	(a) Financial liabilities		
	(i) Trade payables	166	146
	(ii) Other financial liabilities	68	143
	(b) Provisions	4	6
	(c) Other current liabilities	10	40
	Total current liabilities	**248**	**335**
	Total liabilities	**10,695**	**10,303**
	Total equity and liabilities	**20,131**	**20,499**

See accompanying notes to the standalone financial results

10. Standalone Statement of Cash Flow for the six months period ended September 30, 2020 is as given below :

Particulars	September 30, 2020 INR Lakhs Un-audited	September 30, 2019 INR Lakhs Un-audited
Cash flows from Operating activities		
(Loss) before taxation	(777)	(428)
Adjustments to reconcile loss before tax to net cash flows:		
Interest Income from deposits	(8)	(94)
Depreciation and amortization expense	5	12
Interest cost on borrowings	544	490
Interest income from inter- corporate loan given	(100)	-
Impairment of doubtful debts and advances (including bad debts written off)	2	-
Changes in operating assets and liabilities		
Decrease in trade receivables	111	687
Decrease in current and non-current financial assets and other current and non-current assets	28	1,832
(Decrease) in current and non-current financial liabilities and other current and non-current liabilities and provisions	(99)	(101)
Cash (used in)/generated from operations	**(294)**	**2,398**
Income tax paid	(11)	(20)
Net cash inflows/(outflows) from operating activities (A)	**(305)**	**2,378**
Cash flows from Investing activities		
Interest received on deposits	13	22
Interest received on Inter- corporate loan given	8	-
Inter-Corporate Deposits given	-	(1,850)
Purchase of Property, Plant and equipment	-	(1)
Net cash inflows/(outflows) from investing activities (B)	**21**	**(1,829)**
Cash flow from Financing activities		-
Interest paid	(36)	(49)
Net cash outflows from financing activities (C)	**(36)**	**(49)**
Net increase/ (decrease) in cash and cash equivalents (D= A+B+C)	**(320)**	**500**
Cash and cash equivalents at the beginning of the period (E)	630	341
Cash and cash equivalents at the end of the period (D+E)	**310**	**841**
Components of Cash & Cash Equivalents as at end of the period		
Cash in hand	-	-
Balance with banks		
- On deposit accounts	280	509
- On current accounts	30	332
Total cash and cash equivalents	**310**	**841**

For and on behalf of the Board of Directors

New Delhi
October 20, 2020

Praveen Someshwar
Director

DIGICONTENT LIMITED
(formerly known as HT Digital Ventures Limited)
Registered Office: Hindustan Times House (2nd Floor)
18-20, Kasturba Gandhi Marg, New Delhi 110 001, India
+91 11 6656 1234 +91 11 6656 1270
www.digicontent.co.in corporatedept@digicontent.co.in
CIN: L74999DL2017PLC322147

Ref: DCL/CS/160/2020

31st July, 2020

BSE Limited
P.J. Tower, Dalal Street
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The National Stock Exchange of India Limited
Exchange Plaza, 5th Floor
Plot No. C/1, G Block
Bandra - Kurla Complex, Bandra (East)
MUMBAI - 400 051

Scrip Code: 542685

Trading Symbol: DGCONTENT

Dear Sirs,

Sub: Notice of Annual General Meeting (AGM) and Annual Report for FY-20

Ref: Our Letter no. DCL/CS/160/2020 dated 27th July, 2020

Dear Sir,

In continuation to our captioned letter intimating that the 3rd AGM of the Company will be held on Tuesday, 25th August, 2020 at 11:00 AM (IST) through Video Conferencing/Other Audio Visual Means, please find enclosed herewith:

1. Notice convening the 3rd AGM; and
2. Annual Report of the Company for FY-20

The aforesaid documents are available on the website of the Company viz. **www.digicontent.co.in,** and are being dispatched to all eligible shareholders whose email IDs are registered with the Company/ Depository Participant(s).

Further, please find enclosed the Secretarial Audit Report of HT Digital Streams Limited, a material unlisted Indian subsidiary of the Company for the year ended 31st March, 2020 carried out pursuant to section 204 of the Companies Act, 2013 and Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The said report does not contain any qualification, reservation or adverse remark.

This is for your information and records.

Thanking you,

Yours faithfully,

For **DIGICONTENT LIMITED**

DIGICONTENT LIMITED

(Vikas Prakash)
Company Secretary

Encl.: *As above*

CIN: *L74999DL2017PLC322147*

Registered Office: *Hindustan Times House (2nd Floor), 18-20, Kasturba Gandhi Marg, New Delhi- 110 001*

Ph.: +91 66561234 Fax: +91 66561270

E-mail: *investor@digicontent.co.in* **website:** *www.digicontent.co.in*

NOTICE OF 3rd ANNUAL GENERAL MEETING

NOTICE is hereby given that the Third Annual General Meeting (first post listing of equity shares) of Members of **Digicontent Limited** will be held on Tuesday, the 25th day of August 2020 at 11:00 AM (IST) through Video Conferencing ("VC")/Other Audio Visual Means ("OAVM"), to transact the following businesses:

ORDINARY BUSINESS

ITEM NO. 1

To consider and adopt:

a) the audited standalone financial statements of the Company for the financial year ended March 31, 2020 and the reports of the Board of Directors and Auditors thereon; and

b) the audited consolidated financial statements of the Company for the financial year ended March 31, 2020 and the report of Auditors thereon.

ITEM NO. 2

To appoint Mr. Praveen Someshwar (DIN: 01802656) as a Director, who retires by rotation and, being eligible, offers himself for re-appointment.

ITEM NO. 3

To appoint B S R and Associates, Chartered Accountants [Firm Registration No. 128901W] as Statutory Auditor of the Company, and in this regard, to pass the following resolution(s) as *ORDINARY RESOLUTION*:

*"**RESOLVED THAT** pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014, B S R and Associates, Chartered Accountants [Firm Registration No. 128901W] be and is hereby appointed as Statutory Auditor of the Company to hold office for a period of 5 (five) consecutive years from the conclusion of this Annual General Meeting till the conclusion of Annual General Meeting to be held in the calendar year 2025, on a remuneration of Rs. 9.5 Lac payable in one or more installments and reimbursement of expenses incurred by them, to conduct the audit for financial year 2020-21, and thereafter, on payment of such remuneration and reimbursement of expenses, as may be mutually agreed between the Company and the said Statutory Auditor, and as may be further approved by the Board of Directors ("Board") from time to time, with power to the Board of Directors, to alter and vary the terms and conditions of appointment, etc., in such manner and to such extent as may be mutually agreed with the Statutory Auditor and permissible under law.*

***RESOLVED FURTHER THAT** for the purpose of giving effect to the foregoing resolution, the Board (which term shall be deemed to include any Committee of the Board authorised in the said behalf) be and is hereby authorised to do all such acts, deeds and things, as it may in its absolute discretion deem necessary, proper or desirable, and to settle any question, difficulty or doubt that may arise in respect of aforesaid, without being required to seek any further consent or approval of Members of the Company, or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution."*

SPECIAL BUSINESS

ITEM NO. 4

To appoint Mr. Ajay Relan as an Independent Director, not liable to retire by rotation, and in this regard, pass the following resolution(s) as an *ORDINARY RESOLUTION*:

*"**RESOLVED THAT** pursuant to the provisions of Sections 149, 150 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and Rules made thereunder and the applicable provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Ajay Relan (DIN: 00002632) who was appointed as an Additional Director by the Board of Directors ("Board") w.e.f. April 18, 2019, and who holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing from a member signifying intention to propose the candidature of Mr. Ajay Relan for the office of Director of the Company, be and is hereby appointed as an Independent Director of the Company to hold office for 5 (five) consecutive years for a term upto March 31, 2024, and not liable to retire by rotation.*

***RESOLVED FURTHER THAT** for the purpose of giving effect to the foregoing resolution, the Board (which term shall be deemed to include any Committee of the Board authorised in the said behalf) be and is hereby authorised to do all such acts, deeds and things, as it may in its absolute discretion deem necessary, proper or desirable, and to settle any question, difficulty or doubt that may arise in respect of aforesaid, without being required to seek any further consent or approval of Members of the Company, or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution."*

ITEM NO. 5

To appoint Mr. Vivek Mehra as an Independent Director, not liable to retire by rotation, and in this regard, pass the following resolution(s) as an *ORDINARY RESOLUTION*:

*"**RESOLVED THAT** pursuant to the provisions of Sections 149, 150 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and Rules made thereunder and the applicable provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Vivek Mehra (DIN: 00101328) who was appointed as an Additional Director by the Board of Directors ("Board") w.e.f. April 18, 2019, and who holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing from a member signifying intention to propose the candidature of Mr. Vivek Mehra for the office of Director of the Company, be and is hereby appointed as an Independent Director of the Company to hold office for 5 (five) consecutive years for a term upto March 31, 2024, and not liable to retire by rotation.*

***RESOLVED FURTHER THAT** for the purpose of giving effect to the foregoing resolution, the Board (which term shall be deemed to include any Committee of the Board authorised in the said behalf) be and is hereby authorised to do all such acts, deeds and things, as it may in its absolute discretion deem necessary, proper or desirable, and to settle any question, difficulty or doubt that may arise in respect of aforesaid, without being required to seek any further consent or approval of Members of the Company, or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution.*"

ITEM NO. 6

To appoint Ms. Suchitra Rajendra as an Independent Director, not liable to retire by rotation and, in this regard, pass the following resolution(s) as an *ORDINARY RESOLUTION*:

*"**RESOLVED THAT** pursuant to the provisions of Sections 149, 150 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and Rules made thereunder and the applicable provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Ms. Suchitra Rajendra (DIN: 07962214) who was appointed as an Additional Director by the Board of Directors ("Board") w.e.f. April 18, 2019, and who holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing from a member signifying intention to propose the candidature of Ms. Suchitra Rajendra for the office of Director of the Company, be and is hereby appointed as an Independent Director of the Company to hold office for 5 (five) consecutive years for a term upto March 31, 2024, and not liable to retire by rotation.*

***RESOLVED FURTHER THAT** for the purpose of giving effect to the foregoing resolution, the Board (which term shall be deemed to include any Committee of the Board authorised in the said behalf) be and is hereby authorised to do all such acts, deeds and things, as it may in its absolute discretion deem necessary, proper or desirable, and to settle any question, difficulty or doubt that may arise in respect of aforesaid, without being required to seek any further consent or approval of Members of the Company, or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution.*"

ITEM NO. 7

To appoint Mr. Dinesh Mittal as Non-executive Director, liable to retire by rotation, and in this regard, pass the following resolution(s) as an *ORDINARY RESOLUTION*:

*"**RESOLVED THAT** pursuant to the provisions of Section 161(4) and other applicable provisions, if any, of the Companies Act, 2013 (the "Act") read with rules made there under, Articles of Association of the Company and applicable provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Dinesh Mittal (DIN: 00105769) who was appointed as Non-Executive Director by the Board of Directors ("Board") of the Company w.e.f. March 12, 2020 to fill up the casual vacancy caused due to demise of Mr. Sharad Saxena, and who is liable to hold office as such only up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing from a member signifying intention to propose the candidature of Mr. Dinesh Mittal for the office of Director, be and is hereby appointed as an Non-executive Director of the Company, liable to retire by rotation.*

***RESOLVED FURTHER THAT** for the purpose of giving effect to the foregoing resolution, the Board (which term shall be deemed to include any Committee of the Board authorised in the said behalf) be and is hereby authorised to do all such acts, deeds and things, as it may in its absolute discretion deem necessary, proper or desirable, and to settle any question, difficulty or doubt that may arise in respect of aforesaid, without being required to seek any further consent or approval of Members of the Company, or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution.*"

By Order of the Board
For **Digicontent Limited**

(Vikas Prakash)
Company Secretary

Place: New Delhi
Date: July 21, 2020

NOTES:

1. **In view of the COVID-19 pandemic and pursuant to circulars dated April 8, 2020, April 13, 2020 and May 5, 2020 issued by the Ministry of Corporate Affairs ("MCA Circulars") and circular dated May 12, 2020 issued by the Securities and Exchange Board of India ("SEBI Circular") and in compliance with the provisions of the Companies Act, 2013 ("the Act") and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR"), the 3rd AGM of the Company is being conducted through VC/OAVM facility, which does not require physical presence of members at the venue of the Annual General Meeting (AGM). Registered Office of the Company shall be deemed to be the venue of this AGM.**

2. **Since the ensuing AGM is being held pursuant to the MCA Circulars through VC/OAVM which does not require physical attendance of Members at the AGM, the facility to appoint proxy by the Members will not be available for this AGM and therefore, Proxy Form and Attendance Slip are not annexed to this Notice.**

3. Since AGM will be held through VC/OAVM, the Route Map is not required and hence, not annexed to this Notice.

4. Members are requested to carefully read the "**Procedure for joining the AGM through VC/OAVM**" given below in this Notice.

5. Members attending the AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.

6. Only those members, who are present in the meeting through VC/OAVM facility and have not casted their vote on resolutions through remote e-voting and are otherwise not barred from doing so, will be allowed to vote through e-voting system at the AGM ("InstaPoll").

7. Institutional/Corporate Shareholders (i.e. other than individuals/HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/Authorization etc., authorizing its representative to attend the AGM through VC/OAVM on its behalf and to vote through remote e-voting. The said Resolution/Authorization shall be sent by email to KFin Technologies Private Limited (KFin/RTA) at **evoting@kfintech.com** through registered email address and to the Company at **investor@digicontent.co.in**.

8. Mr. Praveen Someshwar may be deemed to be interested in the resolution set out at Item No. 2 of the Notice. Save and except the above, none of the other Directors/Key Managerial Personnel of the Company/their relatives are, in any way, concerned or interested, financially or otherwise, in the Ordinary Business set out under item nos. 1 to 3 of the Notice.

9. The Statement pursuant to Section 102 of the Act relating to item nos. 3 to 7 of the Notice is annexed hereto.

10. Pursuant to the provisions of Regulation 36 of SEBI LODR and Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India, details of Directors seeking appointment/re-appointment/confirmation at this AGM, are annexed herewith.

11. All investor related communication may be addressed to KFin at the following address:

    KFin Technologies Private Limited
    Unit: Digicontent Limited
    Selenium Tower B
    Plot No. 31 & 32
    Financial District, Nanakramguda
    Serilingampally Mandal
    Hyderabad – 500 032
    Tel: + 91-40-67162222
    Fax: + 91-40-23001153
    E-mail: einward.ris@Kfintech.com

12. In compliance with above mentioned MCA Circulars and SEBI Circular, the Notice calling this AGM along with the Annual Report for FY-20 is being sent only by electronic mode to those Members whose e-mail addresses are registered with the Depository Participants or the Company's RTA. Members may note that the Notice of AGM and Annual Report for FY-20 will also be available on the Company's website viz. **www.digicontent.co.in** and website of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited (**www.bseindia.com** and **www.nseindia.com)**.

13. In order to enable the Company to comply with MCA circulars issued for holding AGM via VC/OAVM and to participate in the green initiative in Corporate Governance, members are requested to register their email addresses in respect of shares held in electronic form with their Depository Participant(s) and in respect of shares held in physical form by clicking at **https://ris.kfintech.com/email_registration/**or by writing to the RTA with details of folio number and self-attested copy of PAN card at KFin Technologies Private Limited, Unit: Digicontent Limited, Selenium Tower B, Plot Nos. 31 & 32, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad – 500032 or by sending email to **einward.ris@kfintech.com**. Members are advised to receive the Notice convening the AGM and Annual Report for FY-20 via e-mail, by updating their email ID by accessing the link **https://ris.kfintech.com/email_registration/**. Alternatively, Notice of AGM can be downloaded through **https://evoting.karvy.com/public/Downloads.aspx**.

14. Members may note that the shares lying with Investor Education and Protection Fund (IEPF) Authority, allotted pursuant to the Scheme of Arrangement between HT Media Limited and the Company, can be claimed back. The shareholder-wise detail of such shares is uploaded on the Company's website i.e. **www.digicontent.co.in**. Concerned shareholders are advised to visit the weblink: **http://iepf.gov.in/IEPF/refund.html** or contact KFin to lodge claim on such share(s).

15. Members holding shares in physical form can avail the facility of nomination pursuant to the provisions of Section 72 of the Act and for the same they are advised to send their nomination in the prescribed Form No. SH-13 to KFin at the above mentioned address. Members holding shares in electronic form may contact their respective Depository Participant(s) for availing this facility.

16. **In terms of SEBI's circular dated April 20, 2018, members holding shares in physical form and whose PAN and Bank details are not updated in the records of KFin, are requested to submit their PAN and Bank Account details, along with self-attested copy of PAN Card and original cancelled cheque/attested copy of bank passbook bearing name of the Member to the Company/KFin.**

17. SEBI has mandated submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic mode are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical mode can submit their PAN to the Company/KFin.

18. In terms of SEBI (Listing Obligations and Disclosure Requirements) (Fourth Amendment) Regulations, 2018, with effect from April 1, 2019, securities of listed companies can be transferred only in dematerialised form (except for transmission or transposition of securities). Accordingly, the Company will not accept any fresh lodgement of transfer of shares in physical form. In view of the same, Members are advised, in their own interest, to dematerialize the shares held by them in physical form.

19. Members holding shares in physical form in identical order of names in more than one folio are requested to send to the Company or Company's RTA, details of such folios together with the share certificates and KYC proof(s) viz. PAN, Aadhar etc. for consolidating their holding in one folio. The share certificates will be returned to the members after making requisite changes, thereon.

20. Members are requested to send their queries, if any, on the financial statements/operations of the Company, by writing email to the Company Secretary at **investor@digicontent.co.in** at least 7 days before the AGM, so that the information can be compiled in advance.

21. Relevant documents referred to in this Notice are available for inspection electronically without any fee by the Members on all business days (except Saturday, Sunday and Public Holidays) upto the date of AGM. The Register of Directors, Key Managerial Personnel and their shareholding maintained under Section 170 of the Act and the Register of Contracts and Arrangements, in which Directors are interested, maintained under Section 189 of the Act, will be available for inspection electronically by the members during the AGM. Members seeking to inspect such documents may send request from their email id registered with the Company/RTA to the Company at **investor@digicontent.co.in**.

22. Pursuant to the provisions of Section 108 and other applicable provisions, if any, of the Act read with the Companies (Management and Administration) Rules, 2014, as amended, and Regulation 44 of SEBI LODR, the Company is providing to its members facility to exercise their right to vote on Resolutions as set out in notice of AGM by electronic means ("e-voting"). Members may cast their votes remotely, using an electronic voting system on the dates mentioned herein below ("remote e-voting"). Further, the facility for voting through electronic voting system will also be made available at the AGM ("InstaPoll") and members attending the Meeting who have not casted their vote(s) by remote e-voting, will be able to vote at the Meeting through InstaPoll. The Company has engaged the services of KFin as the agency to provide e-voting facility at the AGM.

23. **The remote e-voting facility will be available during the following period:**

Commencement of remote e-voting	**From 9.00 a.m. (Server time) on August 21, 2020 (Friday)**
End of remote e-voting	**Up to 5.00 p.m. (Server time) on August 24, 2020 (Monday)**

Remote e-voting will not be allowed beyond the aforesaid date and time and the remote e-voting module shall be forthwith disabled by KFin upon expiry of aforesaid period.

24. Persons whose name appears in the Register of Member/list of Beneficial Owners as on August 18, 2020 **(Cut-off date)** shall be entitled to cast their vote by remote e-voting on the Resolutions set forth in this Notice or participating at the AGM and vote through InstaPoll. Any person who is not a Member as on the Cut-off date should treat this Notice for information purpose only.

25. The Board of Directors has appointed Mr. Sanket Jain, Company Secretary-in-Practice (C.P. No. 12583), as Scrutinizer to scrutinize the remote e-voting and InstaPoll process in a fair and transparent manner and he has communicated his willingness to get appointed and will be available for the said purpose.

26. The Scrutinizer will, after the conclusion of e-voting at the AGM, scrutinize the votes casted thereat (InstaPoll) and votes casted through remote e-voting, and will make a consolidated Scrutinizer's Report to submit the same to the Chairman/Director.

27. The result of e-voting (remote e-voting and InstaPoll) will be declared within 48 hours of the conclusion of AGM and the same along with the consolidated Scrutinizer's Report, will be placed on Company's website viz. **www.digicontent.co.in** and on the website of KFin viz. **https://evoting.karvy.com**. The result will be simultaneously communicated to the stock exchanges viz. NSE and BSE.

28. The resolutions as set out in the notice of AGM shall be deemed to be passed on the date of AGM subject to receipt of requisite number of votes in favour of the resolution(s).

29. Members are requested to carefully read the **"Procedure and Instructions for remote e-voting and e-voting at the AGM (InstaPoll)"** given hereunder.

PROCEDURE AND INSTRUCTIONS FOR REMOTE E-VOTING AND E-VOTING AT THE AGM (INSTAPOLL)

The procedure and instructions for remote e-voting are as under:

I. A. In case a member receives an e-mail from the Company/KFin [for members whose e-mail addresses are registered with the Company/Depository Participant(s)]:

(a) Launch internet browser by typing the URL: **https://evoting.karvy.com**

(b) Enter the login credentials (User ID and password given in the e-mail). The E-Voting Event Number + Folio No. or DP ID Client ID will be your User ID. However, if you are already registered with KFin for e-voting, you can use the existing password for logging in. If required, please visit **https://evoting.karvy.com** or contact at **040-67162222/1800-345-4001** (from 9:00 a.m. to 6:00 p.m.) for your existing password.

(c) After entering these details appropriately, click on **"LOGIN"**.

(d) You will now reach Password Change Menu wherein you are required to mandatorily change your password upon logging in for the first time. The new password shall comprise of minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric (0-9) and a special character (@,#,$,etc.). The system will prompt you to change your password and update your contact details like mobile number, e-mail address, etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.

(e) You need to login again with the new credentials.

(f) On successful login, the system will prompt you to select the E-Voting Event Number (EVEN) for Name of the Company viz. Digicontent Limited.

(g) On the voting page, enter the number of shares held by you as on the Cut-off date under either "FOR" or "AGAINST" or alternatively, you may partially enter any number under "FOR"/"AGAINST", but the total number under "FOR"/"AGAINST" taken together should not exceed your total shareholding as on the cut-off date. You may also choose to "ABSTAIN" and vote will not be counted under either head.

(h) Members holding shares under multiple folios/demat accounts shall choose the voting process separately for each of the folios/demat accounts.

(i) Voting has to be done for each item of the Notice separately. In case you do not desire to cast your vote on any specific item, it will be treated as "ABSTAINED".

(j) You may then cast your vote by selecting an appropriate option and click on "SUBMIT".

(k) A confirmation box will be displayed. Click "OK" to confirm, else "CANCEL" to modify.

(l) Once you confirm, you will not be allowed to modify your vote.

(m) Corporate/Institutional Members (i.e., other than Individuals, HUFs, NRIs, etc.) are also required to send legible scanned certified true copy (in PDF Format) of the Board Resolution/Power of Attorney/Authority Letter, etc., together with attested specimen signature(s) of the duly authorized representative(s), to the Scrutinizer at e-mail id: **sanketjaincs@gmail.com** with a copy marked to **evoting@Kfintech.com** It is also requested to upload the same in the e-voting module in their login. The naming format of the aforesaid legible scanned document shall be "Corporate Name EVENT NO."

B. In case of a member whose e-mail address is not registered/updated with the Company/KFin/Depository Participant(s), please follow the following steps to generate your login credentials:

(a) Members holding shares in physical mode, who have not registered/updated their email addresses with the Company, are requested to register/update the same by clicking on **https://ris.KFintech.com/email_registration/** or by writing to the Company with details of folio number and attaching a self-attested copy of PAN card at **investor@digicontent.co.in** or to KFin at **einward.ris@Kfintech.com**.

(b) Members holding shares in dematerialized mode who have not registered their e-mail addresses with their Depository Participant(s) are requested to register/update their email addresses with the Depository Participant(s) with whom they maintain their demat accounts.

(c) After due verification, the Company/KFin will forward your login credentials to your registered email address.

(d) Follow the instructions at I.(A) (a) to (m) to cast your vote.

II. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending further communication(s).

III. Once the vote on a resolution is casted by a member, whether partially or otherwise, the member shall not be allowed to change it subsequently or cast the vote again.

IV. **Information and instructions for InstaPoll**: Facility to cast vote through InstaPoll will be made available on Video Conferencing screen and will be activated once the InstaPoll is announced at the AGM. Member can opt for only single mode of voting per EVEN, i.e., through remote e-voting or voting at the AGM (InstaPoll). If a member casts vote(s) by both modes, then voting done through remote e-voting shall prevail and vote(s) cast at the Meeting shall be treated as "INVALID".

V. Any person who becomes a member of the Company after dispatch of the Notice of the AGM and holding shares as on the cut-off date may obtain the User ID and password from KFin in the manner as mentioned below:

(a) If the mobile number of the member is registered against Folio No./DP ID Client ID, the member may send SMS: MYEPWD <space> E-Voting Event Number+Folio No. or DP ID Client ID to +91-9212993399

Example for NSDL: MYEPWD <SPACE> IN12345612345678

Example for CDSL: MYEPWD <SPACE> 1402345612345678

Example for Physical: MYEPWD <SPACE> XXXX1234567890

(b) If e-mail address or mobile number of the member is registered against Folio No./DP ID Client ID, then on the home page of **https://evoting.karvy.com**, the member may click "Forgot Password" and enter Folio No. or DP ID Client ID and PAN to generate a password.

(c) Member may send an e-mail to **evoting@kfintech.com** requesting User ID and Password. However, Kfin shall endeavor to send User ID and Password to those new Members whose mail ids are available.

VI. In case of any query/grievance, in respect of e-voting, Members may refer to the Help & FAQs section/E-voting user manual available at the "Downloads" section of KFin's website: **https://evoting.karvy.com** or contact Mr. Rajkumar Kale, Senior Manager, KFin Technologies Private Limited, Unit: Digicontent Limited, Selenium Tower B, Plot 31-32, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad 500 032 | Phone No.: +91-040-67162222 | Toll-free No.: 1800-345-4001 | E-mail: evoting@Kfintech.com.

PROCEDURE FOR JOINING THE AGM THROUGH VC/OAVM:

1. The Company is providing VC/OAVM facility to its Members for participating at the AGM.

   a) Members will be able to attend the AGM through VC at **https://emeetings.KFintech.com** by using their e-voting login credentials.

   Members are requested to follow the procedure given below:

   i. Launch internet browser (chrome/firefox/safari) by typing the URL: **https://emeetings.KFintech.com**

   ii. Enter the login credentials (i.e., User ID and password for e-voting).

   iii. After logging in, click on "Video Conference" option

   iv. Then click on camera icon appearing against AGM event of **Digicontent Limited**, to attend the AGM.

   b) Members who do not have User ID and Password for e-voting or have forgotten the User ID and Password may retrieve the same by following the procedure given in the e-voting instructions.

   c) Members will be allowed to attend the AGM through VC/OAVM on first come, first served basis.

   d) Members who would like to express their views or ask questions during the AGM may register themselves by logging on to **https://emeetings.Kfintech.com** and clicking on the 'Speaker Registration' option available on the screen after log in. The Speaker Registration will be open from August 19, 2020 (09:00 a.m. IST) till August 21, 2020 (5:00 p.m. IST). Only those members who have registered themselves as speaker will be allowed to express their views or ask questions at the AGM. The Company reserves the right to restrict the number of questions and speakers, depending upon availability of time as appropriate for smooth conduct of the AGM. Members are requested to wait for their turn to be called by the Chairman of the Meeting during the Question and Answer Session. Due to inherent limitation of transmission and coordination during the AGM, the Company may have to dispense with or curtail the Question and Answer Session. Hence, Members are encouraged to get themselves registered in advance to ask questions/queries etc. at the AGM.

   e) Facility to join the meeting shall be opened 30 minutes before the scheduled time of the AGM and shall be kept open throughout the proceedings of the AGM.

   f) Members who need assistance before or during the AGM can contact KFin at **evoting@KFintech.com** or call at 040-6716 2222/1800-345-4001. Kindly quote your name, DP ID-Client ID/Folio no. and E-voting Event Number in all your communications.

2. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote at the AGM.

STATEMENT UNDER SECTION 102 (1) OF THE COMPANIES ACT, 2013

ITEM NO. 3

B S R and Associates, Chartered Accountants [Firm Registration No. 128901W] ("BSR") were appointed as Statutory Auditor of the Company w.e.f. July 11, 2019 by the Board of Directors, on the recommendation of Audit Committee, to fill the casual vacancy arising out of resignation of MRKS and Associates, Chartered Accountants [Firm Registration No. 023711N]. The same was approved by the Shareholders of the Company by way of resolution passed through postal ballot on September 22, 2019.

In terms of the provisions of Section 139 of the Companies Act, 2013 read with rules made thereunder, Statutory Auditor appointed to fill casual vacancy caused due to resignation of existing auditor, shall hold office till the conclusion of the next Annual General Meeting (AGM). Further, every company shall, at the first AGM, appoint an individual or a firm as an Auditor who shall hold office from the conclusion of that meeting till the conclusion of its sixth AGM and thereafter till the conclusion of every sixth meeting.

Directors, on the recommendation of Audit Committee, have recommended the appointment of BSR as Statutory Auditor of the Company for a period of 5 (Five) years, commencing from the conclusion of this AGM till conclusion of the AGM to be held in calendar year 2025, for approval of the members.

BSR was shortlisted on evaluation of proposal(s) of renowned Chartered Accountant firms on various criteria viz. competency, technical capability, approach on transition, overall audit approach, sector expertise and understanding of the Company & its business. BSR was constituted on March 31, 2008 and is registered with the Institute of Chartered Accountants of India (ICAI). BSR has 20 partners across India and hold a valid peer review certificate.

BSR has given consent to act as Statutory Auditor of the Company, and have confirmed that their appointment, if made, will be in accordance with the conditions prescribed under Sections 139 and 141 of the Companies Act, 2013.

The aggregate remuneration proposed to be paid to BSR as statutory auditor to conduct the audit for financial year 2020-21 is Rs. 9.5 Lac (including limited review), exclusive of reimbursement of out-of-pocket expenses, fee paid for any other services and applicable taxes, as applicable. The Board of Directors/Audit Committee may be conferred the power to alter and vary the

terms and conditions of appointment including any upward revision of remuneration, during the balance tenure, as permissible by law.

None of the Directors, Key Managerial Personnel and/or their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution.

The Board commends the Ordinary Resolutions set out at Item No. 3 of the Notice for approval by the Members.

ITEM NOS. 4 TO 6

The Board of Directors at its meeting held on April 18, 2019, approved the appointment of Mr. Ajay Relan, Mr. Vivek Mehra and Ms. Suchitra Rajendra as Additional Directors (Independent) w.e.f. April 18, 2019. The Board of Directors have also recommended their appointment as Independent Directors for a term of 5 (five) consecutive years upto March 31, 2024 for approval of Members of the Company. In accordance with the provisions of Section 161 of the Companies Act, 2013 (the "Act"), the aforesaid additional directors shall hold office up to the date of ensuing AGM.

Brief profile of the Directors is as under:

Mr. Ajay Relan is one of the pioneers of the Indian private equity industry. Prior to founding CX Partners, he headed Citi's private equity business since its inception in 1995. He has worked with several financial firms in multiple geographies, starting with Citibank in 1976 and the last being the CEO of a Citi affiliated brokerage firm, Citicorp Securities & Investments Ltd. He holds an MBA from Indian Institute of Management, Ahmedabad (1976) and B.A. (Hons) Economics from St. Stephen's College, Delhi University (1974).

Mr. Vivek Mehra is a senior Chartered Accountant with an illustrious professional career spanning over 40 years and experience spanning across sectors in Tax and Regulatory domains of Merger & Acquisition specializing in Cross-border Investment and Transaction Structuring. He has held various leadership roles till April, 2017 in PriceWaterhouseCoopers Private Ltd. ('PwC') as Partner/Executive Director. He was the founder and national leader for PwC Regulatory and M&A Practices and has been elected on PwC Governance Oversight Board for two consecutive terms. He is also on the Board of Governors of Lawrence School Sanawar and Grassroot Trading Network, a SEWA organisation. He graduated in 1975 with Bachelor of Commerce (Hons.) Degree from Sri Ram College of Commerce, Delhi University. He has been a fellow member of the Institute of Chartered Accountants of India since 1979 and has also given his valuable contribution as a member of the Federation of Indian Chambers of Commerce and Industry (FICCI) Steering Committee and National Executive Committee.

Ms. Suchitra Rajendra has over 25 years of rich experience in HR domain in India, Asia Pac and Australia in a variety of sectors ranging from not for profit to consulting to FMCG. She has both line HR consulting and strategic HR experience. Currently, she is associated with Colt Technologies Services as Vice President Country Head (India) and Global Head HR for COO. Prior to this, she was Vice President and CHRO for PepsiCo (India Region). She is recipient of multiple awards and recognized across the industry. She has a Post Graduate degree in HR from XLRI Jamshedpur. She is a speaker at various national and international forums.

The Company has received a notice in writing under Section 160 of the Act from a member, signifying intention to propose the candidature of Mr. Ajay Relan, Mr. Vivek Mehra and Ms. Suchitra Rajendra for the office of Directors of the Company. The Company has also received – (a) declaration of independence from them; (b) their consent to act as Director; and (c) declaration that they are not disqualified from being appointed as Director in terms of Section 164(2) of the Act.

In the opinion of the Board, they possesses appropriate skills, experience & knowledge, and fulfills the conditions specified in the Act, the Companies (Appointment and Qualification of Directors) Rules, 2014 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, for appointment as Independent Directors of the Company. They are independent of the management and are not related to any Director(s) or Key Managerial Personnel of the Company. As Non-executive Directors, they will be entitled to receive sitting fee for attending Board/Committee meeting(s).

Draft letter(s) of appointment as Independent Directors of the Company, setting out terms and conditions of their appointment is available on the website of company viz. **www.digicontent.co.in**.

Other details of Mr. Ajay Relan, Mr. Vivek Mehra and Ms. Suchitra Rajendra in terms of Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard-2 (General Meeting) is annexed to this Notice.

Mr. Ajay Relan, Mr. Vivek Mehra and Ms. Suchitra Rajendra are interested in the resolution(s) set out at Item nos. 4 to 6 of the Notice, respectively. Their relative(s) may also deemed to be interested in the resolution(s), to the extent of their shareholding interest, if any, in the Company. Save and except the above, none of the Directors or Key Managerial Personnel and their relatives are, in any way, concerned or interested, financially or otherwise, in these resolutions.

The Board commends the Ordinary Resolutions set out at Item nos. 4 to 6 of the Notice for approval by the Members.

ITEM NO. 7

The Board of Directors, on the recommendation of Nomination & Remuneration Committee, appointed Mr. Dinesh Mittal (DIN: 00105769) as Non-Executive Director w.e.f. March 12, 2020, to fill the casual vacancy caused due to demise of Mr. Sharad Saxena on January 27, 2020. As per Section 161(4) of the Companies Act, 2013 ("the Act") a Director appointed in casual vacancy holds office up to the date up to which the director in whose place he is appointed would have held office if it had not been vacated. Consequently, Mr. Dinesh Mittal is liable to hold office up to the date of this Annual General Meeting i.e. the date up to which Late Mr. Sharad Saxena, would have held the office.

The Company has received a notice from a member under Section 160 of the Act, signifying intention to propose the candidature of Mr. Dinesh Mittal for the office of Director of the Company.

Mr. Dinesh Mittal is a qualified Company Secretary and a Post Graduate Diploma holder in Business Administration from IPM, Ghaziabad. He also holds Bachelor Degree in Law from Delhi University and Masters Degree in Law (IPR) from Queensland University, Australia. During his professional career spanning over 33 years, he has worked with renowned group such as Whirlpool of India Ltd. as Executive Director, handling Legal, Tax and Secretarial matters for India and parts of Asia, DCM Shriram

Group and JK Synthetics. Currently, he is associated with HT Group since 2006 and working as Group General Counsel & Company Secretary of HT Media Limited.

The other details of Mr. Dinesh Mittal in terms of Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard-2 (General Meetings) is annexed to this Notice. The Board of Directors is of the opinion that Mr. Dinesh Mittal's vast knowledge and varied experience will be of great value to the Company and has recommended the Resolution at Item No.7 of this Notice relating to his appointment as a Director, liable to retire by rotation as Ordinary Resolution for your approval.

Mr. Dinesh Mittal is interested in the resolution set out at Item no. 7 of the Notice. His relative(s) may also deemed to be interested in the resolution, to the extent of their shareholding interest, if any, in the Company. Save and except the above, none of the Directors or Key Managerial Personnel and their relatives are, in any way, concerned or interested, financially or otherwise, in this resolution.

The Board commends the Ordinary Resolution set out at Item no. 7 of the Notice for approval by the Members.

Place: New Delhi
Date: July 21, 2020

By Order of the Board
For **Digicontent Limited**

(Vikas Prakash)
Company Secretary

Details of the Directors pursuant to the provisions of Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India, as applicable

Name of Director	Mr. Praveen Someshwar	Mr. Ajay Relan	Mr. Vivek Mehra	Ms. Suchitra Rajendra	Mr. Dinesh Mittal
Age	53 years	66 years	65 years	52 years	58 years
Relationship with other Directors *inter-se* and Key Managerial Personnel	None	None	None	None	None
Date of Appointment	29.03.2019	18.04.2019	18.04.2019	18.04.2019	12.03.2020
Expertise in specific functional areas	Strategic leadership, business and finance	Investment Banker	Tax, Regulatory and M&A, Tax structuring with specialization in cross border tax issues and investment structuring	Human Resource Development	Legal, taxation, corporate secretarial and general management
Qualification	Chartered Accountant and Cost Accountant	B.A (Hons.) in Economics (St. Stephen's College, Delhi University) and MBA (IIM Ahmedabad)	Chartered Accountant	PG Diploma-HR(XLRI-Jamshedpur)	Bachelor's Degree in Law from Delhi University, Master's Degree in Law (IPR) from Queensland University, Australia, Fellow member of the Institute of Company Secretaries of India and Post Graduate Diploma in Business Administration from IPM, Ghaziabad
Terms and conditions of appointment/ re-appointment	Non-Executive, Non-Independent Director, liable to retire by rotation	Independent Director, not liable to retire by rotation	Independent Director, not liable to retire by rotation	Independent Director, not liable to retire by rotation	Non-Executive, Non-Independent Director, liable to retire by rotation
No. of Equity Shares of Rs.2/- each held in the Company or on behalf of any other person on beneficial basis	Nil	Nil	Nil	Nil	Nil
Remuneration last drawn (including sitting fee during FY 20)	Nil	Rs. 7 Lac (Director's Sitting Fee)	Rs. 5.5 Lac (Director's Sitting Fee)	Rs. 7 Lac (Director's Sitting Fee)	Nil
Directorship held in other companies (excluding foreign companies)#	• HT Media Limited (*Listed*) • Hindustan Media Ventures Limited (*Listed*) • Next Mediaworks Limited *(Listed)* • Next Radio Limited • Media Research Users Council India • The Press Trust of India Limited • The Indian Newspaper Society • Audit Bureau of Circulation • Shine HR Tech Limited	• Hindustan Media Ventures Limited (*Listed*) • Next Mediaworks Limited (*Listed*) • HT Media Limited (*Listed*) • Capri Global Capital Limited (*Listed*) • Bendochy Agro Products Private Limited • Next Radio Limited • Zenrock Comtrade Private Limited • Flight Simulation Technique Centre Private Limited • HT Digital Streams Limited	• HT Media limited (*Listed*) • Jubilant Life Sciences Limited (*Listed*) • Chambal Fertilisers and Chemicals Limited (*Listed*) • DLF Limited (*Listed*) • Havells India Limited *(Listed)* • Hero Future Energies Private Limited • Embassy Office Parks Management Services Private Limited • Bharat Hotels Limited • Grassroot Trading Network For Women	• Next Mediaworks Limited (*Listed*) • Next Radio Limited • Colt Technology Services India Private Limited	• Next Mediaworks Limited (*Listed*) • Next Radio Limited • HT Digital Streams Limited • HT Digital Media Holdings Limited • Shine HR Tech Limited • HT Education Limited • HT Music and Entertainment Company Limited • HT Global Education Private Limited (*Under process of Striking off*)

Name of Director	Mr. Praveen Someshwar	Mr. Ajay Relan	Mr. Vivek Mehra	Ms. Suchitra Rajendra	Mr. Dinesh Mittal
List of the Committees of Board of Directors (across all companies) in which Chairmanship/ Membership is held*#	**HT Media Limited:** (i) Audit Committee-Member (ii) Stakeholders' Relationship Committee-Member **Hindustan Media Ventures Limited:** (i) Stakeholders' Relationship Committee-Member **Next Mediaworks Limited:** (i) Audit Committee-Member (ii) Stakeholders' Relationship Committee-Chairman **Next Radio Limited:** (i) Audit Committee-Member **Digicontent Limited:** (i) Audit Committee-Member (ii) Stakeholders' Relationship Committee-Member	**Digicontent Limited:** (i) Audit Committee-Member (ii) Stakeholders' Relationship Committee-Chairman **Hindustan Media Ventures Limited:** (i) Audit Committee-Member (ii) Stakeholders' Relationship Committee-Chairman **Next Mediaworks Limited:** (i) Audit Committee-Chairman **HT Media Limited:** (i) Audit Committee-Member (ii) Stakeholders' Relationship Committee-Chairman **Next Radio Limited:** (i) Audit Committee-Chairman	**Digicontent Limited:** (i) Audit Committee-Chairman **HT Media Limited:** (i) Audit Committee-Chairman **Jubilant Life Sciences Limited:** (i) Audit Committee-Member **Chambal Fertilisers and Chemicals Limited:** (i) Audit Committee-Member **DLF Limited:** (i) Audit Committee-Member **Bharat Hotels Limited:** (i) Audit Committee-Member **Hero Future Energies Private Limited:** (i) Audit Committee-Chairman **Embassy Office Parks Management Services Private Limited:** (i) Audit Committee-Chairman (ii) Stakeholders' Relationship Committee-Member	**Digicontent Limited:** (i) Audit Committee-Member **Next Mediaworks Limited:** (i) Audit Committee-Member (ii) Stakeholders' Relationship Committee-Member **Next Radio Limited:** (i) Audit Committee-Member	**Digicontent Limited:** (i) Stakeholders' Relationship Committee-Member **Next Mediaworks Limited:** (i) Stakeholders' Relationship Committee-Member
No. of Board Meetings attended during FY- 20	8	4	4	4	1

 # As per latest disclosure received from the Director(s).

**In terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, only two Committees viz. Audit Committee and Stakeholders' Relationship Committee have been considered.*

DIGICONTENT LIMITED

DIGITAL TRANSFORMATION
PAVING A NEW PATH

ANNUAL REPORT
2019-20

Corporate Information

Board of Directors

Mr. Ajay Relan

Ms. Suchitra Rajendra

Mr. Vivek Mehra

Mr. Priyavrat Bhartia

Mr. Praveen Someshwar

Mr. Dinesh Mittal

Chief Executive Officer

Mr. Puneet Jain

Chief Financial Officer

Mr. Anup Sharma

Company Secretary

Mr. Vikas Prakash

Statutory Auditor

B S R and Associates,
Chartered Accountants

Registered Office

Hindustan Times House,
Second Floor
18-20, Kasturba Gandhi Marg,
New Delhi – 110001
Tel: +91-11-6656 1608

E-mail:
investor@digicontent.co.in

Website:
www.digicontent.co.in

Registrar and Share Transfer Agent

KFin Technologies Private Limited
Selenium Building, Tower-B,
Plot No 31 & 32, Financial District, Nanakramguda,
Serilingampally,
Hyderabad - 500 032
Tel: +91-40-67162222

Fax: +91-40-23001153

Email:
einward.ris@kfintech.com

Website:
www.kfintech.com

Cautionary Statements

Certain statements in the MDA section concerning future prospects may be forward- looking statements which involve a number of underlying identified / non-identified risks and uncertainties that could cause actual results to differ materially. In addition to the changes in the macro-environment, the Covid-19 pandemic may pose unforeseen, unprecedented, unascertainable and constantly evolving risk(s), inter-alia, to the Company and the environment in which it operates. The results of these assumptions, relying on available internal and external information, constitute the basis for determining certain facts and figures stated in the report. Since the factors underlying these assumptions are subject to change over time, the estimates on which they are based, are also subject to change accordingly. These forward-looking statements represent only the Company's current intentions, beliefs or expectations, and any forward-looking statement speaks only as of the date on which it was made. The Company assumes no obligation to revise or update any forward-looking statements, whether as a result of new information, future events, or otherwise.

Disclaimer: All data used in the MD&A have been taken from publicly available sources, and discrepancies, if any, are incidental and unintentional.

To view the report online, please log on to:
www.digicontent.co.in

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Management Discussion & Analysis

Indian Economy

India ranked 5th among the largest economies of the world (in terms of GDP at current US dollar prices), with a size of $2.9 trillion in 2019. According to the International Monetary Fund's (IMF) World Economic Outlook (WEO) released in June 2020, the Indian economy grew at 4.2% in FY 2019-20 compared to 6.1% in FY 2018-19. The softening of growth was on account of multiple headwinds such as slowdown in private consumption expenditure and gross fixed capital formation. Additionally, production and import of capital goods, the two key factors which influence investment activity, continued to contract during the year. The slowdown in consumption impacted most of the consumer oriented sectors of the economy.

Outlook

The Indian economy was expected to revive from the cyclical slowdown in FY 2020-21. However, on account of the restrictions imposed to curb the outbreak of COVID-19 pandemic in the country starting March 2020, significant disruption is expected across multiple sectors, which have negatively impacted the outlook. The lockdown is likely to have a sizeable impact on the economy, most significantly on consumption, which is its biggest component. The Indian economy is expected to contract by 4.5% in FY 2020-21, as per IMF WEO June 2020. However, India's GDP is expected to witness a sharp rebound in FY 2021-22 with a growth rate of 6.0% as containment efforts are gradually unwound and economic activity normalizes.

(Source: IMF WEO, RBI, Economic Survey 2019-20, KPMG Report)

GDP growth rate in India

(Source: IMF WEO)

Industry Overview

Indian Media & Entertainment Industry

The Indian Media & Entertainment (M&E) industry reached a size of $25.7 billion in CY 2019, registering a growth of 9% over CY 2018. The industry has proved its resilience yet again, growing at a rate higher than India's GDP, backed by rising consumer demand. The industry has been largely driven by increasing digitization and internet usage, as internet penetration and adoption of digital media in India are growing at an unprecedented rate, creating huge opportunities to tap into uncharted areas within the digital space.

(Source: EY M&E Report)

Digital Advertising

The technological advancements in the ever-evolving digital industry have opened various opportunities to interact with the audience. Marketers can now choose innovative ways to reach out and cater to demand, creating unforgettable experiences. Digitization is one of the strongest factors encouraging greater consumption of content on the internet.

Indian digital market is set to become the 2nd largest segment within the Media and Entertainment industry by CY 2021. Digital Advertisement has grown by 24% YoY in CY 2019, reaching ₹ 191.5 billion. The growth was driven by increased consumption of content on digital platforms and marketers' tilt towards measurability and performance. The top five categories contributed 76% of total digital advertising spends and share of programmatic advertising has increased.

The monetisation in the M&E sector is reliant on advertising to a large extent. The recessionary impact of COVID-19 on key advertising sectors such as FMCG, e-commerce, automobiles, financial services and real estate, which are facing their own challenges and take some time to recover, could have a knock-on effect on the advertising revenues in FY 2020-21.

> "The industry has proved its resilience yet again, growing at a rate higher than India's GDP, backed by rising consumer demand."

Major Trends in Digital Advertising

- **Growing share of regional languages**

  Presently, English continues to be the primary language of the internet. However, focus on vernacular has been increasing recently. It is expected that in a few years, Hindi would become the most used language on the internet, while Marathi, Bengali, Tamil and Telugu speaking internet users are expected to form ~30% of the total Indian language internet user base. Digital advertising spend on regional languages is estimated to reach to ~30% of the total digital advertising spends in the coming years.

- **Artificial Intelligence (AI), Machine Learning (ML) and Digital Advertising**

  The rise of AI and ML in advertising has had a profound impact on the industry, allowing marketers to deliver relevant and engaging advertisements to customers.

- **Mobiles keep digital advertising upbeat**

  Mobiles are the main growth drivers in the rise of digital media consumption. The time spent on smartphones is likely to see persistent growth in coming future.

- **Advertising platforms founded on user behaviour**

  Tighter data regulations, greater advertisement blocking capabilities, privacy concerns and increasing competition are expected to push advertisers to do more with less data. This will drive advertisers to understand user behaviour and accordingly, discover platforms that drive the audience.

(Source: EY M&E Report, KPMG M&E Report, Pitch Madison Advertising Report)

Digital Content

Today India is amongst the top countries in the world in terms of digital consumption of services, second only to China. This has led to many traditional media formats prioritising their digital strategy and focusing on combining the text and video format.

A majority of the country's internet users are mobile phone users that take advantage of alternatives to expensive connections. This growth in internet and mobile phone users is expected to further augment the growth of the digital media industry. There is also an increasing focus on regional content.

Digital content consumption has seen an increase due to the lockdown and movement restrictions imposed to contain the spread of coronavirus. Even after the restriction are lifted post COVID-19, the content consumption is expected to remain high on account of habit formation. Certain sections of the consumers may remain apprehensive of crowd and display a preference for at-home media and entertainment.

(Source: KPMG M&E Reports, Statista)

Company Overview

Digicontent Limited (Digicontent) operates in the realm of Entertainment & Digital Innovation business. It provides content sourcing services and is engaged in the dissemination of news, knowledge, information, entertainment and content of general interest through various digital and electronic media, and management of advertising time and space on news websites hindustantimes.com, livemint.com and livehindustan.com. It also operates movie entertainment and review website desimartini.com, runs Fever Audio Tools, maintains a repository of copyright images and carries out brand promotion activities. The Entertainment & Digital Innovation business has significant potential for the growth and the Company is pursuing this opportunity in a focused manner with an independent strategy to maximize value creation for various stakeholders. With a focus on enhancing capabilities, improving customer experiences and maintaining agility, Digicontent is well positioned to spearhead the innovations in this era of digitization.

Product Portfolio

Digital Content Business

Digicontent produces, sources or has rights to high quality and large volume of multimedia literary content through its business. It specialises in development of literary content in the digital media sphere. The Company provides content sourcing services in the form of news formats.

hindustantimes.com

One of the fastest in the business of breaking news, hindustantimes.com has been catering to the ever growing market for digital news and information consumption in India. It has seen a sharp growth in user base with monthly page views growing by 337% and unique users by 28% on a YoY basis in March 2020 (Comscore for March 2020). It has positioned itself as a serious news destination. In an era when fake news

and fact checking are the new buzzwords, it stands apart as a credible and authentic news destination. A trusted network of journalists adds to the repository of multimedia content generated by the online editorial team.

796 million
Monthly page views

53 million
Monthly unique users

No. 2
Site in English news category

livehindustan.com

Livehindustan is one of the leading as well as fastest growing Hindi news website in India with 166% and 153% YoY growth in monthly page views and unique users, respectively, in March 2020. The portal carries exclusive news and multimedia content, detailed cricket coverage, in-depth stock market updates and business analysis from an extensive repository of content by the online editorial team, which is updated round the clock with the latest breaking news. It also provides 360 degree coverage of major events through live blogs, interviews, analysis, opinions, videos, podcasts and more. It draws on the legacy of the print brand to serve credible, authentic content to its dedicated user base.

527 million
Monthly page views

68 million
Monthly unique users

No. 2
Site in Hindi news category

livemint.com

Livemint is a premier business news website, which is well positioned as a reliable and credible source of business news owing to its cutting-edge product innovation. It is first among its peers in India to courageously adopt and embrace a mobile-first design, which is likely to set off a trend in the industry. The portal provides comprehensive business news coverage from the online news desk. User centric, personalised and mobile first approach has resulted in a YoY growth of 550% in monthly page views and 634% in monthly unique users in March 2020. It was ranked No. 2 business news website in terms of unique users. Its efficient editorial team with a robust content line-up helps the publication to generate real-time content, targeting trending keywords and ensuring higher traffic.

278 million
Monthly page views

58 million
Monthly unique users

No. 3
Site in Business news category

desimartini.com

Desimartini is one of the best movie review and ratings website. Viewers get access to latest trailers, videos, songs, celebrity information, news, movie synopsis and release dates on the website. It is also available across platforms such as SMS, social media sites like Facebook, Twitter and mobile apps. During the year under review, Desimartini mobile and Accelerated Mobile Pages (AMP) have been redesigned for deeper engagement with search traffic and rankings matching up to the social traffic. Mobile App contributes nearly 90% of the website's traffic. A consistent effort has been put towards revamping the website to improve search and rankings. Going forward, the focus is on covering a larger segment in entertainment across television, regional cinema and OTT platforms leveraging our strong foothold in Bollywood.

7 million
Monthly page views

3 million
Monthly unique users

Fever Audio Tools (FAT)

FAT started out with distributing non-music radio content to telecom partners for VAS consumption. It later branched out into creation and aggregation of audio and video content for consumption of mobile and digital users, across a wide range of content genre viz. celebrity-led content, bollywood news, audio drama, mythology, health & fitness, biographies, reality shows etc. It has also diversified into in-store music and promotion business by partnering with multiple format stores, malls, restaurants and cafes.

Note: Data on monthly page views and unique users on this page are based on Comscore for March 2020. Rankings are based on monthly page views.

healthshots.com

Healthshots is a unique health and wellness website for millennial women. It offers tailor-made and personalized content on health and wellness, verified by health and wellness experts and industry influencers. Designed for young millennial women searching for cues on feeling good and healthy, it enjoys a strong footing based on its unique content, communities, features, podcasts, videos, and infographics on mental health, fitness, nutrition, feminine hygiene, and beauty. It aims to engage its readers and brands with impactful integrations. Featuring intuitive tools, it is a destination for holistic wellness that informs, educates, and inspires.

694k	215k
Monthly page views*	Monthly unique users*

HT Auto

HT Auto website was launched in November 2019. It covered every major test drive of new product launches in 2020 in video as well as text formats. It crossed the 1 million users mark in March 2019 and has a strong presence on social media. The website carried a 360 degree coverage of Auto Expo 2020 with all the latest unveilings and related videos.

3.5 million	1.7 million
Monthly page views*	Monthly unique users*

Livemint Subscription

In February 2020 we introduced the subscription model on Livemint. The initial months have seen a very good response in terms of subscription demand. We have also partnered with The Wall Street Journal (WSJ) whereby we are giving access of WSJ content to the subscribers along with Livemint.

Financial Performance Overview

Revenue from operations

During the year, revenue from operations stood at ₹ 259 crore, softening down by 3% from ₹ 268 crore in the previous year, primarily on account of muted advertising environment driven by macroeconomic headwinds.

**Based on Google Analytics for March 2020*

Profitability

The Company's Operating EBITDA Margin declined from 11.1% in FY 2018-19 to 9.3% in FY 2019-20. Net Profit Margin also reduced from -4.4% in FY 2018-19 to -12.7% in FY 2019-20, owing to revenue softness and increase in cost on account of investment in business. Accordingly, Return on Net Worth reduced from -18.1% in FY 2018-19 to -107.2% in FY 2019-20.

Debt Equity Ratio

The Debt Equity Ratio increased to 3.2 times as on March 31 2020 from 1.4 times as on March 31 2019. This was led by reduction in equity due to loss incurred by the Company during the year.

Interest Coverage Ratio

As on March 31 2020, the Interest Coverage Ratio stood at -2.2 times as compared to -0.8 times as on March 31 2019, as the profits for the Company have declined.

Editorial Highlights

Some of the key editorial initiatives undertaken during FY 2019-20 include unprecedented coverage of the May 2019 elections, live coverage of special events including the Budget and a complete overhaul of the Livemint website. It not only revamped the content and adopted a personalized strategy to attract consumers, but also marked the Company's subscription journey with the Livemint-The Wall Street Journal partnership.

hindustantimes.com

Outbreak of Coronavirus

To generate awareness about the deadly Novel Coronavirus outbreak, hindustantimes.com not only relied on stories and videos to explain its ramifications, but also created an online Coronavirus tracker to track the spread of infection and death toll around the world, on an hourly basis. It has emerged as a credible trusted platform for credible news to counter the spread of misinformation and fake news surrounding the pandemic.

Citizenship Controversy

Amidst a plethora of conflicting reports on social media, hindustantimes.com ran a fact-based campaign explaining and analysing the evolving situation, including both text and video. It garnered 2 million page views and over 1 million video views (on-site and YouTube combined) on the controversy over the Citizenship Amendment Act.

Gandhi@150

The Company ran a special collaborative multimedia campaign to celebrate 150 years of Mahatma Gandhi. We published over 150 text stories, analyses and opinions. Besides, 17 high quality videos showcased Gandhiji's journey from Champaran to Sabarmati Ashram and retracing the historic Dandi March. The campaign attracted over 1 million page views while video views across platforms crossed 100,000.

Leadership Summit

hindustantimes.com led an unparalleled coverage of the Hindustan Times Leadership Summit 2019. A total of 68 stories were published on the site with over 90% of them being done by the digital team. The site saw over 103% and 218% growth in page views and users compared to last year to reach 731k and 522k respectively. A total of 86 videos were published which garnered more than 10 million views on-site and YouTube.

Coverage of General Elections 2019

hindustantimes.com put up an unprecedented digital coverage of the 2019 General Elections and 4 assembly elections. We put together interactive data widgets, multimedia features and exclusive data-led stories culminating in the first ever 12-hour live on-site stream on the counting day, in collaboration with known TV personality Vikram Chandra. The site went on to bag 10 million page views on the counting day.

livehindustan.com

Election Specials

The online news portal provided extensive coverage of the general elections, assembly elections as well as the municipal elections in Chhattisgarh. On counting day, real time updates were given during vote counting and results declaration. In Delhi, a special series was curated on the elections, Dilli Ka Dangal, which carried interviews of eminent personalities. The team conducted the election specials with a balanced approach, covering the opinions and views of varied parties.

Budget Special

Livehindustan presented a variety of articles before the important budget session. It not only dealt with budget expectations, but also covered in-depth analysis of the budget session and the various proposals and initiatives announced by the Finance Minister. It also offered live coverage of the Budget session and provided minute-by-minute updates.

Machhar ko Takkar

A campaign with more than 200 stories, starting from July 2019 to October 2019 helped to spread awareness about dengue and other diseases caused by mosquitoes. The stories focused on the prevention and preparedness of the government as well as private hospitals. Several stories also highlighted loopholes in the preparations and sought timely intervention to tackle dengue menace in Delhi-NCR and other cities.

livemint.com

All the major news ranging from the recent Yes Bank crisis to Coronavirus outbreak, Livemint has focused on key issues through special topic pages, which have helped the Company to build strong traction and enabled users to get easy accessibility to the news. News and events including Auto Expo, Namaste Trump, Jet Airways crisis, Ayodhya Verdict and Rediscovering Gandhi were covered. Digital-first-live webcast, live blogs, and event specific stories of events such as Mint Visionaries, Investment Summit and Banking Conclave were also covered.

Videos and Live Streams

Video Push

In a bid to emerge as a multimedia player in the evolving digital space, hindustantimes.com upped its video focus in the last one year, tripling its growth in terms of video views and engagement. From about 1 million on-site monthly views across domains in January 2019, they now have 9 million views reported on JW player in March 2020. JW player has been integrated across sites.

Growth on YouTube

The subscriber base of HT's Youtube channel has grown from 0.2 million subscribers in June 2018 to 2 million as on April 14 2020.

Live Streams

In-house capability has been developed by hindustantimes.com to conduct live streams on every trending story. The team does almost two live streams every week and is exploring opportunities to open its web channel for smart TVs.

Human Resource

Digicontent believes that people are its greatest assets and provide an edge over the others, in all qualitative and innovative initiatives undertaken by it. The primary aim is to

make the Company a great place to work with a culture of diversity, performance, future readiness and growth. As a result, the primary focus is on talent acquisition, management and development. Human Resources (HR) is a strategic partner to the business and works closely with all teams to set up the best talent pool for the Company.

Apart from work, the Company has designed an employee engagement calendar for motivating its employees. It includes formal and informal engagement initiatives like spot recognitions, health and fitness options, interest group clubs, festival celebrations and high impact events like Town hall and Rewards & Recognition to motivate employees.

Building a fast paced and future ready Company has been our key focus area. The digital world is growing leaps and bounds, and the organisation has to be designed and equipped to handle the pace and disruption happening in the sector. The organisation structure, roles and responsibilities and talent search have all been critical to the building of the Company. Readiness for pre-boarding talent has also been put in place. The HR policies and processes have been documented to build a dynamic and digitally savvy organisation. The employee strength of the Company (including its subsidiary i.e. HT Digital Streams Limited) stood at 1,661 as on March 31 2020.

7:3

Male to Female ratio

Women at Workplace

The Company has in place strict polices for women in workplace. It is fully complaint with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The Company's formulated policy is available on the employee intranet portal. The Internal Committee (IC) is in place. We have received no complaints during FY 2019-20. The Company has a mandatory online module for all employees to increase awareness. The Company is fully compliant with provisions relating to the constitution of Internal Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

Risk Management

The Company has established a risk management framework to identify and mitigate risks arising from external and internal factors. A risk identification exercise is carried out periodically to identify various strategic, operational, financial and compliance-related risks. These are evaluated for their likelihood and potential impact.

Few risks and uncertainties that can affect the business include the inherent risk of cybercrimes and data breach that may impact reputation, exposure to litigations and competition from emerging digital platforms like OTT platforms and other social media apps.

Potential risks are reviewed on an ongoing basis and mitigating controls are deliberated upon as an integral part of decision-making. To stay ahead of the competition and minimise exposure to risk, the Company has taken various initiatives like continuous engagement with the Editorial team and upgradation of Editorial processes to ensure factual accuracy of content published, greater focus on reaching newer segments & geographies and progressively moving towards new revenue streams such as podcasts, vernacular websites, subscription models etc. Further, the usage of an automated compliance tool to monitor status of statutory compliances across all locations/ functions helps the Company to minimise its exposure to any non-compliance to statutory and legal requirements.

Further, in light of the COVID-19 scenario, the Company is continuously evaluating the evolving situation and taking necessary steps to mitigate its impact, while ensuring business continuity. The Company is also taking cost optimization efforts across businesses and functions.

Internal Control

The Company has an effective system of internal controls corresponding to its size, nature of business and complexity of operations. The internal control mechanism comprises of a well - defined organizational structure with clearly defined authority and responsibility levels and comprehensive documented policies, guidelines and procedures governing the operations of respective business areas and functions. These controls have been designed to safeguard the assets and interests of the Company and its stakeholders and also ensure compliance with Company's policies, procedures and applicable regulations. Owing to continuously evolving business practices, these controls are regularly updated by the management. Company's focus on technology and automation has driven the establishment of appropriate automated controls and has further enhanced the existing control framework. A robust ERP system is used for accounting across locations. The Company also has a Shared Service Centre and CRM application supporting centralized and standardized procurement, payment and approval processes. These systems enhance the reliability of financial and operational information by facilitating system driven control activities, segregation of duties and enabling stricter controls.

The internal control system is supplemented by an extensive program of internal audits and their reviews by the management.

The in-house internal audit function supported by professional external audit firms conducts comprehensive risk focused audits and evaluates the effectiveness of the internal control structure across locations and functions on a regular basis. In addition to internal audit activities, the Company has also developed an internal financial control framework to periodically review the effectiveness of controls laid down across all critical processes. In addition, the Company uses an online compliance management tool, and has established concurrent audit mechanism for ensuring effective compliance oversight. Further, the Company has an Audit Committee of Directors which meets at least once in every quarter to review internal control systems, accounting processes, financial information and other related areas.

Outlook

FY 2019-20 was a challenging year for the Indian Media & Entertainment industry as advertising spend was impacted on account of weak macroeconomic environment. In FY 2020-21, the performance is expected to be impacted by the outbreak of COVID-19 pandemic. This has required the government to take measures such as isolation, lockdowns, and widespread closures as a means to slow the spread of the virus, protect lives and allow health care systems to cope.

In these trying times for the country and the world, when people are turning to using digital services, the Company has been on the forefront to provide timely and accurate news, information and entertainment content to its audience through its highly credible digital platforms. It has emerged as a trusted resource against misinformation and fake news. Hence, we expect a high demand for our services. However, it may take some time for the advertising spends to reflect this increased demand, as the current environment is likely to impact discretionary spends by advertisers. As we navigate through this unprecedented crisis, we will continue to provide engaging content to our audience and innovative solutions to our advertisers.

BOARD'S REPORT

Dear Members,

Your Directors are pleased to present their Third Report together with the Audited Financial Statements (Standalone & Consolidated) for the financial year ended on March 31, 2020.

FINANCIAL RESULTS (STANDALONE)

Your Company's performance during the financial year ended on March 31, 2020, along with previous year's figures is summarized below:

(₹ in Lac)

Particulars	2019-20	2018-19*
Total Income	**1,771**	**2,022**
Earnings before interest, tax, depreciation and amortization (EBITDA) from continuing operations	85	447
Add: Exceptional Item	-	-
Less: Depreciation	20	30
Less: Finance cost	1,006	904
Profit/(Loss) before tax from continuing operations	(941)	(487)
Less: Tax Expense		
• Current tax	-	-
• Deferred tax charge/(credit)	133	(127)
Total tax expense	**133**	**(127)**
Profit for the year from continuing operations	(1,074)	(360)
Profit/(Loss) for the period	(1,074)	(360)
Add: Other Comprehensive Income (net of tax)		
a) Items that will not to be reclassified to profit or loss	(3)	(16)
b) Items that will be reclassified to profit or loss	-	-
Total Comprehensive Income for the year (net of tax)	**(1,077)**	**(376)**
Opening balance in Retained Earnings	(594)	(218)
Add: Profit/ (Loss) for the year	(1,074)	(360)
Less: Items of other Comprehensive Income recognized directly in Retained Earnings		
• Re-measurements of post-employment benefit obligation (net of tax)	(3)	(16)
Total Retained Earnings	**(1,671)**	**(594)**

* Comparative figures for FY-19 have been taken from the financial statements prepared after taking into effect the Scheme of Arrangement between HT Media Limited and the Company w.e.f. the Appointed Date i.e. March 31, 2018 (closing business hours).

DIVIDEND

Due to inadequacy of profits, no dividend is recommended by the Directors for the year ended March 31, 2020.

COMPANY PERFORMANCE AND FUTURE OUTLOOK

A detailed analysis and insight into the financial performance & operations of your Company for the year under review and future outlook is appearing in Management Discussion and Analysis Report, which forms part of the Annual Report.

RISK MANAGEMENT

Your Company has a robust risk management framework to identify, evaluate and mitigate business risks. A detailed statement indicating development and implementation of a risk management policy for the Company, including identification of various elements of risk, is appearing in the Management Discussion and Analysis Report.

SCHEME OF ARRANGEMENT

The Board of Directors approved a Scheme of Arrangement u/s 230 to 232 read with Section 66 and other applicable provisions of the Companies Act, 2013 (hereinafter referred to as "the Act") between the Company and HT Media Limited (HTML) and their respective shareholders and creditors (hereinafter referred to as "HTML-DCL Scheme") which, inter-alia, envisaged demerger of 'Entertainment & Digital Innovation Business' (Demerged Undertaking) of HTML, and transfer and vesting thereof to and in the Company, on a 'going concern' basis.

HTML-DCL Scheme was sanctioned by Hon'ble National Company Law Tribunal ('NCLT'), New Delhi Bench, on March 7, 2019 (certified copy received on March 27, 2019). Consequent upon filing of the NCLT order with the Registrar of Companies on April 5, 2019, HTML-DCL Scheme became effective from the Appointed Date i.e. March 31, 2018 (close of business hours). Accordingly, in terms of the HTML-DCL Scheme, the eligible shareholders of HTML have been allotted equity shares of the Company in the ratio of 4:1 on April 12, 2019. The said equity shares have been admitted for trading on National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) w.e.f. June 18, 2019.

Consequent upon allotment of shares to the eligible shareholders of HTML pursuant to HTML-DCL Scheme, The Hindustan Times Ltd., Go4i.com (Mauritius) Ltd., Mrs. Shobhana Bhartia, Mr. Priyavrat Bhartia and Mr. Shamit Bhartia have become promoters of the Company.

SUBSIDIARY COMPANY

Consequent upon effectiveness of HTML-DCL Scheme, HT Digital Streams Limited (HTDSL) became a material wholly-owned subsidiary of the Company. Your Company does not have any associate or joint venture company within the meaning of Section 2(6) of the Act, during the year under review.

In terms of the applicable provisions of Section 136 of the Act, Financial Statements of HTDSL, for the financial year ended on March 31, 2020 are available for inspection at Company's website viz. www.digicontent.co.in.

A report on the performance and financial position of HTDSL in the prescribed Form AOC-1, is annexed to the Consolidated Financial Statements of the Company and hence, not reproduced here. The 'Policy for determining Material Subsidiary(ies)' is available on the Company's website viz. www.digicontent.co.in.

The contribution of HTDSL to the overall performance of your Company is outlined in Note no. 34 of the Consolidated Financial Statements of the Company for the financial year ended March 31, 2020.

SHARE CAPITAL

Authorized share capital

During the year under review, in terms of HTML-DCL Scheme and upon effectiveness thereof, the Authorized share capital of your Company has been increased from ₹ 1,00,000/- divided into 50,000 equity shares of ₹ 2/- each to ₹ 12,00,00,000/- divided into 6,00,00,000 equity shares of ₹ 2/- each.

As on March 31, 2020, the Authorized share capital of the Company stood at ₹ 12,00,00,000/- divided into 6,00,00,000 equity shares of ₹ 2/- each.

Paid up equity share capital

During the year under review, the Board of Directors of the Company at its meeting held on April 12, 2019, issued and allotted 5,81,87,078 equity shares of face value of ₹ 2/- each, aggregating to ₹ 11,63,74,156/-, to the eligible equity shareholders of HTML, pursuant to HTML-DCL Scheme.

Further, in accordance with HTML-DCL Scheme, the entire pre-scheme paid-up equity share capital of the Company amounting to ₹ 1,00,000/- divided into 50,000 equity shares of ₹ 2/- each held by HTML & its nominees, was cancelled upon allotment of new equity shares to the eligible shareholders of HTML.

As on March 31, 2020, the paid-up equity share capital of your Company stood at ₹ 11,63,74,156/- divided into 5,81,87,078 equity shares of face value of ₹ 2/- each.

DEPOSITORY SYSTEM

The Company's equity shares are compulsorily tradeable in electronic form. As of March 31, 2020, 99.99% of the Company's total paid-up capital representing 5,81,86,129 equity shares is in dematerialized form. In view of the benefits offered by the depository system, members holding shares in physical mode are advised, in their own interest, to avail demat facility.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

Directors

During the year under review, the members at the 2nd Annual General Meeting (AGM) of the Company held on April 04, 2019 approved appointment of Mr. Praveen Someshwar as Director. Further, the Board of Directors of your Company at its meeting held on April 18, 2019 accorded approval to the appointment of Mr. Ajay Relan, Mr. Vivek Mehra and Ms. Suchitra Rajendra as Additional Directors w.e.f. April 18, 2019 to hold office as such till the date of ensuing AGM and as Independent Directors, for a term of 5 (five) years until March 31, 2024, subject to approval of Members.

Mr. Sharad Saxena, Director of your Company since incorporation, passed away on January 27, 2020 after a brief illness. The Board places on record its deep appreciation of the valuable services rendered by Late Mr. Sharad Saxena during his tenure as Director of the Company. To fill the casual vacancy caused due to demise of Late Mr. Sharad Saxena, the Board of Directors, on the recommendation of Nomination & Remuneration Committee, appointed Mr. Dinesh Mittal (DIN: 00105769) as Non-Executive Director w.e.f. March 12, 2020, subject to approval of Members.

Your Directors commend appointment of Mr. Ajay Relan, Mr. Vivek Mehra and Ms. Suchitra Rajendra as Independent Directors and Mr. Dinesh Mittal as Non-executive Director, for approval of members at the ensuing AGM.

In accordance with the applicable provisions of the Act, Mr. Praveen Someshwar retires by rotation at the ensuing AGM and being eligible, has offered himself for re-appointment. Your Directors commend re-appointment of Mr. Praveen Someshwar for approval of the Members at the ensuing AGM.

All the Independent Directors of the Company have confirmed that they meet the criteria of independence as prescribed under both, the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") along with declaration of compliance with Rules 6(1) and 6(2) of the Companies (Appointment and Qualification of Directors) Rules, 2014, with respect to their registration on the data bank of Independent Directors maintained by Indian Institute of Corporate Affairs. The Independent Directors have also confirmed that they have complied with the 'Code of Conduct' of the Company.

Brief resume, nature of expertise, details of directorship held in other companies etc. of the Directors proposed to be appointed/re-appointed at the ensuing AGM, along with their shareholding in the Company, as stipulated under Secretarial Standard-2 and Regulation 36 of SEBI Listing Regulations, is provided in the Notice of the ensuing AGM.

Key Managerial Personnel

During the year under review, the Board of Directors approved the appointment of following Key Managerial Personnel (KMPs) :-

Name	Designation	Date of appointment
Mr. Abhesh Verma	Chief Executive Officer	July 31, 2019
Mr. Anup Sharma	Chief Financial Officer	April 12, 2019
Mr. Vikas Prakash	Company Secretary	April 12, 2019

PERFORMANCE EVALUATION

In line with the requirements under the Act and SEBI Listing Regulations, the Board of Directors undertook a formal annual evaluation of its own performance and that of its Committees, Chairperson & Directors.

Nomination & Remuneration Committee framed questionnaires for evaluation of performance of the Board as a whole, Board Committees (viz. Audit Committee, Stakeholders' Relationship Committee and Nomination & Remuneration Committee) Directors and the Chairperson, on various criteria outlined in the 'Guidance Note on Board Evaluation' issued by SEBI on January 5, 2017.

The Directors were evaluated on parameters such as, value addition to discussions, level of preparedness, willingness to appreciate the views of fellow directors, commitment to processes which include risk management, compliance and control, commitment to all stakeholders (shareholders, employees, vendors, customers etc.), familiarization with relevant aspects of company's business / activities amongst

other matters. Similarly, the Board as a whole was evaluated on parameters which included its composition, strategic direction, focus on governance, risk management and financial controls.

A summary report of the feedback of Directors on the questionnaire(s) was considered by the Nomination & Remuneration Committee and the Board of Directors. The Board would endeavour to use the outcome of the evaluation process constructively, to improve its own effectiveness and deliver superior performance.

AUDIT & AUDITORS

Statutory Auditor

During the year under review, the Shareholders of the Company at their Extra-ordinary General Meeting held on April 1, 2019 approved the appointment of M/s. MRKS and Associates, Chartered Accountants (MRKS) [Firm Registration No. 023711N] as Statutory Auditor, to fill the casual vacancy caused due to resignation of M/s. Price Waterhouse & Co. (PWC), Chartered Accountants LLP [Firm Registration No. 304026/E-300009] vide their letter dated March 29, 2019. Thereafter, MRKS was appointed as Statutory Auditor by the Members at their Second AGM held on April 4, 2019, to hold office for a term of 5 (five) consecutive years from the conclusion of Second AGM till the conclusion of Seventh AGM of the Company to be held in the calendar year 2024.

MRKS resigned as Statutory Auditor vide letter dated July 5, 2019. To fill the casual vacancy caused due to resignation of MRKS, the Board of Directors, on the recommendation of Audit Committee, on July 11, 2019 accorded approval to the appointment of B S R and Associates, Chartered Accountants ("BSR") [Firm Registration No. 128901W] as Statutory Auditor, to hold office as such upto the conclusion of the ensuing AGM. The appointment of BSR was approved by the Members of the Company on September 22, 2019 by way of passing resolution by postal ballot.

Since, the aforesaid appointment of BSR as Statutory Auditor of the Company is valid upto the date of the ensuing AGM, on the recommendation of Audit Committee, the Board of Directors recommends to the Members, appointment of BSR as Statutory Auditor of the Company, to hold office for a period of 5 (five) consecutive years from the conclusion of ensuing AGM till the conclusion of Eighth AGM of the Company, to be held in the calendar year 2025.

The report of BSR on Annual Financial Statements (Standalone and Consolidated) for the financial year ended on March 31, 2020, is an unmodified opinion i.e. does not contain any qualification, reservation or adverse remark.

Secretarial Auditor

Pursuant to the provisions of Section 204 of the Act, and rules made thereunder, the Board of Directors appointed M/s. RMG & Associates, Company Secretaries ("RMG") (Firm Reg. No. P2001DE16100) as Secretarial Auditor, to conduct the Secretarial Audit for the financial year ended March 31, 2020 and their report is annexed herewith as "**Annexure - A**". The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

Further, the Secretarial Audit of material unlisted subsidiary viz. HT Digital Streams Limited, as required under Regulation 24A of SEBI LODR, has been conducted for the FY-20 and there were no qualification, reservation or adverse remark in the said report.

During the year under review, the Statutory Auditor and the Secretarial Auditor have not reported any instance of fraud to the Audit Committee, pursuant to Section 143(12) of the Act and rules made thereunder. Therefore, no detail is required to be disclosed under Section 134(3)(ca) of the Act.

RELATED PARTY TRANSACTIONS

All contracts/arrangements/transactions entered into by the Company with related parties during the year under review, were in ordinary course of business of the Company and on arms' length terms. The related party transactions were placed before the Audit Committee for review and/or approval. During the year, the Company did not enter into any contract/arrangement/transaction with related party which could be considered 'material' in accordance with the Company's 'Policy on Materiality of and dealing with Related Party Transactions' (available on Company's website viz. www.digicontent.co.in) and therefore, the disclosure of related party transactions in Form AOC-2 is not applicable.

Reference of Members is invited to Note nos. 30 and 30A of the Annual Financial Statements, which set out the related party disclosures as per Ind AS-24.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Act, your Directors state that:

(i) in the preparation of the annual accounts for the financial year ended on March 31, 2020, the applicable accounting standards have been followed and there are no material departures;

(ii) such accounting policies have been selected and applied consistently and judgments and estimates have been

made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as on March 31, 2020 and of the loss of the Company for the year ended on March 31, 2020;

(iii) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

(iv) the annual accounts have been prepared on a 'going concern' basis;

(v) proper internal financial controls were in place and that such internal financial controls were adequate and operating effectively; and

(vi) systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

DISCLOSURES UNDER THE COMPANIES ACT, 2013

Borrowings and Debt Servicing: During the year under review, your Company has met all its obligations towards repayment of principal and interest on loans availed, if any.

Particulars of loans given, investments made, guarantees / securities given: The details of investments made and loans/ guarantees/securities given, as applicable, are given in note no. 36 to the Standalone Financial Statements.

Board Meetings: A yearly calendar of board meetings is prepared and circulated in advance to the Directors. During the financial year ended March 31, 2020, the Board met eight times on April 04, 2019, April 12, 2019, April 16, 2019, April 18, 2019, July 31, 2019, October 24, 2019, January 21, 2020 and March 12, 2020. For further details of these meetings, Members may please refer the Report on Corporate Governance which forms part of the Annual Report.

Committees of the Board: At present, four standing committees of the Board of Directors are in place viz. Audit Committee, Nomination & Remuneration Committee, Banking & Finance Committee and Stakeholders' Relationship Committee which have been constituted in accordance with the applicable provisions of the Act and SEBI Listing Regulations. During the year under review, recommendations of these committees were accepted by the Board of Directors.

Remuneration Policy: The Remuneration Policy of the Company on appointment and remuneration of Directors, Key Managerial Personnel & Senior Management, as prescribed under Section 178(3) of the Act and the SEBI Listing Regulations, is available on the Company's website viz. www.digicontent.co.in. The Remuneration Policy includes, inter-alia, the criteria for appointment of Directors, KMPs, Senior Management Personnel and other employees, their remuneration structure, recommendation to the Board, all remuneration in whatever form, payable to Senior Management and disclosures in relation thereto.

Vigil Mechanism: The Vigil Mechanism, as envisaged in the Act & rules made thereunder and the SEBI Listing Regulations, is addressed in the Company's "Whistle Blower Policy". In terms of the Policy, directors/employees/stakeholders of the Company may report concerns about unethical behaviour, actual or suspected fraud or any violation of the Company's Code of Conduct. The Policy provides for adequate safeguards against victimization of the Whistle Blower. The Policy is available on the Company's website viz. www.digicontent.co.in.

Particulars of employees and related disclosures: In accordance with the provisions of Section 197(12) of the Act, read with Rule 5(2) & (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, details of employees remuneration are set out in the "**Annexure - B**" to this Report. In terms of the provisions of Section 136(1) of the Act, the Board's Report is being sent to the Members without this annexure. Member interested in obtaining such information, may write to the Company Secretary at the Registered Office of the Company.

Disclosures under Section 197(12) of the Act, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed herewith as "**Annexure - C**".

Extract of Annual Return: Extract of the Annual Return for the financial year ended on March 31, 2020 in Form MGT-9 is annexed herewith as "**Annexure - D**", and the same is also placed on the website of the Company viz. www.digicontent.co.in. The Annual Return will be hosted on Company's website after certification by Company Secretary in practice and filing thereof with Registrar of Companies.

Corporate Governance: The report on Corporate Governance in terms of SEBI Listing Regulations, forms part of this Annual Report. The certificate issued by Company Secretary-in-Practice is annexed herewith as "**Annexure – E**".

Conservation of energy & technology absorption: NIL

Foreign exchange earnings and outgo –

- Foreign Exchange earned in terms of actual inflows during the year: NIL
- Foreign Exchange outgo in terms of actual outflows during the year: ₹ 11.58 Lac

INFORMATION ON MATERIAL CHANGES AND COMMITMENTS

No material changes/commitments have occurred after the end of financial year 2019-20 and till the date of this report, which affect the financial position of your Company.

SECRETARIAL STANDARDS

Your Directors state that the Secretarial Standards (i.e. SS-1 and SS-2), relating to 'Meetings of the Board of Directors' and 'General Meetings', have been followed by the Company.

GENERAL

Your Directors state that during the year under review, no disclosure is required in respect of following matters, as there were no transactions/events in relation thereto:

1. Details relating to deposits covered under Chapter V of the Act.
2. Issue of equity shares with differential rights as to dividend, voting or otherwise.
3. Issue of shares (including sweat equity shares) to employees of the Company under any scheme of the Company.

During the year under review, the provisions relating to Corporate Social Responsibility (CSR) enshrined under Section 135 of the Act were not applicable on the Company.

The Company does not have any Employee Stock Option Scheme.

The Company has not transferred any amount to the General Reserve during the year under review.

No significant or material order was passed by any Regulator, Court or Tribunal, which impact the 'going concern' status and Company's operations in future.

Your Company has in place, adequate internal financial controls with reference to the financial statements. The internal control system is supplemented by an extensive program of internal audits and their review by the management. The in-house internal audit function, supported by professional external audit firms, conduct comprehensive risk focused audits and evaluates the effectiveness of the internal control structure across locations and functions on a regular basis. In addition to internal audit activities, Company has also developed an internal financial control framework to periodically review the effectiveness of controls laid down across all critical processes. The Company has instituted an online compliance management tool with a centralized repository to cater to its statutory compliance requirements.

PREVENTION OF SEXUAL HARRASSMENT OF WOMEN AT WORKPLACE

Your Company adheres to a strict policy to ensure safety of women employees at workplace. The Company is fully compliant with the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and has constituted an Internal Committee (IC) to redress complaints received regarding sexual harassment. The Company's policy in this regard, is available on the employee's intranet. The Company conducts regular classroom training sessions for employees and members of IC and has also rolled-out an online module for employees to increase awareness. No instance or complaint was reported to IC during the year under review.

ACKNOWLEDGEMENT

Your Directors place on record their sincere appreciation for the co-operation extended by all stakeholders, including government authorities, shareholders, investors, customers, banks, vendors and suppliers. Your Directors also place on record their deep appreciation of the committed services of the executives and employees of the Company.

For and on behalf of the Board

	Dinesh Mittal	**Praveen Someshwar**
Date: May 6, 2020	Director	Director
Place: New Delhi	DIN: 00105769	DIN: 01802656

ANNEXURE - A TO THE BOARD'S REPORT

SECRETARIAL AUDIT REPORT

For The Financial Year Ended March 31, 2020

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule no. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

The Members
Digicontent Limited
(CIN: L74999DL2017PLC322147)
Hindustan Times House, 2nd Floor
18-20, Kasturba Gandhi Marg
New Delhi- 110001

We have conducted the secretarial audit of the compliance of the applicable statutory provisions and the adherence to good corporate practices by **Digicontent Limited** (hereinafter referred as 'the Company'), having its Registered Office at Hindustan Times House, 2nd Floor, 18-20, Kasturba Gandhi Marg, New Delhi- 110001. The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification, to the extent possible due to lockdown announced by Government of India on account of COVID – 19 pandemic, of the Company's books, papers, minutes books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended **31st March, 2020**, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2020 according to the provisions of:

I. The Companies Act, 2013 ('the Act') and the rules made thereunder;

II. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

III. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder by the Depositories with regard to dematerialisation / rematerialisation of securities and reconciliation of records of dematerialised securities with all securities issued by the Company;

IV. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder. Further, there was no transaction of Overseas Direct Investment which was required to be reviewed during the period under audit;

V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 including the provisions with regard to disclosures and maintenance of records required under the said Regulations; **[Applicable with effect from 18th June, 2019, being equity shares of the Company listed and admitted to dealings on the Stock Exchanges vis a vis BSE and NSE]**

(b) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; **[Applicable with effect from 18th June, 2019, being equity shares of the Company listed and admitted to dealings on the Stock Exchanges vis a vis BSE and NSE]**

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 **[Applicable to the extent of listing of equity shares of the Company on stock exchanges vis a vis BSE and NSE, pursuant to Scheme of Arrangement under Section 230-232 of the Act]**;

(d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; **[Not Applicable as the Company has not offered any shares or granted any options pursuant to any employee benefit scheme during the period under review]**;

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 **[Not Applicable as the Company has not issued and listed any debt securities during the financial year under review]**;

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client **[Not Applicable during the period under review]**;

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 **[Not Applicable as the Company has not delisted/propose to delist its equity shares from any Stock Exchange during the period under review]**;

(h) The Securities and Exchange Board of India (Buy Back of Securities) Regulations, 2018 **[Not Applicable as the Company has not bought back/propose to buy-back any of its securities during the period under review]**.

For the compliances of Environmental Laws, Labour Laws & other General Laws, our examination and reporting is based on the documents, records and files as produced and shown to us and the information and explanations as provided to us, by the officers and management of the Company and to the best of our judgment and understanding of the applicability of the different enactments upon the Company, in our opinion there are adequate systems and processes exist in the Company to monitor and ensure compliance with applicable Environmental Laws, Labour Laws & other General Laws.

The compliance by the Company of applicable financial laws, like direct and indirect tax laws, has not been reviewed in this audit since the same have been subject to review by the statutory financial auditor and other designated professionals.

We have also examined compliance with the applicable clauses of the following:

1. Secretarial Standards with respect to Meetings of Board of Directors (SS-1) and General Meetings (SS-2) issued by the Institute of Company Secretaries of India.

2. Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. **[Applicable with effect from 18th June, 2019, being equity shares of the Company listed and admitted to dealings on the Stock Exchanges vis a vis BSE and NSE]**

   During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above.

We further report that -

The Board of Directors of the Company comprise of Non-Executive Directors, Independent Directors and Woman Director. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act and consequently the committees were re-constituted, whenever required.

The Company has constituted all the mandatory Committees of the Board viz. Audit Committee, Nomination & Remuneration Committee and Stakeholder's Relationship Committee, having adequate constitution during the financial year in accordance with the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Adequate notice(s) were given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent in accordance with applicable laws, as mentioned here above and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

As per the minutes of the meetings of the Board and Committees of the Board, signed by the Chairman, all the decisions of the Board/its Committees were adequately taken and the dissenting members' views, if any, was captured and recorded as part of the minutes.

As per the records, the Company has generally filed all the forms, returns, documents and resolutions as were required to be filed with the Registrar of Companies and other authorities and all the formalities relating to the same is in compliance with the Act.

We further report that on review of the compliance mechanism established by the Company, we are of the opinion that the management has systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines as the Company has developed comprehensive legal compliance scheduling and management software by which specific compliance tasks were assigned to specified officials. The software enables in planning and monitoring all compliance activities across the Company.

We further report that during the audit period, the Company has following specific events/actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc. referred to above:-

1. The Shareholders of the Company at their Extra-ordinary General Meeting held on 1st April, 2019 approved the appointment of M/s. MRKS and Associates, Chartered Accountants (MRKS) as Statutory Auditors, to fill the casual vacancy caused due to resignation of M/s. Price Waterhouse & Co., Chartered Accountants LLP. Further, in the Annual General Meeting held on 4th April, 2019 shareholders approved the appointment of M/s. MRKS & Associates as Statutory Auditors to hold office for a term of Five consecutive years from the conclusion of 2nd AGM upto the conclusion of 7th AGM of the Company to be held in the calendar year 2024.

2. The appointment of M/s BSR and Associates, Chartered Accountants [Firm Registration No. 128901W] as Statutory Auditor was made by the Shareholders of the Company by passing a resolution vide postal ballot on 22nd September, 2019, to hold office as such upto the conclusion of ensuing AGM to fill the casual vacancy caused due to resignation of M/s. MRKS & Associates, Chartered Accountants.

3. The Scheme of Arrangement between HT Media Limited (Demerged Company) and Digicontent Limited (Resulting Company) and their respective Shareholders and Creditors, was sanctioned by the New Delhi Bench of the Hon'ble National Company Law Tribunal vide order dated 7th March, 2019, which came into effect from 5th April, 2019 ("the Scheme") i.e. filing of certified copy of the order sanctioning the Scheme with concerned Registrar of Companies and consequently lead to the following material changes:

   a) the Authorized Share Capital of the Company has been increased from ₹ 1,00,000/- divided into 50,000 equity shares of ₹ 2/- each to ₹ 12,00,00,000/- divided into 6,00,00,000 equity shares of ₹ 2/- each.

   b) post allotment of equity shares as per the ratio enshrined in the Scheme to the eligible shareholders of Demerged Company, the equity shares of the Company were listed and admitted to dealings on the Stock Exchanges vis a vis BSE and NSE, with effect from 18th June, 2019.

   c) HT Digital Streams Limited ("HTDSL") became wholly owned subsidiary of the Company and consequently the material subsidiary of the Company in pursuance to the Regulation 16(1)(c) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

4. The Board of Directors at its Board Meeting held on 18th April, 2019, appointed Mr. Ajay Relan (DIN: 00002632), Ms. Suchitra Rajendra (DIN: 07962214) and Mr. Vivek Mehra (DIN: 00101328) as Independent Directors, subject to the approval of shareholders in the ensuing Annual General Meeting.

For **RMG & Associates**
Company Secretaries
Firm Registration No. P2001DE16100
Peer Review No. : 734 / 2020

CS Manish Gupta
Partner
FCS: 5123;
C.P. No.: 4095

Place: New Delhi
Date: 06-05-2020
UDIN: F005123B000208395

Note: This report is to be read with 'Annexure I' attached herewith and forms an integral part of this report.

ANNEXURE - I TO THE SECRETARIAL AUDIT REPORT

The Members
Digicontent Limited

Our Secretarial Audit Report for the financial year ended 31st March, 2020 of even date is to be read along with this letter:

1. It is the responsibility of management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

2. Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.

3. We believe that audit evidence and information obtained from the Company's management is adequate and appropriate for us to provide a basis for our opinion.

4. Wherever required, we have obtained the management's representation about the compliance of laws, rules and regulations and happening of events etc.

5. The Secretarial Audit Report is neither an assurance as to future viability of the Company nor of the efficacy or effectiveness with which the management has conducted affairs of the Company.

6. We have tried to verify the physical records maintained by the Company to the extent possible in order to verify the compliances, however, reliance was also placed on electronic records for verification due to lockdown announced by Government of India on account of COVID- 19 pandemic.

For **RMG & Associates**
Company Secretaries
Firm Registration No. P2001DE16100
Peer Review No. : 734 / 2020

CS Manish Gupta
Partner
FCS: 5123;
C.P. No.: 4095

Place: New Delhi
Date: 06-05-2020
UDIN: F005123B000208395

ANNEXURE - C TO THE BOARD'S REPORT

Details pertaining to remuneration as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

(i) The ratio of remuneration of each Director to the median remuneration of the employees and percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer and Company Secretary in the financial year ended on March 31, 2020, is as under –

Name of Director/KMP & designation	Remuneration for FY-20 (₹ in Lac)	% increase in remuneration in FY-20	Ratio of remuneration of each Director to median remuneration of employees in FY-20@
Mr. Priyavrat Bhartia *Chairman & Non-Executive Director*	Nil	Not Applicable	Not Applicable
Mr. Ajay Relan *Independent Director*	7.0*	Not Applicable	0.64
Ms. Suchitra Rajendra *Independent Director*	7.0*	Not Applicable	0.64
Mr. Vivek Mehra *Independent Director*	5.5*	Not Applicable	0.50
Mr. Praveen Someshwar *Non-Executive Director*	Nil	Not Applicable	Not Applicable
Late Mr. Sharad Saxena$ *Non-Executive Director*	Nil	Not Applicable	Not Applicable
Mr. Dinesh Mittal& *Non-Executive Director*	Nil	Not Applicable	Not Applicable
Mr. Abhesh Verma^ *Chief Executive Officer*	Nil	Not Applicable	Not Applicable
Mr. Anup Sharma^^ *Chief Financial Officer*	116.8	Not Applicable	Not Applicable
Mr. Vikas Prakash^^^ *Company Secretary*	20.2	Not Applicable	Not Applicable

@The median remuneration of employees during FY-20 was ₹ 10.95 Lac
*Sitting fee paid for attending Board/Committee meetings
&Appointed as Director w.e.f. March 12, 2020
$Ceased to be Director w.e.f. January 27, 2020
^Appointed as Chief Executive Officer w.e.f. July 31, 2019. He draws remuneration from the subsidiary company i.e. HT Digital Streams Limited
^^Appointed as Chief Financial Officer w.e.f. April 12, 2019
^^^Appointed as Company Secretary w.e.f. April 12, 2019

(ii) **Increase in the median remuneration of employees of the Company in FY-20 –** Not applicable, as the Company did not have any employee during FY-19.

(iii) As on March 31, 2020, there were 72 permanent employees on the rolls of the Company.

(iv) **Average percentage increase in remuneration of employees, other than managerial personnel, during FY-20 –** Not applicable, as the Company did not have any employee during FY-19.

(v) It is hereby affirmed that the remuneration is as per the Remuneration Policy of the Company.

For and on behalf of the Board

Dinesh Mittal
Director
DIN: 00105769

Praveen Someshwar
Director
DIN: 01802656

Date: May 6, 2020
Place: New Delhi

ANNEXURE - D TO THE BOARD'S REPORT

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

For the financial year ended March 31, 2020

[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

Sl. No.	Particulars	Details
I	Corporate Identification Number (CIN)	L74999DL2017PLC322147
II	Registration Date	August 14, 2017
II	Name of the Company	Digicontent Limited
IV	Category/ Sub-Category of the Company	Public Company/ Limited by Shares
V	Address of the Registered Office and contact details	Hindustan Times House, 2nd Floor 18-20, Kasturba Gandhi Marg New Delhi – 110001 Tel: +91-11-66561608 Fax: +91-11-66561445 Email : investor@digicontent.co.in
VI	Whether listed company	Yes
VII	Name, address and contact details of Registrar and Transfer Agent	KFin Technologies Private Limited Selenium Tower B Plot No. 31 & 32 Financial District, Nanakramguda Serilingampally Mandal Hyderabad – 500 032 Tel: +91-40-67162222, Fax: +91-40-23001153 Email : einward.ris@kfintech.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated:

Sl. No.	Name and Description of main products / Services	NIC Code of the products/ service	% to total turnover of the Company
1	Brand promotion	731*	88.71

*Source: National Industrial Classification-2008

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No.	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of equity shares held	Applicable Section
1	The Hindustan Times Limited HT House 18-20, Kasturba Gandhi Marg New Delhi-110001	U74899DL1927PLC000155	Holding	69.50	2(46)
2	HT Digital Streams Limited Budh Marg, Patna-800001, Bihar	U74900BR2015PLC025243	Subsidiary	100.00	2(87)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Category Code	Category of Shareholder	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the Year
		Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)	(X)	(XI)
(A)	**Promoter and Promoter Group**									
(1)	**Indian**									
(a)	Individual /HUF	@5	0	@5	0.00	@5	0	@5	0.00	0.00
(b)	Central Government/State Government(s)	0	0	0	0.00	0	0	0	0.00	0.00
(c)	Bodies Corporate	4,04,38,621	0	4,04,38,621	69.50	4,04,38,621	0	4,04,38,621	69.50	0.00
(d)	Financial Institutions / Banks	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Others	0	0	0	0.00	0	0	0	0.00	0.00
	Sub-Total A(1) :	**4,04,38,626**	**0**	**4,04,38,626**	**69.50**	**4,04,38,626**	**0**	**4,04,38,626**	**69.50**	**0.00**
(2)	**Foreign**									
(a)	Individuals (NRIs/Foreign Individuals)	0	0	0	0.00	0	0	0	0.00	0.00
(b)	Bodies Corporate	5,645	0	5,645	0.01	5,645	0	5,645	0.01	0.00
(c)	Institutions	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Qualified Foreign Investor	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Others	0	0	0	0.00	0	0	0	0.00	0.00
	Sub-Total A(2) :	**5,645**	**0**	**5,645**	**0.01**	**5,645**	**0**	**5,645**	**0.01**	**0.00**
	Total A=A(1)+A(2)	**4,04,44,271**	**0**	**4,04,44,271**	**69.51**	**4,04,44,271**	**0**	**4,04,44,271**	**69.51**	**0.00**
(B)	**Public Shareholding**									
(1)	**Institutions**									
(a)	Mutual Funds /UTI	34,88,704	0	34,88,704	5.99	0	0	0	0.00	5.99
(b)	Financial Institutions /Banks	50,676	0	50,676	0.09	72	0	72	0.00	(0.09)
(c)	Central Government / State Government(s)	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Insurance Companies	14,16,250	0	14,16,250	2.43	26,369	0	26,369	0.04	(2.39)
(f)	Foreign Institutional Investors	33,43,713	0	33,43,713	5.75	22,05,023	0	22,05,023	3.79	(1.96)
(g)	Foreign Venture Capital Investors	0	0	0	0.00	0	0	0	0.00	0.00
(h)	Qualified Foreign Investor	0	0	0	0.00	0	0	0	0.00	0.00
(i)	Others	0	0	0	0.00	0	0	0	0.00	0.00
	Sub-Total B(1) :	**82,99,343**	**0**	**82,99,343**	**14.26**	**22,31,464**	**0**	**22,31,464**	**3.83**	**1.55**
(2)	**Non-Institutions**									
(a)	**Bodies Corporate**	22,41,770	0	22,41,770	3.85	41,30,207	0	41,30,207	7.10	3.25
(b)	**Individuals**									
	(i) Individuals holding nominal share capital upto ₹ 1 lac	41,23,561	12,463	41,36,024	7.11	44,47,117	949	44,48,066	7.64	0.53
	(ii) Individuals holding nominal share capital in excess of ₹ 1 lac	15,20,973	0	15,20,973	2.62	54,39,045	0	54,39,045	9.35	6.73
(c)	**Others**									
	Clearing Members	9,911	0	9,911	0.02	12,486	0	12,486	0.02	0.00
	Foreign Nationals	134	0	134	0.00	134	0	134	0.00	0.00
	HUF	4,06,843	0	4,06,843	0.70	7,63,605	0	7,63,605	1.31	0.61
	IEPF	2,643	0	2,643	0.00	2,643	0	2,643	0.00	0.00
	NBFC	92	0	92	0.00	0	0	0	0.00	0.00
	Non Resident Indians	2,12,277	0	2,12,277	0.36	1,71,235	0	1,71,235	0.30	(0.07)
	NRI Non-Repatriation	3,67,765	0	3,67,765	0.63	1,03,016	0	1,03,016	0.18	(0.45)
	Trustee of HT Media Employee Welfare Trust*	5,44,572	0	5,44,572	0.94	4,40,871	0	4,40,871	0.76	(0.18)
	Trusts	460	0	460	0.00	35	0	35	0.00	(0.00)

Category Code	Category of Shareholder	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the Year
		Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)	(X)	(XI)
(d)	Qualified Foreign Investor	0	0	0	0.00	0	0	0	0.00	0.00
	Sub-Total B(2) :	**94,31,001**	**12,463**	**94,43,464**	**16.23**	**1,55,10,394**	**949**	**1,55,11,343**	**26.66**	**10.42**
	Total B=B(1)+B(2) :	**1,77,30,344**	**12,463**	**1,77,42,807**	**30.49**	**1,77,41,858**	**949**	**1,77,42,807**	**30.49**	**0.00**
	Total (A+B) :	**5,81,74,615**	**12,463**	**5,81,87,078**	**100.00**	**5,81,86,129**	**949**	**5,81,87,078**	**100.00**	**11.97**
(C)	**Shares held by custodians, against which Depository Receipts have been issued**									
(1)	Promoter and Promoter Group	0	0	0	0.00	0	0	0	0.00	0.00
(2)	Public	0	0	0	0.00	0	0	0	0.00	0.00
	Grand Total (A+B+C) :	**5,81,74,615**	**12,463**	**5,81,87,078**	**100.00**	**5,81,86,129**	**949**	**5,81,87,078**	**100.00**	**11.97**

@ 5 shares are held as nominee of Go4i.com (Mauritius) Limited

* shares held by HT Media Employee Welfare Trust has been categorized as 'Non-Promoter Non-Public' category in the stock exchange fillings. However, to conform to the format of Form MGT-9, the same has been categorized under 'Public' category.

Note: Pursuant to the Scheme of Arrangement between the Company and HT Media Limited (HTML), sanctioned by Hon'ble NCLT ("Scheme"), the entire pre-Scheme paid-up equity share capital of the Company held by HTML and its nominees was cancelled, and new equity shares were allotted to the eligible shareholders of HTML on April 12, 2019 in the ratio of 1 equity share of the Company of ₹ 2/- each for every 4 equity shares held in HTML as on the record date i.e. April 10, 2019. Accordingly, the above details have been given for the period April 12, 2019 to March 31, 2020.

(ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares pledged / encumbered to total shares	
1	The Hindustan Times Limited	4,04,38,621	69.50	4,04,38,621	4,04,38,621	69.50	4,04,38,621	0.00
2	Go4i.Com (Mauritius) Limited	5,645	0.01	5,645	5,645	0.01	5,645	0.00
3	Mrs. Shobhana Bhartia	5*	0.00	5*	5*	0.00	5*	0.00
4	Mr. Priyavrat Bhartia	--	--	--	--	--	--	--
5	Mr. Shamit Bhartia	--	--	--	--	--	--	--
6	HT Media Limited	--	--	--	--	--	--	--
	Total	**4,04,44,271**	**69.51**	**4,04,44,271**	**4,04,44,271**	**69.51**	**4,04,44,271**	**0.00**

* held as nominee of Go4i.com (Mauritius) Limited

Note: Pursuant to the Scheme of Arrangement between the Company and HT Media Limited (HTML), sanctioned by Hon'ble NCLT ("Scheme"), the entire pre-Scheme paid-up equity share capital of the Company held by HTML and its nominees was cancelled, and new equity shares were allotted to the eligible shareholders of HTML on April 12, 2019 in the ratio of 1 equity share of the Company of ₹ 2/- each for every 4 equity shares held in HTML as on the record date i.e. April 10, 2019. Accordingly, the above details have been given for the period April 12, 2019 to March 31, 2020.

(iii) Change in Promoters

As on April 1, 2019, HT Media Limited (HTML) was the beneficial owner of 100% of the equity share capital of the Company. Pursuant to the Scheme of Arrangement between the Company and HTML and upon issue of new equity shares on April 12, 2019, the entire pre-Scheme paid-up equity share capital of the Company held by HTML & its nominees was cancelled. Accordingly, HTML ceased to be the promoter of the Company and The Hindustan Times Limited, Go4i.Com (Mauritius) Limited, Mrs. Shobhana Bhartia, Mr. Priyavrat Bhartia and Mr. Shamit Bhartia, have become promoters of the Company.

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No.	Name of the Shareholder	Shareholding at the beginning of the Year		Cumulative Shareholding during the Year	
		No. of equity shares	% of total shares of the company	No. of equity shares	% of total shares of the company
1	Karma Capital Advisors Private Limited#				
	At the beginning of the year	0	0.00	0	0.00
	Bought during the year	17,91,813	3.08	17,91,813	3.08
	Sold during the year	0	0.00	17,91,813	3.08
	At the end of the year	17,91,813	3.08	17,91,813	3.08
2	Government Pension Fund Global				
	At the beginning of the year	17,40,000	2.99	17,40,000	2.99
	Bought during the year	0	0.00	17,40,000	2.99
	Sold during the year	0	0.00	17,40,000	2.99
	At the end of the year	17,40,000	2.99	17,40,000	2.99
3	Finquest Financial Solutions Pvt. Ltd.#				
	At the beginning of the year	33,520	0.06	33,520	0.06
	Bought during the year	9,23,150	1.58	9,56,670	1.64
	Sold during the year	0	0.00	9,56,670	1.64
	At the end of the year	9,56,670	1.64	9,56,670	1.64
4	Mr. Gajesh Abani#				
	At the beginning of the year	0	0.00	0	0.00
	Bought during the year	8,01,204	1.38	8,01,204	1.38
	Sold during the year	0	0.00	8,01,204	1.38
	At the end of the year	8,01,204	1.38	8,01,204	1.38
5	Mr. Shashank S Khade#				
	At the beginning of the year	375	0.00	375	0.00
	Bought during the year	7,25,332	1.25	7,25,707	1.25
	Sold during the year	0	0.00	7,25,707	1.25
	At the end of the year	7,25,707	1.25	7,25,707	1.25
6	Vijit Asset Management Pvt. Ltd.#				
	At the beginning of the year	0	0.00	0	0.00
	Bought during the year	4,74,394	0.82	4,74,394	0.82
	Sold during the year	0	0.00	4,74,394	0.82
	At the end of the year	4,74,394	0.82	4,74,394	0.82
7	Trustee of HT Media Employee Welfare Trust				
	At the beginning of the year	5,44,572	0.94	5,44,572	0.94
	Bought during the year	0	0.00	5,44,572	0.94
	Sold during the year	1,03,701	0.18	4,40,871	0.76
	At the end of the year	4,40,871	0.76	4,40,871	0.76

Sl. No.	Name of the Shareholder	Shareholding at the beginning of the Year		Cumulative Shareholding during the Year	
		No. of equity shares	% of total shares of the company	No. of equity shares	% of total shares of the company
8	Ms. Rohini Nilekani				
	At the beginning of the year	5,58,225	0.96	5,58,225	0.96
	Bought during the year	0	0.00	5,58,225	0.96
	Sold during the year	1,65,000	0.28	3,93,225	0.68
	At the end of the year	3,93,225	0.68	3,93,225	0.68
9	Ms. Nisha Ajay Patil#				
	At the beginning of the year	14,250	0.02	14,250	0.02
	Bought during the year	3,85,750	0.67	4,00,000	0.69
	Sold during the year	0	0.00	4,00,000	0.69
	At the end of the year	4,00,000	0.69	4,00,000	0.69
10	Mr. Ajaykumar Bhaskar Patil#				
	At the beginning of the year	22,500	0.04	22,500	0.04
	Bought during the year	3,77,500	0.65	4,00,000	0.69
	Sold during the year	0	0.00	4,00,000	0.69
	At the end of the year	4,00,000	0.69	4,00,000	0.69
11	Mr. Nandan M Nilekani				
	At the beginning of the year	4,82,890	0.83	4,82,890	0.83
	Bought during the year	0	0.00	4,82,890	0.83
	Sold during the year	1,67,890	0.29	3,15,000	0.54
	At the end of the year	3,15,000	0.54	3,15,000	0.54
12	Franklin India Smaller Companies Fund*				
	At the beginning of the year	27,61,717	4.75	27,61,717	4.75
	Bought during the year	0	0.00	27,61,717	4.75
	Sold during the year	27,61,717	4.75	0	0.00
	At the end of the year	0	0.00	0	0.00
13	ICICI Lombard General Insurance Company Limited*				
	At the beginning of the year	14,16,250	2.43	14,16,250	2.43
	Bought during the year	0	0.00	14,16,250	2.43
	Sold during the year	14,16,250	2.43	0	0.00
	At the end of the year	0	0.00	0	0.00
14	Finquest Securities Pvt. Ltd. - Client Beneficiary*				
	At the beginning of the year	11,61,400	2.00	11,61,400	2.00
	Bought during the year	0	0.00	11,61,400	2.00
	Sold during the year	11,51,250	1.98	10,150	0.02
	At the end of the year	10,150	0.02	10,150	0.02

Sl. No.	Name of the Shareholder	Shareholding at the beginning of the Year		Cumulative Shareholding during the Year	
		No. of equity shares	% of total shares of the company	No. of equity shares	% of total shares of the company
15	Reliance Capital Trustee Co. Ltd-A/c Reliancesmall*				
	At the beginning of the year	7,26,987	1.25	7,26,987	1.25
	Bought during the year	0	0.00	7,26,987	1.25
	Sold during the year	7,26,987	1.25	0	0.00
	At the end of the year	0	0.00	0	0.00
16	Bajaj Allianz Life Insurance Company Ltd.*				
	At the beginning of the year	4,19,306	0.72	4,19,306	0.72
	Bought during the year	0	0.00	4,19,306	0.72
	Sold during the year	4,19,306	0.72	0	0.00
	At the end of the year	0	0.00	0	0.00
17	Danske Invest Sicav - SIF - Emerging and Frontier *				
	At the beginning of the year	3,37,070	0.58	3,37,070	0.58
	Bought during the year	0	0.00	3,37,070	0.58
	Sold during the year	3,37,070	0.58	0	0.00
	At the end of the year	0	0.00	0	0.00

Not in the list of top 10 shareholders as on April 12, 2019. The same has been reflected above as the shareholder was one of the top 10 shareholders as on March 31, 2020.

* Ceased to be in the list of top 10 shareholders as on March 31, 2020. The same is reflected above, as the shareholder was one of the top 10 shareholders as on April 12, 2019.

Notes:

1. Year in the above table means the period from April 12, 2019 to March 31, 2020.
2. Any member desirous of obtaining date-wise particulars of sale/purchase by the above shareholders may write to the Company Secretary at the Registered Office of the Company

(v) Shareholding of Directors and Key Managerial Personnel (KMP)

Sl. No.	Name of the Director/KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of equity shares	% of total shares of the Company	No. of equity shares	% of total shares of the Company
1	Mr. Priyavrat Bhartia*	5	0.00	-	-
2	Late Mr. Sharad Saxena*	5	0.00	-	-

*held as nominee of HT Media Limited, and these shares were cancelled upon allotment of new equity shares on April 12, 2019 pursuant to the Scheme of Arrangement.

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

(₹ In Lac)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year 2019-20				
i) Principal Amount	--	8,000.00	--	8,000.00
ii) Interest due but not paid	--	--	--	--
iii) Interest accrued but not due	--	1,010.27	--	1,010.27
Total (i+ii+iii)	**--**	**9,010.27**	**--**	**9,010.27**
Change in Indebtedness during the financial year 2019-20				
Additions	--	905.80	--	905.80
(Reduction)	--	--	--	--
Net Change	**--**	**905.80**	**--**	**905.80**
Indebtedness at the end of the financial year 2019-20				
i) Principal Amount	--	8,000.00	--	8,000.00
ii) Interest due but not paid	--	--	--	--
iii) Interest accrued but not due	--	1,916.08	--	1,916.08
Total (i+ii+iii)	**--**	**9,916.08**	**--**	**9,916.08**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Not Applicable

B. Remuneration to other directors

(₹ In Lac)

Sl. No.	Particulars of Remuneration	Non-executive Independent Directors			
1	Name of Directors	Mr. Ajay Relan	Ms. Suchitra Rajendra	Mr. Vivek Mehra	Total
	Fee for attending Board /committee meetings	7.00	7.00	5.50	**19.50**
	Others	--	--	--	**--**
	Total (A)	**7.00**	**7.00**	**5.50**	**19.50**
2	**Other Non-executive Directors**	**No other remuneration was paid during FY 20**			
	Total (B)	**7.00**	**7.00**	**5.50**	**19.50**
	Total Managerial Remuneration (A+B)				**19.50**
	Overall Ceiling as per the Act				**Not Applicable***

*Since no remuneration is paid to the Directors other than sitting fee, the computation of ceiling of managerial remuneration in terms of Sections 197 & 198 of the Companies Act, 2013 is not applicable.

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		
		Mr. Anup Sharma (Chief Financial Officer)	Mr. Vikas Prakash (Company Secretary)	Total
1	Gross salary			
	(a) Salary as per Provisions contained in section 17(1) of the Income Tax Act, 1961	1,13,10,038	19,70,785	1,32,80,823
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	16,500	-	16,500
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-	-
2	Stock Option (No. of options granted during the year)	-	-	-
3	Sweat Equity	-	-	-
4	Commission	-	-	-
5	Others- Retirement Benefits	3,51,756	48,000	3,99,756
	Total	**1,16,78,294**	**20,18,785**	**1,36,97,079**

Note: Mr. Abhesh Verma, Chief Executive Officer, draws remuneration from subsidiary company i.e. HT Digital Streams Limited

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: Nil

For and on behalf of the Board

Dinesh Mittal
Director
DIN: 00105769

Praveen Someshwar
Director
DIN: 01802656

Date: May 6, 2020
Place: New Delhi

ANNEXURE - E TO THE BOARD'S REPORT

CERTIFICATE OF COMPLIANCE OF CORPORATE GOVERNANCE

The Members
Digicontent Limited
(CIN: L74999DL2017PLC322147)
Hindustan Times House, 2nd Floor,
18-20, Kasturba Gandhi Marg
New Delhi- 110001

We have examined the compliance of conditions of Corporate Governance by Digicontent Limited (CIN: L74999DL2017PLC322147) having its Registered Office at Hindustan Times House, 2nd Floor, 18-20, Kasturba Gandhi Marg, New Delhi- 110001 (hereinafter referred to as "the Company"),being equity shares of the Company listed and admitted to dealings on the Stock Exchanges vis a vis BSE and NSE with effect from 18th June, 2019, for the year ended on 31st March, 2020, as stipulated in the relevant provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time ("Listing Regulations").

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to a review of procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has compiled with the conditions of Corporate Governance as stipulated in the above mentioned Listing Regulations.

We further state that this certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For **RMG & Associates**
Company Secretaries
Firm Registration No. P2001DE16100
Peer Review No. : 734 / 2020

CS Manish Gupta
Partner
FCS: 5123;
C.P. No.: 4095

Place: New Delhi
Date: 06-05-2020
UDIN: F005123B000206687

REPORT ON CORPORATE GOVERNANCE

In your Company, Corporate Governance embraces the tenets of Trusteeship, Accountability and Transparency. Adherence to each of these principles has set a culture in the Company, wherein good Corporate Governance underlines interface with all stakeholders. With this belief, the Company has initiated and implemented significant measures for balanced care for all stakeholders.

A report on Corporate Governance, in accordance with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), is outlined below.

BOARD OF DIRECTORS

Composition of the Board

As on March 31, 2020, the Board comprised of six Directors, all of whom were Non-Executive Directors. In accordance with SEBI Listing Regulations, more than one-half of the Board of Directors comprised of Non-executive Directors. The Company has one Woman Director (Independent) on the Board in terms of applicable provisions of the Companies Act, 2013 (the "Act"). Your Company also complies with the requirement of at least one-half of the Board to comprise of Independent Directors. The Chairman of the Board is a Non-Executive Director (Promoter).

The composition of the Board of Directors as on March 31, 2020 was as follows –

Name of the Director	Date of appointment	Relationship between Directors, *inter-se*	Director Identification Number (DIN)
Non-Executive Non-Independent Director			
Mr. Priyavrat Bhartia, Chairman (Promoter)	August 14, 2017	None	00020603
Mr. Praveen Someshwar	March 29, 2019	None	01802656
Mr. Dinesh Mittal	March 12, 2020	None	00105769
Non-Executive Independent Directors			
Mr. Ajay Relan	April 18, 2019	None	00002632
Ms. Suchitra Rajendra	April 18, 2019	None	07962214
Mr. Vivek Mehra	April 18, 2019	None	00101328

During the year, Mr. Sharad Saxena ceased to be Director of the Company, due to his sad demise on January 27, 2020.

None of the Directors serve as Independent Director in more than seven listed companies or three listed companies, in case he/she serves as Whole-time Director/Managing Director in a listed company, as the case may be. The Non-executive Directors do not hold any shares or convertible instruments in the Company.

Further, none of the Directors on the Board have been debarred or disqualified from being appointed or continuing as directors of companies by SEBI/ Ministry of Corporate Affairs or any other statutory authority. A certificate of M/s RMG & Associates, Company Secretaries (Secretarial Auditor) certifying the same, is appearing in this report as "**Annexure – A**".

The Directors hold qualifications, and possess requisite experience in general corporate management, finance, legal, banking, economics and other allied fields, which enable them to contribute effectively to the Company. Detailed profile of each of the Directors is available on the Company's website viz. www.digicontent.co.in.

Matrix setting out the skills/expertise/competence of the Board

The matrix setting out the skills/expertise/competence of the Individual Directors is given below:

Area of skill/expertise	Board of Directors as on March 31, 2020					
	Mr. Priyavrat Bhartia	Mr. Ajay Relan	Ms. Suchitra Rajendra	Mr. Vivek Mehra	Mr. Praveen Someshwar	Mr. Dinesh Mittal
Part A – Industry knowledge/experience						
Knowledge of Entertainment & Digital Industry	√	√	√	√	√	√
Understanding of laws, rules, regulations and policies applicable to Entertainment & Digital Industry	√	-	-	√	√	√
Part B- Technical skills/experience						
General management	√	√	√	√	√	√
Accounting & finance	√	√	-	√	√	√
Strategic planning/ business development	√	√	√	√	√	√
Information technology	√	-	√	√	√	√
Talent management	√	√	√	√	√	√
Compliance & risk management	√	√	√	√	√	√
Part C: Behavioural competencies						
Integrity and ethical standards	√	√	√	√	√	√
Decision making	√	√	√	√	√	√
Problem solving skills	√	√	√	√	√	√

DIRECTORS' ATTENDANCE AND DIRECTORSHIPS HELD

Meetings of the Board are held at the registered office of the Company in New Delhi. Eight Board meetings were held during the financial year ended on March 31, 2020, details whereof are as follows:

Date of Board Meeting	Board strength	Number of Directors present	Number of Independent Directors present
April 4, 2019	3	3	Not Applicable
April 12, 2019	3	2	Not Applicable
April 16, 2019	3	2	Not Applicable
April 18, 2019	6	2	None#
July 31, 2019	6	5	3 out of 3
October 24, 2019	6	4	3 out of 3
January 21, 2020	6	4	3 out of 3
March 12, 2020	6	6	3 out of 3

#Independent Directors were appointed in this meeting, pursuant to applicable provisions of the Act

Attendance record of Directors at the above Board Meetings, and details of other Directorships/Committee positions held by them as on March 31, 2020, in Indian public limited companies, are as follows:

Name of the Director	No. of Board Meetings attended during FY-20	No. of other Directorships held	Committee positions held in other companies^		Category of Directorship and name of other listed companies
			Chairperson	Member[1]	
Mr. Priyavrat Bhartia	6	6	-	6	Hindustan Media Ventures Limited *Non-executive Director*
					HT Media Limited *Non-executive Director*
					Jubilant Life Sciences Limited *Non-executive Director*
					Jubilant Industries Limited *Non-executive Director*
Mr. Ajay Relan	4	6	4	3	Hindustan Media Ventures Limited *Independent Director*
					Next Mediaworks Limited *Independent Director*
					HT Media Limited *Independent Director*
					Capri Global Capital Limited *Independent Director*
Ms. Suchitra Rajendra	4	2	0	3	Next Mediaworks Limited *Independent Director*
Mr. Vivek Mehra	4	6	1	4	Jubilant Life Sciences Limited *Independent Director*
					HT Media Limited *Independent Director*
					DLF Limited *Independent Director*
					Chambal Fertilizers and Chemicals Limited – *Independent Director*
Mr. Praveen Someshwar	8	9	1	5	Hindustan Media Ventures Limited *Managing Director*
					HT Media Limited *Managing Director & CEO*
					Next Mediaworks Limited *Non-executive Director*
Late Mr. Sharad Saxena*	1	6	0	1	-
Mr. Dinesh Mittal#	1	8	0	1	Next Mediaworks Limited *Non-executive Director*

^Only Audit Committee and Stakeholders' Relationship Committee have been considered
[1]Does not include position of Chairperson held in Audit/Stakeholders' Relationship Committee
*Ceased to be director w.e.f. January 27, 2020
#Appointed as Non-executive Director w.e.f. March 12, 2020

The Directors are not members of more than ten board committees or Chairman of more than five such committees. The number of Directorships, Committee Membership(s)/ Chairmanship(s) of all Directors is within the respective limits prescribed under the Act and SEBI Listing Regulations.

Mr. Priyavrat Bhartia, Mr. Praveen Someshwar and Late Mr. Sharad Saxena, Directors attended the last Annual General Meeting of the Members of the Company held on April 4, 2019 (i.e. prior to listing of equity shares of the Company).

BOARD PROCEDURE

Detailed agenda notes, setting out the business(es) to be transacted at the Board/Committee meeting(s) are supplied in advance, and decisions are taken after due deliberations. In case where it is not practicable to forward the relevant document(s) with the agenda papers, the same are circulated before the meeting or placed at the meeting. The Directors are provided with video-conferencing facility, as and when desired by them, to enable them to attend/ participate in Board/Committee meeting(s).

Quality debates and participation by all Directors and officials are encouraged at Board/Committee meetings. The Board engages with the management during business reviews, and provides constructive suggestions and guidance on various issues, including strategy, as required from time to time.

The Board gives due attention to governance and compliance related issues, including the efficacy of systems of internal financial controls, risk management, avoidance of conflict of interest, and redressal of employee/ stakeholder grievances, among others.

The information provided to the Board from time to time, inter-alia, include the item(s) mentioned under Regulation 17(7) of SEBI Listing Regulations.

DETAILS OF REMUNERATION PAID TO DIRECTORS

During financial year ended on March 31, 2020, the Non-executive Independent Directors were paid sitting fee @ ₹ 50,000/- per meeting for attending meetings of Committees of the Board of Directors and @ ₹ 1,00,000/- per meeting for attending meetings of Board of Directors. The details of sitting fee paid during FY-20 are as under:

Name of the Director	Sitting fee (₹ In Lac)
Mr. Ajay Relan	7.00
Ms. Suchitra Rajendra	7.00
Mr. Vivek Mehra	5.50

During the year under review, none of the Directors were paid any remuneration except as stated above.

During the year under review, none of the Non-executive Directors had any material pecuniary relationship or transactions vis-à-vis the Company, other than payment of sitting fee as mentioned above.

BOARD COMMITTEES

During the year, four standing committees of the Board of Directors were constituted w.e.f. April 18, 2019, which were delegated requisite powers to discharge their functions.

These Committees are as follows –

(a) Audit Committee
(b) Stakeholders' Relationship Committee
(c) Nomination & Remuneration Committee
(d) Banking & Finance Committee

The role and composition of the committees, particulars of meetings held during the financial year ended on March 31, 2020 and attendance of Directors thereat, are given hereunder.

(a) Audit Committee

Audit Committee of the Board of Directors comprises of four members, including three Independent Directors. The Audit Committee acts as a link between the Statutory and Internal Auditors and the Board of Directors of the Company.

The terms of reference of the Audit Committee are in accordance with the Act and the SEBI Listing Regulations which includes, *inter-alia*, oversight of Company's financial reporting process and disclosure of financial information to ensure that the financial statements are correct, sufficient and credible; recommending the appointment, re-appointment, remuneration and terms of appointment of auditors and approval of payment for other services rendered by statutory auditors; reviewing with the management quarterly results and annual financial statements before submission to the Board for approval; approval or subsequent modification of transactions with related parties; review and monitor the auditor's independence and performance and effectiveness of audit process; scrutiny of inter-corporate loans and investments; valuation of undertakings or assets of the Company, whenever it is necessary; evaluation of internal financial controls and risk management system; reviewing

with the management, performance of statutory and internal auditors and adequacy of the internal control systems; and reviewing the functioning of the whistle blower mechanism.

During the financial year ended on March 31, 2020, three meetings of the Audit Committee were held. Particulars of composition of Audit Committee, date on which the meetings were held and attendance of Directors at the said meetings was as follows:

Name of the Director	Category	Meetings attended		
		July 31, 2019	October 24, 2019	January 21, 2020
Mr. Vivek Mehra (Chairman)	Non-executive Independent Director	√	√	√
Mr. Ajay Relan	Non-executive Independent Director	√	√	√
Ms. Suchitra Rajendra	Non-executive Independent Director	√	√	√
Mr. Praveen Someshwar	Non-executive Director	√	√	√

Chairman of the Audit Committee is a Non-executive Independent Director and Chartered Accountant by qualification.

All the members of the Audit Committee are financially literate. The Audit Committee fulfills the criteria of two-third of its members being Independent Directors.

Chief Executive Officer, Chief Financial Officer and Internal Auditor also attended the meetings of Audit Committee as invitees. Representatives of Statutory Auditor are permanent invitees to the meetings of Audit Committee.

Company Secretary acts as Secretary to the Committee.

(b) Stakeholders' Relationship Committee

Stakeholders' Relationship Committee (SRC) of the Board of Directors comprises of three Directors. The Chairman of the Committee is a Non-executive Independent Director.

The terms of reference of SRC are in accordance with the Act and SEBI Listing Regulations, as amended. The role of SRC includes, *inter-alia*, resolving the grievances of the security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc; review of measures taken for effective exercise of voting rights by shareholders; review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent; and review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.

The Committee discharges such other function(s) as may be delegated by the Board from time to time.

During the financial year ended on March 31, 2020, the SRC met once. The composition of SRC, date on which the meeting was held and attendance of Directors at the meeting was as follows:

Name of the Director	Category	Meeting Attended
		March 12, 2020
Mr. Ajay Relan (Chairman)	Non-executive Independent Director	-
Mr. Praveen Someshwar	Non-executive Director	√
Mr. Dinesh Mittal@	Non-executive Director	√

@Inducted as member of SRC w.e.f. March 12, 2020

Mr. Vikas Prakash, Company Secretary is the Compliance Officer of the Company.

During the year under review, the status of redressal of investor complaints was as follows:

Opening Balance	Received	Resolved	Closing Balance
Nil	Nil	Nil	Nil

(c) Nomination & Remuneration Committee

Nomination & Remuneration Committee (NRC) comprise of four Non-executive Directors. Chairman of NRC is a Non-executive Independent Director.

The terms of reference of NRC are in accordance with the requirements of the Act and SEBI Listing Regulations, which include, *inter-alia*, identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board their appointment and removal; carry out evaluation of every director's performance; formulate the criteria for determining qualifications, positives attributes and independence of a director; and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees; recommends to the Board all remuneration in whatever form, payable to Senior management.

Also, the Board of Directors have adopted the Remuneration Policy for Directors, Senior Management Personnel including Key Managerial Personnel and other employees. The Remuneration Policy has been framed to attract, motivate and retain talent by offering an appropriate remuneration package, and also by way of providing a congenial & healthy work environment. Remuneration Policy is posted on Company's website viz. www.digicontent.co.in.

During the financial year ended on March 31, 2020, three meetings of NRC were held. The composition of NRC, date on which meetings were held and attendance of all Directors was as follows:

Name of the Director	Category	Meetings Attended		
		July 31, 2019	January 21, 2020	March 12, 2020
Mr. Ajay Relan, Chairman	Non-executive Independent Director	√	√	√
Ms. Suchitra Rajendra	Non-executive Independent Director	√	√	√
Mr. Praveen Someshwar	Non-executive Director	√	√	√
Mr. Dinesh Mittal@	Non-executive Director	Not Applicable	Not Applicable	Not Applicable

@Inducted as member of NRC w.e.f. March 12, 2020

(d) Banking & Finance Committee

Banking & Finance Committee (BFC) of the Board has been entrusted with functions/ powers relating to banking and finance matters.

During the financial year ended on March 31, 2020, the BFC met once. The composition of the Committee, date on which meeting was held and attendance of the Directors at the said meeting was as follows:

Name of the Director	Category	Meeting Attended
		March 12, 2020
Mr. Praveen Someshwar	Non-executive Director	√
Mr. Priyavrat Bhartia	Non-executive Director	-
Mr. Dinesh Mittal@	Non-executive Director	√

@Inducted as member of BFC w.e.f. March 12, 2020

GENERAL BODY MEETINGS

Since the Company was incorporated on August 14, 2017, details of last two Annual General Meetings are as under:

Date & Time	April 04, 2019 at 11:00 a.m.	September 17, 2018 at 3:00 p.m.
Venue	Hindustan Times House, 2nd Floor, 18-20, Kasturba Gandhi Marg, New Delhi-110001	
Special resolution(s) passed	None	None

During the last 3 (three) financial years, 6 (Six) Extra-ordinary General Meetings (EGMs) were held on August 24, 2017, October 04, 2017, January 04, 2018, June 28, 2018, March 26, 2019 and April 01, 2019. Out of which, special resolution(s) passed at these EGMs are as under:

Date & Time	March 26, 2019 at 04:00 p.m.	October 04, 2017 at 03:00 p.m.	August 24, 2017 at 04:00 p.m.
Venue	Hindustan Times House, 2nd Floor, 18-20, Kasturba Gandhi Marg, New Delhi – 110001		
Special resolution(s) passed	• Adoption of new set of Articles of Association • Approval for increase in limit to invest/lend funds etc. prescribed under Section 186 of the Companies Act, 2013	Approval of change of name of the Company	• Approval of acquisition of equity shares of HT Digital Streams Limited • Approval of borrowings in excess of limit laid down under Section 180(1)(c) of the Companies Act, 2013 • Authorized mortgage, hypothecation and/or otherwise charge etc. on the assets of the Company in terms of Section 180(1)(a) of the Companies Act, 2013

POSTAL BALLOT

During the financial year ended March 31, 2020, Members of the Company have approved, by requisite majority, the resolution for appointment of M/s. B S R and Associates, Chartered Accountants as Statutory Auditor in casual vacancy, by way of Postal Ballot (including e-voting). The Postal Ballot Notice dated August 19, 2019, along with Postal Ballot Form were sent in electronic form to the members whose e-mail IDs were registered with the Company / respective Depository Participants. For shareholders whose e-mail IDs were not registered, physical copies of the Postal Ballot Notice along with Postal Ballot Form were sent by registered post, along with self-addressed postage pre-paid Business Reply Envelope. The Company had published a notice in the newspaper on August 24, 2019 in 'Hindustan Times' (English Newspaper) and 'Hindustan' (Hindi Newspaper) in compliance with the provisions of the Companies Act, 2013 and Secretarial Standard - 2. The e-voting commenced from Saturday, August 24, 2019, at 9:00 a.m. (server time) and ended on Sunday, September 22, 2019 at 5:00 p.m. (server time).

The voting rights of members were reckoned on the paid-up value of shares registered in the name of member/ beneficial owner (in case of electronic shareholding) as on Friday, August 16, 2019. The Board had appointed Mr. Sanket Jain, Company Secretary-in-Practice (CP No. 12583) as Scrutinizer to scrutinize the voting through Postal Ballot and e-voting process in a fair and transparent manner and had engaged Kfin Technologies Private Limited, Registrar & Share Transfer Agent to provide e-voting facility.

Scrutiniser submitted his report on voting by way of Postal Ballot on September 23, 2019. The results were displayed on the website of the Company viz. www.digicontent.co.in, and also communicated to the Stock Exchanges. The resolution was considered as passed on September 22, 2019, being the last date for e-voting and receipt of duly completed postal ballot forms.

The detail of the voting pattern is given as under:

Resolution passed through Postal Ballot (including e-voting)	Voting in favour of the resolution (%)	Voting against the resolution (%)
Appointment of B S R and Associates, Chartered Accountants (Firm Regn. No. 128901W) as Statutory Auditor in casual vacancy	99.9977	0.0023

At present, no Special Resolution is proposed to be passed through Postal Ballot.

DISCLOSURES

During the financial year ended on March 31, 2020, all transactions entered into with the Related Parties as defined under the Act and Regulation 23 of SEBI Listing Regulations was in the ordinary course of business and on arm's length terms, and they do not attract the provisions of Section 188 of the Act. There was also no materially significant related party transaction that may have a potential conflict with the interests of the Company at large. The Audit Committee reviews the statement containing details of every transactions with the related parties, on quarterly basis.

The required disclosures on related parties and transactions with them, are appearing in Note No. 30 and 30A of the Standalone Financial Statements. The Company has formulated the 'Policy on Materiality of and dealing with Related Party Transactions', which is hosted on Company's website viz. www.digicontent.co.in.

No penalty or stricture was imposed on the Company by any stock exchange, SEBI or other statutory authority for non-compliance on any matter related to capital markets.

The Company has prepared the financial statements to comply in all material respects, with the Accounting Standards notified under Section 133 of the Act read with Companies (Accounts) Rules, 2014. The CEO/CFO certificate in terms of Regulation 17(8) of SEBI Listing Regulations has been placed before the Board.

The Independent Directors have the requisite qualifications and experience which enable them to contribute effectively. Terms and conditions of appointment of Independent Directors are posted on Company's website viz. www.digicontent.co.in. The Independent Directors meet criteria of independence specified in Section 149(6) of the Act and Regulation 16 of SEBI Listing Regulations, and are independent of the management.

The Company has complied with some of the non-mandatory requirements of SEBI Listing Regulations on Corporate Governance.

In the spirit of good corporate governance, the Company sends quarterly financial results via email to the members whose email address are registered with Depository Participant(s)/Company, after they are approved by the Board of Directors and disseminated to the Stock Exchanges. The Auditors have submitted their Report with unmodified opinion on the financial statements for the financial year ended on March 31, 2020.

The Whistle Blower Policy provides opportunity to the directors/ employees/stakeholders of the Company to report concerns about unethical behavior, actual or suspected fraud by any Director and/ or employee of the Company or any violation of the Company's Code of Conduct. The policy provides for adequate safeguards against victimization of the Whistle Blower. The Policy is posted on the Company's website viz. www.digicontent.co.in. During FY-20, no person was denied access to the Audit Committee.

During the year under review, the Company has not raised any funds through preferential allotment or qualified institutional placement, as specified under Regulation 32(7A) of SEBI Listing Regulations.

During the year under review, all the recommendations made by the committee(s) of directors have been accepted by the Board of Directors.

The Company has only one subsidiary company viz. HT Digital Streams Limited (HTDS). HTDS (a material wholly-owned subsidiary) is managed by its Board, which is entrusted with the responsibility to manage the affairs in the best interest of the stakeholders. The Company has formulated "Policy for determining Material Subsidiary(ies)" in compliance of the SEBI Listing Regulations, which is hosted on the Company's website viz. www.digicontent.co.in.

During the year under review, the Company has complied with all mandatory requirements specified in Regulation 17 to 27 and clause (b) to (i) of Regulation 46 (2) of SEBI Listing Regulations, as applicable.

PREVENTION OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE

During the year under review, no complaint was filed/disposed of/pending, under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

FEES PAID/PAYABLE TO STATUTORY AUDITOR

Details of fee paid/payable by the Company and its subsidiary for FY-20 on a consolidated basis, to B S R and Associates, Chartered Accountants, Statutory Auditor and all entities in

the network firm/network entity of which the Statutory Auditor is a part, for all services rendered by them, are as follows:

Particulars	Amount (₹ in Lac)*
Audit Fee	16.00
Limited Review	3.50
Tax Audit	3.00
Total	**22.50**

*excluding reimbursement of out of pocket expenses

PERFORMANCE EVALUATION

The process followed for evaluation of performance of the Board, its Committees, individual Directors and the Chairperson for the financial year ended on March 31, 2020 alongwith criteria for the same, is outlined in the Board's Report.

FAMILIARIZATION PROGRAMME

Your Company has an induction and familiarization programme for Independent Directors. The Company, through such programme, familiarizes the Independent Directors with the background of the Company, nature of the industry in which it operates, business model, business operations, etc. The programme also includes interactive sessions with senior leadership team and business & functional heads for better understanding of business strategy, operational performance, product offerings, marketing initiatives etc. Details of the familiarization programme for Independent Directors are hosted on the Company's website viz. www.digicontent.co.in.

MEETING OF INDEPENDENT DIRECTORS

During the year, a meeting of Independent Directors was held on January 21, 2020 without the presence of Non-Independent Directors and members of the management.

CODE OF CONDUCT

The Company has adopted a "Code of Conduct" governing the conduct of Directors and Senior Management Personnel, which is available on the website of the Company viz. www.digicontent.co.in.

The Board Members and Senior Management Personnel are expected to adhere to the Code, and have accordingly, affirmed compliance of the same during FY-20. The declaration given by the CEO of the Company affirming compliance of the Code by the Board Members and Senior Management Personnel of the Company during FY-20, is appearing at the end of this report as **"Annexure – B"**.

PROHIBITION OF INSIDER TRADING

In compliance of SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company has adopted the "Code of Conduct to Regulate, Monitor and Report Trading by Designated Persons" and "Code for Fair Disclosure of Unpublished Price Sensitive Information".

During the year under review, the Code of Conduct to Regulate, Monitor and Report Trading by Designated Persons was revised by the Board of Directors of the Company on January 21, 2020.

CREDIT RATING

During the year under review, the Company has not issued any debt instrument or any fixed deposit programme or any scheme or proposal involving mobilization of funds, whether in India or abroad. Thus, credit rating was not required to be obtained.

MEANS OF COMMUNICATION

- **Financial results** - The quarterly, half yearly and annual financial results of the Company are published in 'Hindustan' (Hindi newspaper), 'Mint' (English Business newspaper) and 'Hindustan Times' (English newspaper) (optional). The financial results are also forwarded to the investors via e-mail, where e-mail address is available. Investors are encouraged to avail this service / facility by providing their e-mail address to the Depository Participant (DP)/ Company.
- **Company's Website** – Important shareholders' information such as Annual Report, financial results etc. are displayed on the website of the Company viz. www.digicontent.co.in.
- **Official News releases, presentations etc.** – Official news releases, shareholding pattern, press releases etc. are also available on the Company's website viz. www.digicontent.co.in.
- **Stock Exchange filings** - All information are filed electronically on the portal of BSE and NSE.
- **Management Discussion and Analysis** - Management Discussion and Analysis covering the operations of the Company, forms part of this Annual Report.
- **Designated E-mail Id** – The Company has designated an E-mail Id viz. investor@digicontent.co.in, for sending investor requests/ complaints.

GENERAL SHAREHOLDER INFORMATION

Forthcoming Annual General Meeting (AGM)

Day, Date & Time:	Tuesday, 25th August, 2020 at 11:00 AM
Venue:	AGM will be conducted through video conferencing / OAVM due to COVID-19 outbreak, in accordance with the circulars issued by Ministry of Corporate Affairs, in this regard, and as such there is no particular venue of the AGM. For details, please see the Notice of this AGM.

FINANCIAL YEAR

April 1 of each year to March 31 of next year.

Financial Calendar (Tentative)

Results for quarter ending June 30, 2020	End July, 2020
Results for quarter and half-year ending September 30, 2020	First week of November, 2020
Results for quarter and nine months ending December 31, 2020	End January, 2021
Results for the quarter and year ending March 31, 2021	Third week of May, 2021
Annual General Meeting	Mid September, 2021

Dividend Payment Date

The Board of Directors has not recommended any dividend for the financial year ended on March 31, 2020.

REGISTRAR AND SHARE TRANSFER AGENT

KFin Technologies Private Limited
Selenium Building, Tower-B,
Plot No 31 & 32, Financial District, Nanakramguda,
Serilingampally,
Hyderabad, Rangareddi,
Telangana - 500 032
Tel: +91-40-67162222
Fax: +91-40-23001153
Email: einward.ris@kfintech.com
Website: www.kfintech.com

SHARE TRANSFER SYSTEM

In terms of Regulation 40(1) of SEBI Listing Regulations, as amended, equity shares can be transferred only in dematerialized form w.e.f. April 1, 2019, except in case of request received for transmission or transposition of shares. Members are advised, in their own interest, to dematerialise the shares held by them in physical form. Transfer of equity shares in electronic form is effected through the depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services India Limited (CDSL).

The Board has authorized the Stakeholders' Relationship Committee to sub-delegate its powers to the Officers of the Company for prompt redressal of investor requests/complaints.

As required under Regulation 40(9) of SEBI Listing Regulations, the Company obtains a certificate on half-yearly basis from a Company Secretary-in-Practice, regarding share transfer formalities, which is filed with the stock exchanges.

ALLOTMENT OF EQUITY SHARES TO INVESTOR EDUCATION AND PROTECTION FUND (IEPF) AUTHORITY

Upon effectiveness of the Scheme of Arrangement between HT Media Limited and the Company, sanctioned by Hon'ble National Company Law Tribunal on March 7, 2019, the Company allotted its equity shares to the eligible shareholders of HTML in the ratio as enshrined in the Scheme. Accordingly, 2,643 equity shares of face value of ₹ 2/- each were alloted to IEPF Authority, during the year under review, on account of equity shares held in the name of IEPF in HT Media Limited. Detail of shareholders who can claim such shares from IEPF is available on Company's website viz. www.digicontent.co.in.

LISTING OF EQUITY SHARES ON STOCK EXCHANGES AND STOCK CODES

The Equity Shares of the Company are listed on the following Stock Exchanges:

Name of the Stock Exchange	Scrip Code/ Trading Symbol
BSE Limited (BSE) Phiroze Jeejeebhoy Towers, Dalal Street Mumbai - 400 001	542685
National Stock Exchange of India Limited (NSE) Exchange Plaza, Bandra-Kurla Complex, Bandra (East), Mumbai - 400 051	DGCONTENT

The annual listing fee for the financial year 2020-21 has been paid to both BSE and NSE.

The ISIN of the Equity Shares of the Company is 'INE03JI01017'.

STOCK PRICE DATA

Month	BSE				NSE			
	DGCONTENT		SENSEX		DGCONTENT		NIFTY 50	
	High (in ₹)	Low (in ₹)	High	Low	High (in ₹)	Low (in ₹)	High	Low
Jun '19	16.00	12.35	40,312.07	38,870.96	16.00	12.55	12,103.05	11,625.10
Jul '19	15.00	6.90	40,032.41	37,128.26	14.20	8.05	11,981.75	10,999.40
Aug '19	9.98	5.76	37,807.55	36,102.35	9.25	5.65	11,181.45	10,637.15
Sep '19	6.60	5.55	39,441.12	35,987.80	6.65	5.55	11,694.85	10,670.25
Oct '19	6.25	4.48	40,392.22	37,415.83	6.00	4.50	11,945.00	11,090.15
Nov '19	4.85	3.55	41,163.79	40,014.23	5.00	3.05	12,158.80	11,802.65
Dec '19	6.67	4.77	41,809.96	40,135.37	6.70	4.30	12,293.90	11,832.30
Jan '20	6.75	4.97	42,273.87	40,476.55	6.25	5.10	12,430.50	11,929.60
Feb ' 20	4.97	4.29	41,709.30	38,219.97	5.60	4.30	12,246.70	11,175.05
Mar '20	5.25	4.00	39,083.17	25,638.90	5.50	3.65	11,433.00	7,511.10

Note: Since Digicontent Limited was listed on June 18, 2019, the above data is presented for the period June, 2019 to March, 2020

Performance in comparison to broad-based indices (month-end closing)

Movement of Digicontent Share at NSE during FY-20

Movement of Digicontent Share at BSE during FY-20

Distribution of Shareholding by size as on March 31, 2020

No. of Equity Shares held	No. of Shareholders	% of total no. of Shareholders	No. of Equity Shares held	% of total no. of Shares
Upto 500	27,903	95.55	16,38,570	2.82
501 – 1,000	515	1.76	3,80,725	0.65
1,001 – 5,000	597	2.04	12,78,858	2.20
5,001 – 10,000	75	0.26	5,23,413	0.90
10,001 & above	113	0.39	5,43,65,512	93.43
TOTAL	**29,203**	**100.00**	**5,81,87,078**	**100.00**

Category of Shareholders as on March 31, 2020 (in both physical and demat form)

Category	No. of Equity Shares held	% of Shareholding
Promoters & Promoter Group (A)	**4,04,44,271**	**69.51**
Public Shareholding (B)		
Banks, Financial Institutions and Insurance Companies	26,441	0.05
Foreign Institutional Investors (FIIs)	22,05,023	3.79
Non-Resident Indians	2,74,385	0.47
Bodies Corporate (Indian & Foreign)	41,30,207	7.10
Public	98,87,111	16.99
Clearing Members	12,486	0.02
HUF	7,63,605	1.31
Others (Trusts, AIF etc.)	35	0.00
IEPF	2,643	0.00
Total Public Shareholding (B)	**1,73,01,936**	**29.73**
Non Promoter –Non Public(C)		
Trustee of HT Media Employee Welfare Trust	4,40,871	0.76
Total Shareholding (A+B+C)	**5,81,87,078**	**100.00**

Dematerialization of Shares and liquidity as on March 31, 2020

Category	No. of Equity Shares held	% of Shareholding
Shares held in Demat form	5,81,86,129	99.999
Shares held in Physical form	949	0.001
TOTAL	**5,81,87,078**	**100.000**

Number of outstanding GDRs/ADRs/Warrants or any convertible instruments

No GDRs/ADRs/Warrants or any convertible instruments have been issued by the Company during FY-20.

Commodity price risk or foreign exchange risk and hedging activities

The Company had no exposure to commodity risk or foreign exchange risk and hedging activities during the period under review.

Plant Locations

The Company did not carry out any manufacturing activity during the period under review.

Address for correspondence

Company Secretary
Digicontent Limited
Hindustan Times House, 2nd Floor
18-20, Kasturba Gandhi Marg
New Delhi - 110 001
Tel : + 91 - 11 - 6656 1608
Fax: + 91 - 11 - 6656 1445
Email: investor@digicontent.co.in
Website: www.digicontent.co.in

Compliance Officer

Mr. Vikas Prakash, Company Secretary
Tel: + 91 -11 - 6656 1608

Company Registration Details

The Company is registered with the office of Registrar of Companies, Delhi. The Corporate Identification Number allotted to the Company by the Ministry of Corporate Affairs is L74999DL2017PLC322147.

COMPLIANCE CERTIFICATE

A certificate dated May 6, 2020 of RMG & Associates, Company Secretaries, regarding compliance of conditions of 'Corporate Governance' as stipulated under Schedule V of SEBI Listing Regulations, is annexed to the Board's Report.

NOMINATION FACILITY

In terms of Section 72 of the Act, shareholders holding shares in demat and/or physical form may, in their own interest, register their nomination with Depository Participant or R&T Agent, as the case may be.

ANNEXURE-A TO REPORT ON CORPORATE GOVERNANCE

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

[Pursuant to Regulation 34(3) read with Schedule V Para C clause (10)(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

The Members
Digicontent Limited
(CIN: L74999DL2017PLC322147)
Hindustan Times House, 2nd Floor
18-20, Kasturba Gandhi Marg
New Delhi- 110001

We have examined the relevant registers, records, forms and returns maintained/filed by **Digicontent Limited (CIN: L74999DL2017PLC322147)** having its Registered Office at **Hindustan Times House, 2nd Floor, 18-20, Kasturba Gandhi Marg, New Delhi- 110001** (hereinafter referred to as **"the Company"**) and notices and disclosures received from the Directors of the Company and produced before us by the Company for the purpose of issuing this certificate, in accordance with **Regulation 34(3) read with Schedule V Para C sub clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) 2015**, as amended from time to time (hereinafter referred to as "Listing Regulations").

In our opinion and to the best of our information and according to the verifications (including verification of Director Identification Number status at the portal www.mca.gov.in) as considered necessary by us and explanations furnished to us by the Company, we hereby certify that none of the Directors on the Board of the Company, as stated below, for the Financial year ended on March 31, 2020 have been debarred or disqualified from being appointed or continuing as directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other statutory authority.

S. No	DIN	Name	Begin date
1	00020603	Mr. Priyavrat Bhartia	14-08-2017
2	01802656	Mr. Praveen Someshwar	29-03-2019
3	00002632	Mr. Ajay Relan	18-04-2019
4	00101328	Mr. Vivek Mehra	18-04-2019
5	07962214	Ms. Suchitra Rajendra	18-04-2019
6	00105769	Mr. Dinesh Mittal	12-03-2020

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these, based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **RMG & Associates**
Company Secretaries
Firm Registration No. P2001DE16100
Peer Review No. : 734 / 2020

CS Manish Gupta
Partner
FCS: 5123;
C.P. No.: 4095

Place: New Delhi
Date: May 6, 2020
UDIN: F005123B000206489

ANNEXURE-B TO REPORT ON CORPORATE GOVERNANCE

DECLARATION OF COMPLIANCE WITH 'CODE OF CONDUCT' OF THE COMPANY

May 4, 2020

I, Abhesh Verma, Chief Executive Officer of the Company, do hereby confirm that all the Board members and Senior Management Personnel of the Company have complied with the 'Code of Conduct' during the financial year 2019-20.

This declaration is based on and is in pursuance of the individual affirmations received in writing from the Board members and the Senior Management Personnel of the Company.

For **DIGICONTENT LIMITED**

Abhesh Verma
Chief Executive Officer

Independent Auditor's Report

To the Members of **Digicontent Limited**

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of Digicontent Limited ("the Company"), which comprise the standalone balance sheet as at 31 March 2020, and the standalone statement of profit and loss (including other comprehensive income), standalone statement of changes in equity and standalone statement of cash flows for the year then ended, and notes to the standalone financial statements, including a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements, give the information required by the Companies Act, 2013 ("Act") in the manner so required and in the context of overriding effect of the provision in the scheme of arrangement as detailed in Emphasis of Matter paragraph below, give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2020, and loss and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Standalone Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the Standalone financial statements.

Emphasis of matter

We draw attention to Note 29 to the standalone financial statements in respect to a Scheme of Arrangement (Demerger) between the Digicontent Limited and HT Media Limited (HTML) and their respective creditors and shareholders, as sanctioned by the Hon'ble National Company Law Tribunal. The Scheme, inter-alia, prescribed demerger of Entertainment and Digital Innovation business of HT Media Limited (Demerged Company) including strategic investment and vesting thereof into Digicontent Limited w.e.f. closing business hours of 31 March 2018 (the Appointed Date) as compared to acquisition date under common control business combination as per the applicable Indian Accounting Standards (Ind-AS) prescribed under Section 133 of the Companies Act, 2013.

Our opinion is not modified in respect of this matter.

Key Audit Matter

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Description of Key Audit Matter

Investment in subsidiary

See note 5 to the standalone financial statements

The key audit matter	How the matter was addressed in our audit
The Company has identified investment in its wholly owned subsidiary company ('HTDS') of ₹ 17,580 lacs as a separate cash generating unit ('CGU'). The Company has performed an impairment assessment on its investment in subsidiary as at 31 March 2020. The annual impairment testing of the above investment is considered as a key audit matter as it involves significant judgements and estimates in assessing the recoverable value. The recoverable value is considered to be the higher of the Company's assessment of the value in use (VIU) and fair value less cost of disposal (FVLCD). The economic slowdown owing to the Covid-19 pandemic may impact the future cash flows of HTDS and the key assumptions taken while computing VIU.	How the matter was addressed in the audit - The Company's assessment included use of computation of value in use (VIU) to check the impairment assessment. In this regard, we obtained and assessed the recoverable amount as determined by the Company as under: - Assessed the method of determining recoverable amount and key assumptions used therein through historical information, budgets / projections, market data and other relevant information. Challenged the key assumptions and judgements within the build up and methodologies used by the Company and its experts. - Assessed the sensitivity of the outcome of impairment assessment to changes in key assumptions. - Compared the implied multiple arising from the VIU to the market multiples - Involved internal specialists to assist us in performing above mentioned procedures.

Other Information

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's and Board of Directors' Responsibility for the Standalone Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs, profit/loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring accuracy and completeness

of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, the Management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the standalone financial statements made by the Management and Board of Directors.

- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

We draw your attention to the fact that corresponding figures for the year ended 31 March 2019 included in the standalone annual financial statements have been extracted from the audited special purpose standalone financial statements which were audited by predecessor auditor who expressed an unmodified opinion dated 16 April 2019. The said financial statements were considered as special purpose standalone financial statements as they were prepared for filing information memorandum for listing purpose and are not the statutory standalone financial statements

Our opinion on the standalone financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matter.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. (A) As required by Section 143(3) of the Act, we report that:

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

c) The standalone balance sheet, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flows dealt with by this Report are in agreement with the books of account.

d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under section 133 of the Act.

e) On the basis of the written representations received from the directors as on 31 March 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2020 from being appointed as a director in terms of Section 164(2) of the Act.

f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

(B) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company does not have any pending litigations which would impact its financial position.

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

iv. The disclosures in the standalone financial statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made in these financial statements since they do not pertain to the financial year ended 31 March 2020.

(C) With respect to the matter to be included in the Auditor's Report under section 197(16):

In our opinion and according to the information and explanations given to us, the remuneration paid during the current year by the Company to its directors is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director by the Company is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

For **B S R and Associates**
Chartered Accountants
Firm's Registration No.: 128901W

Rajesh Arora
Partner
Membership No. : 076124
UDIN: 20076124AAAAAR4336

Place: Gurugram
Date: 06 May 2020

Annexure A

referred to in our Independent Auditor's Report to the members of Digicontent Limited on the standalone financial statements for the year ended 31 March 2020

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) The Company has a regular programme of physical verification of its fixed assets by which all fixed assets are verified in a phased manner over a period of three years. In our opinion, this periodicity of physical verification by management is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this programme, certain fixed assets were physically verified during the year. As informed to us, no material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us, the Company does not have any immovable properties. Accordingly, paragraph 3(i)(c) of the Order is not applicable.

(ii) The Company is in the business of providing advertisement services and does not hold inventories. Accordingly, paragraph 3(ii) of the Order is not applicable to the Company.

(iii) According to the information and explanations given to us, the Company has granted loan to a company covered in the register maintained under Section 189 of the Companies Act, 2013, in respect of which:

a) The terms and conditions of the grant of such loan are not prejudicial to the Company's interest;

b) The schedule of repayment of principal and payment of interest has been stipulated. There has been no repayment of principal and payment of interest in the financial year ended 31 March 2020; and

c) There is no amount overdue for more than 90 days in respect of the above mentioned loan.

(iv) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no loans given or investments made by the Company which are not in compliance with Section 185 and 186 of the Companies Act, 2013. There are no guarantees given or securities provided by the Company as specified under Section 185 and 186 of the Companies Act, 2013.

(v) As per the information and explanations given to us, the Company has not accepted any deposits as mentioned in the directives issued by the Reserve Bank of India and the provisions of Section 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under. Accordingly, paragraph 3(v) of the Order is not applicable.

(vi) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under sub-section (1) of Section 148 of the Companies Act, 2013, for any of the services rendered by the Company. Accordingly, paragraph 3(vi) of the Order is not applicable.

(vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, employees' state insurance, income tax, goods and services tax, duty of customs, cess, professional tax and other statutory dues have been regularly deposited during the year by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of sales tax, service tax, duty of excise and value added taxes.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income tax, goods and services tax, duty of customs, cess, professional tax and other statutory dues were in arrears as at 31 March 2020 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no dues of income tax, service tax, goods and services tax, sales tax, value added tax and duty of customs which have not been deposited by the Company with the appropriate authorities on account of any dispute as at 31 March 2020.

(viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not taken any loans or borrowings from financial institutions, banks and government and has not issued any debentures. Accordingly, paragraph 3(viii) of the Order is not applicable to the Company.

(ix) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) and terms loans during the year. Accordingly, paragraph 3(ix) of the Order is not applicable to the Company.

(x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

(xi) According to information and explanations given to us, the remuneration paid during the current year by the Company to its directors is in accordance with the provisions of Section 197 of the Act.

(xii) According to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.

(xiii) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, the transactions with the related parties are in compliance with Sections 177 and 188 of the Companies Act, 2013, where applicable and the details have been disclosed in the standalone financial statements as required by the applicable accounting standards.

(xiv) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the current year. Accordingly, paragraph 3(xiv) of the Order is not applicable.

(xv) According to information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with them. Accordingly, paragraph 3(xv) of the Order is not applicable.

(xvi) According to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, paragraph 3(xvi) of the Order is not applicable.

For **B S R and Associates**
Chartered Accountants
Firm's Registration No.: 128901W

Rajesh Arora
Partner
Membership No. : 076124
UDIN: 20076124AAAAAR4336

Place: Gurugram
Date: 06 May 2020

Annexure B

to the Independent Auditor's report on the standalone financial statements of Digicontent Limited for the year ended 31 March 2020.

Report on the internal financial controls with reference to the aforesaid standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013

(Referred to in paragraph 1(A)(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

We have audited the internal financial controls with reference to standalone financial statements of Digicontent Limited ("the Company") as of 31 March 2020 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to standalone financial statements and such internal financial controls were operating effectively as at 31 March 2020, based on the internal financial controls with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's Responsibility for Internal Financial Controls

The Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (hereinafter referred to as "the Act").

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and whether such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to standalone financial statements.

Meaning of Internal Financial controls with Reference to Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial

statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial controls with Reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For **B S R and Associates**
Chartered Accountants
Firm's Registration No.: 128901W

Rajesh Arora
Partner
Membership No. : 076124
UDIN: 20076124AAAAAR4336

Place: Gurugram
Date: 06 May 2020

Balance Sheet

as at March 31, 2020

(₹ Lakhs)

Particulars	Notes	As at March 31, 2020	As at March 31, 2019
I ASSETS			
1) Non-current assets			
(a) Property, plant and equipment	3	1	2
(b) Intangible assets	4	13	33
(c) Investment in subsidiaries	5	17,580	17,580
(d) Deferred tax assets (net)	19	-	133
(e) Income tax assets (net)	11	50	2
Total Non- current assets		**17,644**	**17,750**
2) Current assets			
(a) Financial assets			
(i) Trade receivables	7	143	848
(ii) Cash and cash equivalents	8A	630	341
(iii) Bank balances other than (ii) above	8B	-	-
(iv) Loans	6	1,851	1
(v) Other financial assets	9A	209	1,838
(b) Contract assets	9B	12	2
(c) Other current assets	10	10	1
Total current assets		**2,855**	**3,031**
TOTAL ASSETS		**20,499**	**20,781**
II EQUITY AND LIABILITIES			
1) Equity			
(a) Equity share capital	12	1,164	-
(b) Share suspense account	12	-	1,164
(c) Other equity	13	9,032	10,109
Total equity		**10,196**	**11,273**
2) Liabilities			
Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	14	8,000	8,000
(ii) Other financial liabilities	16	1,916	1,010
(b) Provisions	17	52	45
Total non- current liabilities		**9,968**	**9,055**
Current liabilities			
(a) Financial liabilities			
(i) Trade payable			
a) Total outstanding dues of micro enterprises and small enterprises	15	-	-
b) Total outstanding dues of creditors other than micro enterprises and small enterprises	15	146	317
(ii) Other financial liabilities	16	143	5
(b) Provisions	17	6	18
(c) Other current liabilities	18	40	113
Total current liabilities		**335**	**453**
Total liabilities		**10,303**	**9,508**
TOTAL EQUITY AND LIABILITIES		**20,499**	**20,781**
Summary of significant accounting policies	2		

See accompanying notes to the standalone financial statements.
In terms of our report of even date attached

For B S R and Associates
Chartered Accountants
(ICAI Firm registration Number: 128901W)

Rajesh Arora
Partner
Membership No. 076124

Place: Gurugram
Date: May 6, 2020

For and on behalf of the Board of Directors of Digicontent Limited

Vikas Prakash
Company Secretary

Anup Sharma
Chief Financial Officer

Abhesh Verma
Chief Executive Officer

Praveen Someshwar
Director
(DIN: 01802656)

Dinesh Mittal
Director
(DIN: 00105769)

Place: New Delhi
Date: May 6, 2020

Statement of Profit and Loss

for the year ended March 31, 2020

(₹ Lakhs)

Particulars	Notes	Year ended March 31, 2020	Year ended March 31, 2019
I Income			
a) Revenue from operations	20	1,560	2,004
b) Other income	21	211	18
Total Income		**1,771**	**2,022**
II Expenses			
a) Employee benefits expense	22	1,109	965
b) Finance costs	23	1,006	904
c) Depreciation and amortization expense	24	20	30
d) Other expenses	25	577	610
Total Expenses		**2,712**	**2,509**
III Profit before tax (I-II)		**(941)**	**(487)**
IV Earnings before interest, tax, depreciation and amortization (EBITDA) [III+II(b)+II(c)]		**85**	**447**
V Income tax expense			
Current tax	19	-	-
Deferred tax charge/(credit)	19	133	(127)
Total tax expense		**133**	**(127)**
VI Loss for the year and attributable to owners after tax (III-V)		**(1,074)**	**(360)**
VII Other comprehensive income			
Items that will not to be reclassified to profit or loss	26		
Remeasurement gain/(loss) on defined benefit plans		(3)	(22)
Income tax effect		-	6
Other comprehensive income for the year and attributable to owners, net of tax		**(3)**	**(16)**
VIII Total comprehensive income for the year and attributable to owners, net of tax(VI+VII)		**(1,077)**	**(376)**
IX Earnings/(loss) per share (₹)	27		
Basic (Nominal value of share ₹ 2/-)		(1.85)	(0.62)
Diluted (Nominal value of share ₹ 2/-)		(1.85)	(0.62)
Summary of significant accounting policies	2		

See accompanying notes to the standalone financial statements.
In terms of our report of even date attached

For B S R and Associates
Chartered Accountants
(ICAI Firm registration Number: 128901W)

Rajesh Arora
Partner
Membership No. 076124

Place: Gurugram
Date: May 6, 2020

For and on behalf of the Board of Directors of Digicontent Limited

Vikas Prakash
Company Secretary

Anup Sharma
Chief Financial Officer

Abhesh Verma
Chief Executive Officer

Praveen Someshwar
Director
(DIN: 01802656)

Dinesh Mittal
Director
(DIN: 00105769)

Place: New Delhi
Date: May 6, 2020

Statement of Cash Flow

for the year ended March 31, 2020

(₹ Lakhs)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Cash flows from operating activities:		
Loss before tax:	**(941)**	**(487)**
Adjustments for:		
Impairment for doubtful debts and advances (includes bad debts written off)	1	64
Depreciation and amortization expense	20	30
Interest cost on borrowings	1,006	904
Interest income from deposits	(40)	(18)
Unclaimed balances/unspent liabilities written back	(6)	-
Interest income from inter- corporate loan given	(165)	-
Changes in operating assets and liabilties		
(Increase)/decrease in trade receivables	704	(145)
(Increase)/ decrease in current and non-current financial assets and other current and non-current assets	1,765	(292)
Increase/ (decrease) in current and non-current financial liabilities and other current and non-current liabilities and provisions	(106)	55
Cash generated from operations	**2,238**	**111**
Income taxes paid	(48)	(2)
Net cash from operating activities (A)	**2,190**	**109**
Cash flows from investing activities:		
Interest received on deposits	34	18
Interest received on Inter- corporate loan given	16	-
Inter-corporate deposits given	(1,850)	-
Purchase of property, plant and equipment	(1)	-
Net cash from investing activities (B)	**(1,801)**	**18**
Cash flows from financing activities:		
Interest paid	(100)	(112)
Net cash flows from financing activities (C)	**(100)**	**(112)**
Net increase/ (decrease) in cash and cash equivalents (D= A+B+C)	**289**	**15**
Cash and cash equivalents at the beginning of the year (E)	341	326
Cash and cash equivalents at year end (D+E)	**630**	**341**
Components of cash & cash equivalents as at end of the year		
Cash and cheques on hand	-	-
Balances with banks		
- on deposit accounts	524	257
- in current accounts	106	84
Cash and cash equivalents as per Cash Flow Statement	**630**	**341**

Debt reconciliation disclosure pursuant to Amendment to Ind-AS 7:

(₹ Lakhs)

Particulars	Non Current Borrowings
Closing Balance as at March 31, 2018	**8,000**
Change during the year	-
Closing Balance as at March 31, 2019	**8,000**
Change during the year	-
Closing Balance as at March 31, 2020	**8,000**

See accompanying notes to the standalone financial statements.
In terms of our report of even date attached

For B S R and Associates
Chartered Accountants
(ICAI Firm registration Number: 128901W)

Rajesh Arora
Partner
Membership No. 076124

Place: Gurugram
Date: May 6, 2020

For and on behalf of the Board of Directors of Digicontent Limited

Vikas Prakash
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(DIN: 01802656)

Dinesh Mittal
Director
(DIN: 00105769)

Place: New Delhi
Date: May 6, 2020

Statement of Changes in equity

for the year ended March 31, 2020

A. Equity Share Capital (Refer Note 12)

Equity Shares of ₹ 2 each issued, subscribed and fully paid up

(₹ Lakhs)

Particulars	Number of shares	Amount
Balance as at March 31, 2018	**-**	**-**
Changes in share capital during the year	-	-
Balance as at March 31, 2019	**-**	**-**
Changes in share capital during the year	5,81,87,078	1,164
Balance as at March 31, 2020	**5,81,87,078**	**1,164**

B. Share Suspense Account (Refer Note 12)

(₹ Lakhs)

Particulars	Number of shares	Amount
Balance as at March 31, 2018	**5,81,87,078**	**1,164**
Change in share suspense during the year	-	-
Balance as at March 31, 2019	**5,81,87,078**	**1,164**
Change in share suspense during the year	(5,81,87,078)	(1,164)
Balance as at March 31, 2020	**-**	**-**

C. Other Equity attributable to equity holders (Refer Note 13)

(₹ Lakhs)

Particulars	Number of shares	Amount	Amount
Balance as at March 31, 2018	**(218)**	**10,703**	**10,485**
Profit / (Loss) for the year	(360)	-	(360)
Items of other comprehensive income recognised directly in retained earnings			
- Remeasurements of post-employment benefit obligation, net of tax	(16)	-	(16)
Balance as at March 31, 2019	**(594)**	**10,703**	**10,109**
Profit/(loss) for the year	(1,074)	-	(1,074)
Items of other comprehensive income recognised directly in retained earnings			
- Remeasurements of post-employment benefit obligation, net of tax	(3)	-	(3)
Balance as at March 31, 2020	**(1,671)**	**10,703**	**9,032**

See accompanying notes to the standalone financial statements.
In terms of our report of even date attached

For B S R and Associates
Chartered Accountants
(ICAI Firm registration Number: 128901W)

Rajesh Arora
Partner
Membership No. 076124

Place: Gurugram
Date: May 6, 2020

For and on behalf of the Board of Directors of Digicontent Limited

Vikas Prakash
Company Secretary

Anup Sharma
Chief Financial Officer

Abhesh Verma
Chief Executive Officer

Praveen Someshwar
Director
(DIN: 01802656)

Dinesh Mittal
Director
(DIN: 00105769)

Place: New Delhi
Date: May 6, 2020

Notes to Standalone Financial Statements

for the year ended March 31, 2020

1. Corporate information

Digicontent Limited ("DCL" or "the Company"), is company domiciled in India and incorporated on 14 August, 2017 under the provisions of the Companies Act, 2013.

Pursuant to Scheme of Arrangement ('the Scheme') between the Company and HT Media Limited (HTML) and their respective creditors and shareholders, the "Entertainment & Digital Innovation Business" of HTML along with its related assets and liabilities, and the related strategic investment in HT Digital Streams Limited (HTDS) has been transferred to the Company upon the sanction of the Scheme by Hon'ble National Company Law Tribunal (NCLT), New Delhi Bench vide order dated 7 March, 2019 (certified copy received by the Company on 27 March, 2019) ("the order"). The certified copy of the order sanctioning the Scheme has been filed with the Registrar of the companies, NCT of Delhi and Haryana on April 05, 2019. Accordingly, the scheme has been given effect from March 31, 2018 (closing business hours) i.e. Appointed Date.

Entertainment & Digital Innovation Business" includes the following-

Fever Audio Tool	Carries out: • Aggregation and creation of audio and multi-screen videos • Audio feed which plays music inside across various stores • Distribution of in-house creative and niche celeb based content to mobile and digital users
Desi Martini	Carries out internet related business for providing movie reviews and ratings in the name of www.desimartini.com
Photo Library	Maintains Repository of the copyrighted images
Brand Promotion	• Carries out media tool to build, promote and amplify brand communication • Covers various brand activities like events, promotions, parties, campaigns, product launches across various HT Media Platforms

The registered office of the Company is located at 18-20, K.G. Marg, New Delhi-110001.

Information on related party relationship of the Company is provided in Note 30.

The financial statement of the company for the year ended March 31, 2020 are authorised for issue in accordance with a resolution of the Board of Directors on May 6, 2020

2. Significant accounting policies followed by company

2.1 Basis of preparation

The standalone financial statements of the Company have been prepared in accordance with the Indian Accounting Standards ('Ind AS') specified in the Companies (Indian Accounting Standards) Rules, 2015 (as amended) under Section 133 of the Companies Act 2013 (the "accounting principles generally accepted in India").

The accounting policies are applied consistently to all the periods presented in the financial statements.

The standalone financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value:

- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments).

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lacs as per the requirement of Schedule III, unless otherwise stated.

The standalone financial statements are presented in Indian Rupees (₹), which is also the Company's functional currency.

2.2 Summary of significant accounting policies

a) Current versus non- current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or

Notes to Standalone Financial Statements

for the year ended March 31, 2020

- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The Company has identified twelve months as its operating cycle.

b) Foreign currencies

Transactions and Balances

Transactions in foreign currencies are initially recorded by the Company at their respective functional currency spot rates at the date the transaction first qualifies for recognition. However, for practical reasons, the Company uses monthly average rate if the average approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Exchange differences arising on the settlement of monetary items or on restatement of the Company's monetary items at rates different from those at which they were initially recorded during the period, or reported in previous financial statements, are recognized as income or as expenses in the period in which they arise. They are deferred in equity if they relate to qualifying cash flow hedges.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

c) Fair value measurement

The Company measures financial instruments, such as, derivatives and certain investments at fair value at each reporting/ balance sheet date.Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which inputs

Notes to Standalone Financial Statements

for the year ended March 31, 2020

are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly

- Level 3 — Valuation techniques for which inputs are unobservable inputs for the asset or liability

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

d) Revenue recognition

Effective April 1, 2018 the Company has adopted Ind AS 115 "Revenue from Contracts with Customers" using the cumulative catch-up up transition method which is applied to contracts that were not completed as of April 1, 2018.

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured based on the transaction price, which is the consideration, adjusted for allowances, trade discounts, volume rebates, if any, as specified in the contract with the customer. Revenue excludes taxes collected from customers. The Company has concluded that it is the principal in all of its revenue arrangements since it is the primary obligor in all the revenue arrangements as it has pricing latitude and is also exposed to inventory and credit risks.

Goods and Service Tax (GST)/ Service Tax is not received by the Company on its own account. Rather, it is tax collected on behalf of the government. Accordingly, it is excluded from revenue.

Contract asset and unbilled receivables

Contract asset represents the Company's right to consideration in exchange for services that the Company has transferred to a customer when that right is conditioned on something other than the passage of time.

When there is unconditional right to receive cash, and only passage of time is required to do invoicing, the same is presented as unbilled receivable.

A contract liability is recognised if a payment is received or a payment is due (whichever is earlier) from a customer before the Company transfers the related goods or services. Contract liabilities are recognised as revenue when the Company performs under the contract (i.e., transfers control of the related goods or services to the customer).

The specific recognition criteria described below must also be met before revenue is recognised:

Online Advertising

Revenue from digital platforms by display of internet advertisements is typically contracted for a period of one to twelve months. Revenue in this respect is recognized as and when advertisement is published/ displayed. Unearned revenues are reported on the balance sheet as deferred revenue/ contract liability..

Revenue from Content Selling

Revenue from Content Selling is recognized as and when the content is published/ circulated by the customer.

Brand Promotion

Revenue from Brand Promotion is recognized as and when the content is published by the customer.

Interest income

Interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount

Notes to Standalone Financial Statements

for the year ended March 31, 2020

of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in finance income in the statement of profit and loss.

e) Taxes

The Government of India, on September 20, 2019, vide Taxation Laws (Amendment) Ordinance 2019, inserted a new Section 115BAB in the Income Tax Act, 1961, which gives option to the Company to pay Income Tax at reduced rates as per the provisions/ conditions defined in the said section. The Company is in the process of evaluating the impact of this Ordinance.

Current income tax

Tax expense is the aggregate amount included in the determination of profit or loss for the period in respect of current tax and deferred tax.

Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961.

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised is correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Appendix C to Ind AS 12, Income Taxes dealing with accounting for uncertainty over income tax treatments is applicable from accounting periods beginning on or after 1 April 2019. It does not have any material impact on financial statements of the Company.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences.Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

GST/ value added taxes paid on acquisition of assets or on incurring expenses

Expenses and assets are recognised net of the amount of GST/ value added taxes paid, except:

- When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised

Notes to Standalone Financial Statements

for the year ended March 31, 2020

as part of the cost of acquisition of the asset or as part of the expense item, as applicable

- When receivables and payables are stated with the amount of tax included

The net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

f) Property, plant and equipment

Construction in progress is stated at cost, net of accumulated impairment losses, if any. Plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met

Cost comprises the purchase price, borrowing costs if capitalization criteria are met and any directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Recognition:

The cost of an item of property, plant and equipment shall be recognised as an asset if, and only if:

(a) it is probable that future economic benefits associated with the item will flow to the entity; and

(b) the cost of the item can be measured reliably.

All other expenses on existing assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the Statement of Profit and Loss for the period during which such expenses are incurred.

Depreciation methods, estimated useful life and residual value

Depreciation is calculated on a straight-line basis over the estimated useful life of the assets as follows:

Type of asset	Useful life estimated by management (Years)
IT Equipment	3-6
Office Equipment	2-5

The Company, based on technical assessment made by the management depreciates certain assets over estimated useful lives which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

Property, Plant and Equipment which are added/disposed off during the period, depreciation is provided on pro-rata basis with reference to the month of addition/deletion.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised.

Subsequent expenditure can be capitalised only if it is probable that future economic benefits associated with the expenditure will flow to the company.

The residual values, useful life and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

g) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

The useful life of intangible assets is assessed as either finite or indefinite. Intangible assets with indefinite useful life are not amortised, but are tested for impairment annually, either individually or

Notes to Standalone Financial Statements

for the year ended March 31, 2020

at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

An intangible asset is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss.

Intangible assets with finite life are amortized on straight line basis using the estimated useful life as follows:

Intangible Assets	Useful life (in years)
Software	1 - 6

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

h) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

i) Leases

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

The Company recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss.The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Company is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or

Notes to Standalone Financial Statements

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lease modifications or to reflect revised in-substance fixed lease payments. The Company recognises the amount of the re-measurement of lease liability due to modification as an adjustment to the right-of-use asset and statement of profit and loss depending upon the nature of modification. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognises any remaining amount of the re-measurement in statement of profit and loss.

The Company has elected not to apply the requirements of Ind AS 116 to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognised as an expense on a straight-line basis over the lease term. As a practical expedient a lessee (the company) has elected, by class of underlying asset, not to separate lease components from any associated non-lease components. A lessee (the company) accounts for the lease component and the associated non-lease components as a single lease component.

Company as a lessor

At the inception of the lease the Company classifies each of its leases as either an operating lease or a finance lease. The Company recognises lease payments received under operating leases as income on a straight- line basis over the lease term. In case of a finance lease, finance income is recognised over the lease term based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the lease.

Transition to Ind AS 116

Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has notified Ind AS 116 Leases which replaces the existing lease standard, Ind AS 17 leases and other interpretations. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. It introduces a single, on-balance sheet lease accounting model for lessees.

The Company has adopted Ind AS 116, effective annual reporting period beginning April 1, 2019 and applied the standard to its leases, retrospectively, with the cumulative effect of initially applying the Standard, recognised on the date of initial application (April 1, 2019). Accordingly, the Company has not restated comparative information. As on April 1, 2019, the Company has recognized a right of use asset at an amount equivalent to the lease liability and consequently there is no adjustment to the opening balance of retained earnings as on April 1, 2019. On application of Ind AS 116, the nature of expenses has changed from lease rent in previous periods to depreciation cost for the right-to-use asset, and finance cost for interest accrued on lease liability.

Identification of lease:

- The Company has reassessed whether a contract is, or contains, a lease at the date of initial application.

Leases previously classified as operating leases:

- The Company has recognised a lease liability at the date of initial application for leases previously classified as an operating lease applying Ind AS 17 (other than those which does not satisfy the lease definition criteria under Ind AS 116). The Company has measured lease liability at the present value of the remaining lease payments, discounted using the Company's incremental borrowing rate at the date of initial application.
- The Company has recognised a right-of-use asset at the date of initial application for leases previously classified as an operating lease applying Ind AS 17 (other than those which does not satisfy the lease definition criteria under Ind AS 116). The Company has opted to measure right-of-use asset at an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in the balance sheet immediately before the date of initial application.

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for the year ended March 31, 2020

- The Company has relied on its assessment of whether leases are onerous applying Ind AS 37, Provisions, Contingent Liabilities and Contingent Assets, immediately before the date of initial application as an alternative to performing an impairment review.
- The Company has opted not to apply the above transition requirements to leases for which the lease term ends within 12 months of the date of initial application.

Leases previously classified as finance leases:

- For leases that were classified as finance leases applying Ind AS 17, the carrying amount of the right-of-use asset and the lease liability at the date of initial application is the carrying amount of the lease asset and lease liability immediately before that date measured applying Ind AS 17.

There is no impact on transition as on 1 April 2019.

j) Employee benefits

Short term employee benefits and defined contribution plans:

All employee benefits payable/available within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages and bonus etc. are recognised in the statement of profit and loss in the period in which the employee renders the related service.

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

Gratuity

Gratuity is a defined benefit scheme. The defined benefit obligation is Computed by actuaries using the projected unit credit method.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognised in profit or loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Company recognises related restructuring cost

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset.

The Company recognises the following changes in the net defined benefit obligation as an expense in the Statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

Termination benefits

The Company recognizes termination benefit as a liability and an expense when the Company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the

Notes to Standalone Financial Statements

for the year ended March 31, 2020

obligation. If the termination benefits fall due more than 12 months after the balance sheet date, they are measured at present value of future cash flows using the discount rate determined by reference to market yields at the balance sheet date on government bonds.

Compensated Absences

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The company treats leaves expected to be carried forward for measurement purposes. Such compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred. The company presents the entire leave as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for 12 months after the reporting date. Where Company has the unconditional legal and contractual right to defer the settlement for a period beyond 12 months, the same is presented as non-current liability.

k) Impairment of non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded Company's or other available fair value indicators.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the entity operates, or for the market in which the asset is used.

An assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

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for the year ended March 31, 2020

Intangible assets with indefinite useful lives are tested for impairment annually at the CGU level, as appropriate, and when circumstances indicate that the carrying value may be impaired.

l) Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

m) Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Equity investments

All equity investments in scope of Ind-AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind-AS 103 applies are Ind-AS classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on Initial recognition and is irrevocable.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognized (i.e. removed from the Company's consolidated balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognize the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Notes to Standalone Financial Statements

for the year ended March 31, 2020

Impairment of financial assets

In accordance with Ind-AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

a) Financial assets are measured at amortized cost e.g., loans, debt securities, deposits, trade receivables and bank balance

b) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind-AS 115 (referred to as 'contractual revenue receivables' in these financial statements)

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables or contract revenue receivables.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

As a practical expedient, the Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the Statement of Profit and Loss. This amount is reflected under the head 'other expenses' in the Statement of Profit and Loss. The balance sheet presentation for various financial instruments is described below:

- Financial assets measured as at amortized cost, contractual revenue receivables and lease receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount. For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

The Company does not have any purchased or originated credit-impaired (POCI) financial assets, i.e., financial assets which are credit impaired on purchase/ origination.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction cost

The Company's financial liabilities include trade and other payables, loans and borrowings.

Notes to Standalone Financial Statements

for the year ended March 31, 2020

Subsequent measurement

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognised in profit and loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the Statement of Profit and Loss. This category generally applies to borrowings.

De-recognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

n) Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalent consists of cash and short-term deposits, as defined above, as they are considered an integral part of the Company's cash management.

o) Measurement of EBITDA

The Company has elected to present earnings before interest expense, tax, depreciation and amortization (EBITDA) as a separate line item on the face of the statement of profit and loss. The Company measures EBITDA on the face of profit/ (loss) from continuing operations. In the measurement, the Company does not include depreciation and amortization expense, finance costs and tax expense.

p) Earnings per Share

Basic earnings per share

Basic earnings per share are calculated by dividing:

- the profit attributable to owners of the Company
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares.

Diluted earnings per share

Diluted earnings per share adjust the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

q) Investments in subsidiaries

An investor, regardless of the nature of its involvement with an entity (the investee), shall determine whether it is a parent by assessing whether it controls the investee.

An investor controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

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for the year ended March 31, 2020

Thus, an investor controls an investee if and only if the investor has all the following:

(a) power over the investee;

(b) exposure, or rights, to variable returns from its involvement with the investee and

(c) the ability to use its power over the investee to affect the amount of the investor's returns.

An associate is an entity over which the Company has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

The considerations made in determining significant influence are similar to those necessary to determine control over subsidiaries.

The Company has elected to recognize its investments in subsidiary companies at cost in accordance with the option available in Ind-AS 27, 'Separate Financial Statements'. Except where investments accounted for at cost shall be accounted for in accordance with Ind-AS 105, Non-current Assets Held for Sale and Discontinued Operations, when they are classified as held for sale.

Investment carried at cost will be tested for impairment as per Ind-AS 36.

2.3. Significant accounting judgements, estimates and assumptions

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

The areas involving critical estimates or Judgement are as below:

Taxes

Uncertainties exist with respect to the interpretation of complex tax regulations, changes in tax laws, and the amount and timing of future taxable income. Given the wide range of business relationships and the long-term nature and complexity of existing contractual agreements, differences arising between the actual results and the assumptions made, or future changes to such assumptions, could necessitate future adjustments to tax income and expense already recorded. The Company establishes provisions, based on reasonable estimates. The amount of such provisions is based on various factors, such as experience of previous tax assessments and differing interpretations of tax regulations by the taxable entity and the responsible tax authority. Such differences of interpretation may arise on a wide variety of issues depending on the conditions prevailing in the respective domicile of the Companies.

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

Defined benefit plans

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

The mortality rate is based on publicly available mortality tables for the specific countries. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates for the respective countries.

Notes to Standalone Financial Statements

for the year ended March 31, 2020

Further details about gratuity obligations are given in Note 28.

Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

Impairment of financial assets

The impairment provisions for financial assets are based on assumptions about risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

Impairment of non- financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or CGU's fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pretax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent markets transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded subsidiaries or other available fair value indicators.

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for the year ended March 31, 2020

Note 3 : Property, plant and equipment

(₹ Lakhs)

Particulars	Office equipments	Total
Cost		
As at March 31, 2018	**3**	**3**
Change during the year	-	-
As at March 31, 2019	**3**	**3**
Change during the year	-	-
As at March 31, 2020	**3**	**3**
Depreciation/ impairment		
As at March 31, 2018	**-**	**-**
Charge for the year	1	1
As at March 31, 2019	**1**	**1**
Charge for the year	1	1
As at March 31, 2020	**2**	**2**
Net block		
As at March 31, 2020	**1**	**1**
As at March 31, 2019	**2**	**2**

Note 4 : Intangible Assets

(₹ Lakhs)

Particulars	Software Licenses	Total
Gross carrying amount		
As at March 31, 2018	**62**	**62**
Change during the year	-	
As at March 31, 2019	**62**	**62**
Change during the year	-	
As at March 31, 2020	**62**	**62**
Accumulated amortisation		
As at March 31, 2018	**-**	**-**
Charge for the year	29	29
As at March 31, 2019	**29**	**29**
Charge for the year	19	19
As at March 31, 2020	**48**	**48**
Net carrying amount		
As at March 31, 2020	**13**	**13**
As at March 31, 2019	**33**	**33**

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for the year ended March 31, 2020

Note 5 : Investment in subsidiaries

(₹ Lakhs)

Particulars	March 31, 2020	March 31, 2019
Investment in subsidiary (at cost)		
Unquoted		
HT Digital Streams Limited	17,580	17,580
200.50 Lakhs (previous Year 200.50 Lakhs) equity shares of ₹ 10/- each fully paid up		
Total	**17,580**	**17,580**
Provision for impairment in value of investment (B)	**-**	**-**
Total investment in subsidiary (A) - (B)	**17,580**	**17,580**
Current	-	-
Non - Current	17,580	17,580
Aggregate book value of unquoted investments	**17,580**	**17,580**
Aggregate amount of impairment in value of investments	**-**	**-**

Note 6 : Loans

(₹ Lakhs)

Particulars	March 31, 2020	March 31, 2019
Security deposit	1	1
Inter- corporate loan given (refer note 30A)	1,850	-
Total Loans	**1,851**	**1**
Current	**1,851**	**1**
Non - Current	**-**	**-**

(₹ Lakhs)

Particulars	March 31, 2020	March 31, 2019
Secured, considered good	-	-
Unsecured, considered good	1,851	1
Total	**1,851**	**1**

Note 7 : Trade receivables

(₹ Lakhs)

Particulars	March 31, 2020	March 31, 2019
Trade receivables	142	131
Receivables from related parties (refer note 30A)	74	791
Provision for doubtful debts	(73)	(74)
Total	**142**	**848**
Current	**142**	**848**
Non - Current	**-**	**-**

Notes to Standalone Financial Statements

for the year ended March 31, 2020

Note 7 : Trade receivables (Contd..)

(₹ Lakhs)

Particulars	March 31, 2020	March 31, 2019
Secured, considered good	-	-
Unsecured, considered good	142	848
Unsecured, considered doubtful	73	74
Total	**215**	**922**
Impairment for unsecured doubtful debts	(73)	(74)
Total Trade receivables	**142**	**848**

No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person.

Note 8 A: Cash and cash equivalents

(₹ Lakhs)

Particulars	March 31, 2020	March 31, 2019
Balance with banks :		
- On current accounts	106	84
- Deposits with original maturity of less than three months	524	257
Total	**630**	**341**

Short-term deposits are made for varying periods of between one day and three months, depending on the immediate cash requirements of the Company and earn interest at the respective short-term deposit rates.

Note 8 B : Other bank balance

(₹ Lakhs)

Particulars	March 31, 2020	March 31, 2019
Bank balances other than (8A) above		
- Unclaimed dividend account*	-	-
Total	**-**	**-**

*₹ 10,460/- balance in unclaimed dividend account for the year ended March 31, 2020 has been rounded off to Nil.

*These balances are not available for use by the Company as they represent corresponding unclaimed dividend liabilities.

For the purpose of the statement of cash flows, cash and cash equivalents comprise the following:

(₹ Lakhs)

Particulars	March 31, 2020	March 31, 2019
Balance with banks :		
- On current accounts	106	84
- Deposits with original maturity of less than three months	524	257
	630	**341**

Notes to Standalone Financial Statements

for the year ended March 31, 2020

Note 9A: Other financial assets

(₹ Lakhs)

Particulars	March 31, 2020	March 31, 2019
Other receivables from related party (refer note 30A)	-	1,838
Interest accrued on inter-company deposits (refer note 30A)	149	-
Interest accrued on bank deposits	6	-
Unbilled revenue (refer note 30A)	54	-
Total	**209**	**1,838**
Current	**209**	**1,838**
Non - Current	**-**	**-**

Break up of financial assets carried at amortised cost

(₹ Lakhs)

Particulars	March 31, 2020	March 31, 2019
Trade receivables (Note 7)	143	848
Cash and cash equivalents (Note 8A)	630	341
Other bank balances (Note 8B)	-	-
Other financial assets (Note 9A)	209	1,838
Loans (Note 6)	1,851	1
Total financial assets carried at amortised cost	**2,833**	**3,028**

Note 9B: Contract assets

(₹ Lakhs)

Particulars	March 31, 2020	March 31, 2019
Income accrued but not due	12	2
Total	**12**	**2**
Current	**12**	**2**
Non - Current	**-**	**-**

*Amount billed during FY 2019-2020 from contract assets at the beginning of the year is ₹ 2 lakhs. Balance of ₹ 12 Lacs as at March 31, 2020 pertains to current year transactions.

Note 10: Other current assets

(₹ Lakhs)

Particulars	March 31, 2020	March 31, 2019
Advances given	4	1
Prepaid expenses	1	-
Balance with statutory/government authorities	5	-
Total	**10**	**1**

Notes to Standalone Financial Statements

for the year ended March 31, 2020

Note 11 : Income tax assets (net)

(₹ Lakhs)

Particulars	March 31, 2020	March 31, 2019
Income tax assets (net) [related to current tax]	50	2
Total	**50**	**2**
Current	**-**	**-**
Non-Current	**50**	**2**

Note 12 : Share Capital

Authorised Share Capital

(₹ Lakhs)

Particulars	Number of shares	Amount
At March 31, 2018	**50,000**	**1**
Increase/(decrease) during the year	-	-
At March 31, 2019	**50,000**	**1**
Increase/(decrease) during the year	5,99,50,000	1,199
As at March 31, 2020	**6,00,00,000**	**1,200**

Terms/ rights attached to equity shares

The Company has only one class of equity shares having par value of ₹ 2 per share. Each holder of equity shares is entitled to one vote per share.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Share suspense account

(₹ Lakhs)

Equity shares of ₹ 2 each issued, subscribed and fully paid	Number of shares	Amount
At March 31, 2018	**5,81,87,078**	**1,164**
Changes during the year	-	-
At March 31, 2019	**5,81,87,078**	**1,164**
Changes during the year (refer note 29)	(5,81,87,078)	(1,164)
As at March 31, 2020	**-**	**-**

Notes to Standalone Financial Statements

for the year ended March 31, 2020

Issued and subscribed capital

Equity shares of ₹ 2 each issued, subscribed and fully paid

(₹ Lakhs)

Particulars	Number of shares	Amount
At March 31, 2018	**-**	**-**
Changes during the year	-	-
At March 31, 2019	**-**	**-**
Changes during the year (refer note 29)	5,81,87,078	1,164
As at March 31, 2020	**5,81,87,078**	**1,164**

Reconciliation of the equity shares outstanding at the beginning and at the end of the year

(₹ Lakhs)

Particulars	As at March 31, 2020		As at March 31, 2019	
	Number of shares	Amount	Number of shares	Amount
Shares outstanding at the beginning of the year	-	-	-	-
Shares Issued during the year	5,81,87,078	1,164	-	-
Shares cancelled during the year	-	-	-	-
Shares outstanding at the end of the year	**5,81,87,078**	**1,164**	**-**	**-**

Shares held by holding/ ultimate holding company and/ or their subsidiaries/ associates

Out of equity shares issued by the Company, shares held by its holding company, subsidiary of holding company are as below:

(₹ Lakhs)

Particulars	March 31, 2020	March 31, 2019
The Hindustan Times Limited, the holding company		
4,04,38,621 (March 31, 2019- Nil) equity shares of ₹ 2 each fully paid	809	-

Details of shareholders holding more than 5% shares in the Company

(₹ Lakhs)

Particulars	March 31, 2020		March 31, 2019	
	Number of shares	% holding	Number of shares	% holding
Equity shares of ₹ 2 each fully paid				
The Hindustan Times Limited, the holding company	4,04,38,621	69.5%	-	-

As per records of the Company, including its register of shareholders/members and other declaration received from the shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

Notes to Standalone Financial Statements

for the year ended March 31, 2020

Note 13: Other Equity

(₹ Lakhs)

Particulars	March 31, 2020	March 31, 2019
Retained earnings	(1,671)	(594)
Capital reserve	10,703	10,703
Total	**9,032**	**10,109**

Retained Earnings

(₹ Lakhs)

Particulars	Amount
At March 31, 2018	(218)
Net loss for the year	(360)
Add: Items of other comprehensive income recognised directly in retained earnings	
- Remeasurements of defined benefits obligation, net of tax	(16)
At March 31, 2019	**(594)**
Net loss for the year	(1,074)
Add: Items of other comprehensive income recognised directly in retained earnings	
- Remeasurements of defined benefits obligation, net of tax	(3)
As at March 31, 2020	**(1,671)**

Capital Reserve*

(₹ Lakhs)

Particulars	Amount
At March 31, 2018	**10,703**
Changes during the year	-
At March 31, 2019	**10,703**
Changes during the year	-
As at March 31, 2020	**10,703**

*In relation to common control acquisition of entertainment & digital business from HT Media Limited.

Note 14 : Borrowings

(₹ Lakhs)

Particulars	March 31, 2020	March 31, 2019
Non- current borrowings		
Unecured		
Inter corporate deposit (note below)(refer note 33)	8,000	8,000
Aggregate Secured Loans	**-**	**-**
Aggregate Unsecured Loans	**8,000**	**8,000**

Notes to Standalone Financial Statements

for the year ended March 31, 2020

Intercompany loan from HT Media Limited was drawn in various tranches ₹ 7700 Lakhs on December 28, 2017 & ₹ 300 Lakhs on March 28, 2018 and are due for repayment on or before the completion of 60 months from the date of disbursement of loan amount along with an interest of 11% compounded annually.

Note 15: Trade payables

(₹ Lakhs)

Particulars	March 31, 2020	March 31, 2019
Trade payables		
(i) Total outstanding dues of micro enterprises and small enterprises (refer note 31)	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		
- payable to related parties (refer note 30A)	31	159
- Payable to others	115	158
Total	**146**	**317**
Current	**146**	**317**
Non- Current	**-**	**-**

Note 16 : Other financial liabilities

(₹ Lakhs)

Particulars	March 31, 2020	March 31, 2019
I. Other financial liabilities at amortised cost		
Interest accrued but not due on borrowings and others	1,916	1,010
Unclaimed dividend*	-	-
Other payables	143	5
Total	**2,059**	**1,015**
Current	**143**	**5**
Non- Current	**1,916**	**1,010**

*₹ 10,460/- payable to inventor education and protection fund for the year ended March 31, 2020 has been rounded off to Nil.

Break up of financial liabilities carried at amortised cost

(₹ Lakhs)

Particulars	March 31, 2020	March 31, 2019
Borrowings (non-current) (Note 14)	8,000	8,000
Trade payables (Note 15)	146	317
Others (Note 16)	2,059	1,010
Total	**10,205**	**9,327**

Notes to Standalone Financial Statements

for the year ended March 31, 2020

Note 17: Provisions

(₹ Lakhs)

Particulars	March 31, 2020	March 31, 2019
Provision for employee benefits		
Provision for gratuity (refer note 28)	53	46
Provision for compensated absences (refer note 28)	5	17
Total	**58**	**63**
Current	**6**	**18**
Non- Current	**52**	**45**

Note 18 : Other current liabilities

(₹ Lakhs)

Particulars	March 31, 2020	March 31, 2019
Customers and agents credit balances	-	1
Statutory dues	40	112
Total	**40**	**113**

Note 19 : Deferred Tax assets (net)

The major components of income tax expense for the year ended 31 March 2020 are :

Statement of profit and loss :

Profit or loss section

(₹ Lakhs)

Particulars	March 31, 2020	March 31, 2019
Current income tax :		
Current income tax charge	-	-
Deferred tax :		
Deferred tax charge/ (credit)	133	(127)
Income tax expense reported in the statement of profit or loss	**133**	**(127)**

OCI section :

Deferred tax related to items recognised in OCI during in the year :

(₹ Lakhs)

Particulars	March 31, 2020	March 31, 2019
Net loss / (gain) on remeasurements of defined benefit plans	-	6
Income tax charged to OCI	**-**	**6**

Notes to Standalone Financial Statements

for the year ended March 31, 2020

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for March 31, 2020 and March 31, 2019:

(₹ Lakhs)

Particulars	March 31, 2020	March 31, 2019
Accounting loss before income tax	(941)	(487)
At India's statutory income tax rate of 26%	(245)	(127)
At the effective income tax rate	**(245)**	**(127)**
Non-recognition of deferred tax asset	245	-
On account of reversal of opening deferred tax asset position	133	-
Income tax expense reported in the statement of profit and loss	**133**	**(127)**

Deferred tax

Deferred tax relates to the following:

(₹ Lakhs)

Particulars	March 31, 2020	March 31, 2019	Movement During the year
Deferred tax assets			
Unabsorbed depreciation	-	92	(92)
Differences in depreciation in block of property, plant and equipment as per tax books and financial books	-	17	(17)
Effect of expenditure debited to Statement of profit and loss in the period but allowed for tax purposes in following period	-	1	(1)
Provision for doubtful debts and advances	-	23	(23)
Deferred Tax assets (net)	**-**	**133**	**(133)**

Reconciliation of deferred tax assets (net):

(₹ Lakhs)

Particulars	Amount
Closing balance as at 31 March 2018	**-**
Tax income/(expense) during the period recognised in profit or loss	127
Tax income/(expense) during the period recognised in OCI	6
Closing balance as at 31 March 2019	**133**
Tax income/(expense) during the period recognised in profit or loss	(133)
Tax income/(expense) during the period recognised in OCI	-
Closing balance as at 31, March 2020	**-**

The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

Notes to Standalone Financial Statements

for the year ended March 31, 2020

Note 20 : Revenue from operations

(₹ Lakhs)

Particulars	March 31, 2020	March 31, 2019
Sale of services		
- Advertisement revenue	1,448	1,917
- Airtime sales	112	87
Total	**1,560**	**2,004**

Note 21 : Other income

(₹ Lakhs)

Particulars	March 31, 2020	March 31, 2019
Interest income on EIR method		
- Bank deposit	40	18
- Interest on inter corporate deposit given to subsidiary company (refer note 30A)	165	-
Other non - operating income		
Miscellaneous Income	6	-
Total	**211**	**18**

Note 22 : Employee benefits expense

(₹ Lakhs)

Particulars	March 31, 2020	March 31, 2019
Salaries, wages and bonus	1,058	924
Contribution to provident and other funds (refer note 28)	39	27
Gratuity expense (refer note 28)	12	13
Workmen and staff welfare expenses	-	1
Total	**1,109**	**965**

Note 23 : Finance costs

(₹ Lakhs)

Particulars	March 31, 2020	March 31, 2019
Interest on borrowings	1,006	904
Bank charges*	-	-
Total	**1,006**	**904**

*₹ 15,721/- bank charges for the year ended March 31, 2020 has been rounded off to Nil.

*₹ 485/- bank charges for the year ended March 31, 2019 has been rounded off to Nil.

Notes to Standalone Financial Statements

for the year ended March 31, 2020

Note 24 : Depreciation and amortization expense

(₹ Lakhs)

Particulars	March 31, 2020	March 31, 2019
Depreciation of tangible assets (refer note 3)	1	1
Amortization of intangible assets (refer note 4)	19	29
Total	**20**	**30**

Note 25 : Other expenses

(₹ Lakhs)

Particulars	March 31, 2020	March 31, 2019
Advertising and sales promotion	110	116
Communication costs	2	3
Newsservice and dispatches	21	10
Repairs and maintenance:		
Plant and machinery	32	63
Impairment for doubtful debts and advances (includes bad debts written off)	1	64
Legal and professional fees	76	26
Payment to auditor (refer note I)	12	3
Rates and taxes	-	23
Insurance	5	-
Service charges on ad revenue	-	4
Rent*	117	145
Director's sitting fees	20	-
Travelling and conveyance	180	148
Miscellaneous expenses	1	5
Total	**577**	**610**

*Expenses related to short term leases.

Note I: Payment to auditors

(₹ Lakhs)

Particulars	March 31, 2020	March 31, 2019
As auditor :		
- Audit fee	6	3
- Limited review	4	-
- Tax audit fee	1	-
Reimbursement of expenses	1	-
Total	**12**	**3**

Notes to Standalone Financial Statements

for the year ended March 31, 2020

Note 26 : Other comprehensive income

The disaggregation of changes to OCI by each type of reserve in equity is shown below :

During the year ended 31 March 2020

(₹ Lakhs)

Particulars	Retained earnings	Total
Re- measurement gains(losses) on defined benefit plans	(3)	(3)
Income tax relating to items that will not be reclassified to profit or loss	-	-
Total	**(3)**	**(3)**

During the year ended 31 March 2019

(₹ Lakhs)

Particulars	Retained earnings	Total
Re- measurement gains(losses) on defined benefit plans	(22)	(22)
Income tax relating to items that will not be reclassified to profit or loss	6	6
Total	**(16)**	**(16)**

Note 27: EPS computation (refer note 29)

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

The following reflects the income and share data used in the basic and diluted EPS computations:

Particulars	March 31, 2020	March 31, 2019
Loss attributable to equity holders (₹ Lakhs)	**(1,074)**	**(360)**
Number of outstanding Equity shares for basic and diluted EPS	**5,81,87,078**	**5,81,87,078**
Earnings per share for continuing and discontinued operations		
Basic EPS	(1.85)	(0.62)
Diluted EPS	(1.85)	(0.62)

Note 28 : Gratuity

(₹ Lakhs)

Particulars	March 31, 2020	March 31, 2019
Gratuity plan	53	46
Total	**53**	**46**
Current	**53**	**46**
Non- Current	**-**	**-**

Notes to Standalone Financial Statements

for the year ended March 31, 2020

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of services gets a gratuity on separation at 15 days salary (last drawn salary) for each completed year of service.

The gratuity plan is governed by the Payment of Gratuity Act, 1972. The Company has purchased insurance policy, which is basically a year-on-year cash accumulation plan in which the interest rate is declared on yearly basis and is guaranteed for a period of one year. The insurance company, as part of the policy rules, makes payment of all gratuity outgoes happening during the year (subject to sufficiency of funds under the policy). The policy, thus, mitigates the liquidity risk. However, being a cash accumulation plan, the duration of assets is shorter compared to the duration of liabilities. Thus, the Company is exposed to movement in interest rate (in particular, the significant fall in interest rates, which should result in a increase in liability without corresponding increase in the asset.

The following tables summaries the components of net benefit expense recognised in the statement of profit or loss and amounts recognised in the balance sheet for the respective plans:

Defined gratuity plan

Changes in the defined benefit obligation and fair value of plan assets as at 31 March 2020 :

Present value of Obligation

(₹ Lakhs)

Particulars	March 31, 2020	March 31, 2019
Opening Balance	46	11
Current Service Cost	8	12
Interest Expense or cost	4	1
Re-measurement (or Actuarial)(gain) / loss arising from:		
- change in financial assumptions	5	2
- experience variance (i.e. Actual experience vs. assumptions)	(2)	20
Benefits Paid	(7)	-
Total	**53**	**46**

The principal assumptions used in determining gratuity obligation for the Company's plans are shown below

Particulars	March 31, 2020 %	March 31, 2019 %
Discount Rate	6.85%	7.75%
Salary Growth Rate	5.00%	5.00%
Withdrawal Rate		
Mortality rate	100% of IALM 2006-08	100% of IALM 2012-14
Normal retirement age	58 Years	58 Years
Up to 30 years	3.00%	3.00%
31 - 44 years	2.00%	2.00%
Above 44 years	1.00%	1.00%

Notes to Standalone Financial Statements

for the year ended March 31, 2020

A quantitative sensitivity analysis for significant assumption as at 31 March 2020 is as shown below:

(₹ Lakhs)

Particulars	March 31, 2020	March 31, 2019
Defined Benefit Obligation (Base)	53	46

Impact on defined benefit obligation

(₹ Lakhs)

Particulars	March 31, 2020		March 31, 2019	
Assumptions	Decrease	Increase	Decrease	Increase
Discount Rate (-/+ 1%)	7	(5)	6	(6)
Salary Growth Rate (-/+ 1%)	(6)	7	(6)	6
Attrition Rate (-/+ 50%)	(0)	1	(2)	0
Mortality Rate (-/+ 10%)	0	0	-	-

The sensitivity analysis above has been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

The following payments are maturity profile of Defined Benefit Obligations in future years:

(₹ Lakhs)

Particulars	March 31, 2020	March 31, 2019
Within the next 12 months (next annual reporting period)	1	1
Between 2 and 5 years	5	5
Between 6 and 10 years	56	10
Beyond 10 years	69	145
Total expected payments	**131**	**161**

Average duration of the defined benefit plan obligation

Particulars	March 31, 2020	March 31, 2019
Range of duration	16 Years	16 Years

Defined Contribution Plan

(₹ Lakhs)

Particulars	March 31, 2020	March 31, 2019
Contribution to Provident and Other funds		
Charged to statement of profit and loss	39	27

Leave Encashment (unfunded)

The Company recognises the leave encashment expenses in the Statement of Profit & Loss based on actuarial valuation.

Notes to Standalone Financial Statements

for the year ended March 31, 2020

The expenses recognised in the Statement of Profit & Loss and the Leave encashment liability at the beginning and at the end of the year :

(₹ Lakhs)

Particulars	March 31, 2020	March 31, 2019
Liability at the beginning of the year	17	-
Interest Expense or Cost	1	-
Re-measurement (or Actuarial)(gain) / loss arising from:		
- experience variance (i.e. actual experience vs assumptions)	(13)	-
Benefits paid during the year	(1)	-
Provided during the year	-	17
Liability at the end of the year	**5**	**17**

Note 29:

The Scheme of Arrangement (Demerger) u/s 230-232 of the Companies Act, 2013 between the Company and HT Media Limited (HTML) and their respective shareholders and creditors (Scheme) for transfer and vesting of the Entertainment & Digital Innovation Business of HTML to and in the Company, as going concern, with effect from March 31, 2018 (closing business hours) i.e. Appointed Date, was sanctioned by the Hon'ble National Company Law Tribunal (NCLT), New Delhi Bench vide order dated March 7, 2019 (the order). Consequent upon filing of the order passed by NCLT with the Registrar of Companies, NCT of Delhi & Haryana on April 5, 2019, the Scheme became effective from the Appointed Date.

The Company issued and allotted its 5,81,87,078 equity shares of face value of ₹ 2/- each on April 12, 2019 to the eligible shareholders of HTML.

The aforesaid equity shares were admitted for trading and listed on the stock exchanges i.e. National Stock Exchange of India Limited and BSE Limited on June 18, 2019. These equity shares have also been considered for the purpose of calculation of earnings per share and paid up share capital for the previous year.

Note 30: Related party transactions

i) List of Related Parties and Relationships:-

Parties having direct or indirect control over the Company (Holding Company)	Earthstone Holding (Two) Private Limited (Ultimate controlling party is the Promoter Group)
Holding Company	The Hindustan Times Limited
Subsidiary (with whom transactions have occurred during the year)	HT Digital Streams Limited
Fellow Subsidiaries (with whom transactions have occurred during the year)	HT Media Limited Hindustan Media Ventures Limited
Key Managerial Persons (with whom transactions have occurred during the year)	Mr. Ajay relan (Non-Executive independent Director, w.e.f April 18, 2019) Mr. Vivek Mehra (Non-Executive independent Director, w.e.f April 18, 2019) Mrs. Suchitra Rajendra (Non-Executive independent Director, w.e.f April 18, 2019)

ii) Transactions with related parties

Refer Note 30A

iii) Terms and conditions of transactions with related parties

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash (other than Inter-corporate Deposit refer note 6 and note 14).

Notes to Standalone Financial Statements

for the year ended March 31, 2020

Note 30A : Related party Transactions

(₹ Lakhs)

Particulars	Holding Company		Subsidiary		Fellow Subsidiary		Key Managerial Personnel (KMP's) / Directors		Total	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
Transactions during the year with related parties										
REVENUE TRANSACTIONS										
INCOME										
Service fees received	-	-	-	-	1,384	1,771	-	-	1,384	1,771
Share of revenue received on joint sale	-	-	38	91	-	-	-	-	38	91
Interest earned on inter corporate loan	-	-	165	-	-	-	-	-	165	-
EXPENSE				-			-	-		-
Infrastructure support services	-	-		-	116	145	-	-	116	145
Advertisement expenses, sales promotion				-	50		-	-	50	-
Interest on Inter corporate deposits	-	-		-	1,006	904	-	-	1,006	904
Commission charges			1	-					1	-
Treasury & management support services					9	-	-	-	9	-
Non Executive Director's sitting fee and commission				-		-	20	-	20	-
OTHERS				-						
Reimbursement of expenses incurred on behalf of the company by parties	-	-	79	91	3	38			82	129
Reimbursement of expenses incurred on behalf of the parties by company	-	-	2	-		-	-	-	2	-
Issue of equity share capital	809	-							809	-
Inter corporate deposit received by the company	-	-	1,850	-	-	-	-	-	1,850	-
BALANCE OUTSTANDING										
Share suspense account*		809		-	-	-	-	-	-	809
Investment in Shares (including premium)	-	-	17,580	-	-	-	-	-	17,580	-
Trade and other receivables (including other financial assets)	-	-	-	118	128	2,512	-	-	128	2,629
Trade payables	-	-	29	-	2	159	-	-	31	159
Inter corporate deposit taken & interest accrued on it			-	-	9,916	9,010	-	-	9,916	9,010
Inter corporate deposit given & interest accrued on it	-	-	1,999	-	-	-	-	-	1,999	-

* Represents face value of equity shares of Digicontent Limited to be issued to Holding company.

Notes to Standalone Financial Statements

for the year ended March 31, 2020

Note 31: Based on the information available with the Company, Details of dues to Micro and Small Enterprises as defined under the MSMED Act, 2006

(₹ Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Principal amount	-	-
Interest due thereon at the end of the accounting year	-	-
The amount of interest paid by the buyer in terms of Section 16, of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
The amount of interest due and payable for the year for delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006.	-	-
The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under Section 23 of MSMED Act, 2006.	-	-

Note 32 : Capital management

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital and net debt. The Company includes within net debt, interest bearing loans and borrowings, interest accrued on borrowings, less cash and cash equivalents and other bank balances.

(₹ Lakhs)

Particulars	March 31, 2020	March 31, 2019
Borrowings (refer Note 14)	8,000	8,000
Interest accrued on borrowings (refer note 16)	1,916	1,010
Less: cash and cash equivalents (refer Note 8A)	(630)	(341)
Less: other bank balance (refer Note 8B)*	-	-
Net debt	**9,286**	**8,669**
Equity & other equity	10,196	11,273
Total capital	**10,196**	**11,273**
Capital and net debt	**19,482**	**19,942**
Gearing ratio	**48%**	**43%**

*₹ 10,460/- balance in unclaimed dividend account for the year ended March 31, 2020 has been rounded off to Nil.

Notes to Standalone Financial Statements

for the year ended March 31, 2020

Note 33 : Fair values

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values:

(₹ Lakhs)

Particulars	Carrying Value		Fair value		Fair value mechanism Hierarchy level
	31-Mar-20	31-Mar-19	31-Mar-20	31-Mar-19	
Financial liabilities for measured at amortised cost					
Long term borrowings (refer note 14)	8,000	8,000	8,000	8,000	Level 2*

*The fair values of long term interest-bearing borrowings are determined by using Discounted Cash Flow (DCF) method using discount rate that reflects the issuer's borrowing rate as at the end of the reporting period. The own non-performance risk was assessed to be insignificant.

The management assessed that fair value of trade receivables, cash and cash equivalents, other bank balances, loans given (current), other current financial assets, trade payables and other current financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

Note 34 : Segment Information

The Company operations comprise of only one segment i.e. ""Entertainment & Digital Innovation Business"". The Chief operating decision maker (CODM) uses "Entertainment and Digital Business" as single segment to assess performance and for allocating resources. In view of the same separate segment information is not required to be given as per the requirement of Ind AS 108 on Operating Segments.

There are certain customers (including related parties) which represent 10% or more of the Company's total revenue with total amounting to ₹ 1,384 lakhs and ₹ 1,771 lakhs for the year ended March 31, 2020 and March 31, 2019 respectively.

Note 35: Financial risk management objectives and policies

The Company's principal financial liabilities comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the company's operations and to support its operations. The company's principal financial assets include loans, trade and other receivables, and cash and cash equivalents that derive directly from its operations.

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. Currently, the Company does not have any foreign currency risk exposure.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company has no exposure to the risk of changes in market interest since the Company has fixed interest rate debt obligation.

Notes to Standalone Financial Statements

for the year ended March 31, 2020

Note 35: Financial risk management objectives and policies (Contd..)

Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions.

Trade receivables and other financial assets

An impairment analysis is performed at each reporting date on an individual basis for major clients. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in Note 7 and Note 9A. The Company does not hold collateral as security.

The Company evaluates the concentration of risk with respect to trade receivables and other financial assets as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets.

Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made as per guidelines and within limits approved by Board of Directors. Board of Directors/ Management reviews and update guidelines, time to time as per requirement. The guidelines are set to minimize the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

Liquidity risk

The Company monitors its risk of a shortage of funds using a liquidity planning tool.

No loans will mature in less than one year at March 31, 2020 based on the carrying value of borrowings reflected in the financial statements.

The table below summarizes the maturity profile of the Company's financial liabilities-

₹ Lakhs

Particulars	With in 1 year	More than 1 years (refer note below)	Total
As at March 31, 2020			
Borrowings (refer note 14)	-	8,000	8,000
Trade and other payables (refer note 15)	146	-	146
Other financial liabilities (refer note 16)	143	1,916	2,059
As at March 31, 2019			
Borrowings (refer note 14)	-	8,000	8,000
Trade and other payables (refer note 15)	317	-	317
Other financial liabilities (refer note 16)	5	1,010	1,015

The outstanding loan of ₹ 9,916 Lakhs (including interest accrued) from HTML as on 31.3.2020 is payable on 28 December, 2022. There is positive Net Assets Position (after off-setting liability of ₹ 9,916 Lakhs) of ₹ 10,196 Lakhs including Investment in HTDSL (100% subsidiary) of ₹ 17,580 Lakhs as on 31.3.2020.

Notes to Standalone Financial Statements

for the year ended March 31, 2020

Note 36 : Disclosure required under section 186(4) of the Companies Act, 2013

Included in loans and advances, loan to subsidiary the particulars of which are disclosed in below as required by Sec 186(4) of Companies Act 2013:

(₹ Lakhs)

Name of the Loanee	Rate of Interest	Due Date	Secured/ Unsecured	Purpose of Loan	March 31, 2020	March 31, 2019
HT Digital Streams Limited (Subsidiary)	10% p.a. compounded annually	Repayable on demand	Unsecured	To meet the business requirements and other general corporate purposes.	1,850	-

For further details of loans and advances provided to related parties, refer note 6.

Details of Investments made are given under note 5.

Note 37: Standards issued but not yet effective

"Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2020."

Note 38 : Previous year figures have been regrouped and reclassified wherever necessary to conform to the current year classification.

Note 39: Management has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amount of assets of the Company. In developing the assumptions relating to the possible future uncertainties because of this pandemic, the Company, as at the date of adoption of these standalone financial statements has used internal and external sources of information. The Company has performed sensitivity analysis on the assumptions used and based on current estimates expects that the carrying amount of assets will be recovered. The impact of COVID-19 on the Company's financial statements may differ from that estimated as at the date of adoption of audited financial statements for the year ended 31 March 2020.

See accompanying notes to the standalone financial statements.
In terms of our report of even date attached

For B S R and Associates
Chartered Accountants
(ICAI Firm registration Number: 128901W)

Rajesh Arora
Partner
Membership No. 076124

Place: Gurugram
Date: May 6, 2020

For and on behalf of the Board of Directors of Digicontent Limited

Vikas Prakash
Company Secretary

Anup Sharma
Chief Financial Officer

Abhesh Verma
Chief Executive Officer

Praveen Someshwar
Director
(DIN: 01802656)

Dinesh Mittal
Director
(DIN: 00105769)

Place: New Delhi
Date: May 6, 2020

Independent Auditor's Report

To the Members of Digicontent Limited

Report on the Audit of Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Digicontent Limited (hereinafter referred to as the 'Holding Company") and its subsidiary (Holding Company and its subsidiary together referred to as "the Group"), which comprise the consolidated balance sheet as at 31 March 2020, and the consolidated statement of profit and loss (including other comprehensive income), consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements, give the information required by the Companies Act, 2013 ("Act") in the manner so required and in the context of overriding effect of the provision in the scheme of arrangements as detailed in Emphasis of Matters paragraph below, give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31 March 2020, of its consolidated loss and other comprehensive income, consolidated changes in equity and consolidated cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

Emphasis of matters

We draw attention to Note 28 to the consolidated financial statements in respect to a Scheme of Arrangement (Demerger) between the holding company and HT Media Limited (HTML) and their respective creditors and shareholders, as sanctioned by the Hon'ble National Company Law Tribunal. The Scheme, inter-alia, envisages demerger of Entertainment and Digital Innovation business of HT Media Limited (Demerged Company) including strategic investment and vesting thereof into the holding company w.e.f. closing business hours of 31 March 2018 (the Appointed Date) as compared to acquisition date under common control business combination as per the applicable Indian Accounting Standards (Ind-AS) prescribed under Section 133 of the Companies Act, 2013.

Our opinion is not modified in respect of this matter.

We draw attention to Note 38 to the consolidated financial statements, where in goodwill acquired under Scheme of Arrangement under section 391-394 of Companies Act, 1956 between HT Media Limited and HT Digital Streams Limited and Hindustan Media Ventures Limited and HT Digital Streams Limited ('the Scheme'), in the previous years, is being amortised as per the scheme of arrangement sanctioned by Hon'ble High Courts. This accounting treatment as envisaged in the Scheme is different from that prescribed in the applicable Ind AS which only requires to test such goodwill annually for impairment purposes.

Our opinion is not modified in respect of this matter

Key Audit Matter

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Description of Key Audit Matter

First-time adoption of Ind AS 116 "Leases" in financial year ended 31 March 2020

See accounting policy 2.3(j) and note 26A to the consolidated financial statements

The key audit matter	How the matter was addressed in our audit
Ind AS 116 replaces the existing standard Ind AS 17 and sets out the principles for the recognition, measurement, presentation and disclosure for both lessors and lessees. The Group has adopted Ind AS 116, effective annual reporting period beginning 1 April 2019. The Group has applied the standard to its leases, retrospectively, with the cumulative effect of initially applying the Standard, recognized on the date of initial application. Accordingly, the Group has not restated comparative information. As on April 1, 2019, the Group has recognized a right of use asset at an amount equivalent to the lease liability. Consequently there is no adjustment to the opening balance of retained earnings as on April 1, 2019. On application of Ind AS 116, the nature of expenses has changed from lease rent in previous periods to depreciation cost for the right-to-use asset, and finance cost for interest accrued on lease liability. We considered the first-time implementation of Ind AS 116 as a key audit matter. This is due to the significant nature of the leases on the consolidated financial statements and significance of the Group's judgements needed in establishing the underlying key assumptions including lease term and discount rates.	Through our inquiries with Group, we understood the process of identifying the lease contracts or contracts which contain leases. We inspected the contracts for identification of leases under IND AS 116. We obtained the Group's quantification of ROU assets and lease liabilities. We agreed the inputs used in the quantification to the lease agreement, tested the discount rate and checked computations. We also considered the adequacy of disclosures in Note 26A to the consolidated financial statements.

Other Information

The Holding Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the holding Company's annual report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed and based on the work done, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's and Board of Directors' Responsibilities for the Consolidated Financial Statements

The Holding Company's management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated state of affairs, consolidated profit/ loss and other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. The respective Management and Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each company and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively

for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Management and Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective management and Board of Directors of the companies included in the Group are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group is responsible for overseeing the financial reporting process of each company.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on the internal financial controls with reference to the consolidated financial statements and the operating effectiveness of such controls based on our audit.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.

- Conclude on the appropriateness of Management and Board of Directors use of the going concern basis of accounting in preparation of consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

We draw your attention to the fact that corresponding figures for the year ended 31 March 2019 included in the consolidated annual financial statements have been extracted from the special purpose consolidated financial statements which were audited by predecessor auditor who expressed an unmodified opinion dated 16 April 2019. The said consolidated financial statements were considered as special purpose consolidated financial statements as they were prepared for filing information memorandum for listing purpose and are not the statutory consolidated financial statements.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matter.

Report on Other Legal and Regulatory Requirements

A. As required by Section 143(3) of the Act, based on our audit, we report, to the extent applicable, that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

   b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.

   c) The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

   d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under section 133 of the Act.

   e) On the basis of the written representations received from the directors of the Holding Company as on 31 March 2020 taken on record by the Board of Directors of the Holding Company and its subsidiary company, none of the directors of the Group companies is disqualified as on 31 March 2020 from being appointed as a director in terms of Section 164(2) of the Act.

   f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company, its subsidiary company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".

B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

   i. There were no pending litigations as at 31 March 2020 which would impact the consolidated financial position of the Group.

   ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts during the year ended 31 March 2020.

   iii. There are no amounts which are required to be transferred to the Investor Education and Protection Fund by the Holding Company or its subsidiary company during the year ended 31 March 2020.

   iv. The disclosures in the consolidated financial statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made in the financial statements since they do not pertain to the financial year ended 31 March 2020.

C. With respect to the matter to be included in the Auditor's report under section 197(16):

   In our opinion and according to the information and explanations given to us, the remuneration paid during the current year by the Holding Company to its directors is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director by the Holding Company is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

For **B S R and Associates**
Chartered Accountants
Firm's Registration No.: 128901W

Rajesh Arora
Partner
Membership No. : 076124
UDIN:20076124AAAAAS8676

Place: Gurugram
Date: 06 May 2020

Annexure A

to the Independent Auditor's report on the consolidated financial statements of Digicontent Limited ('hereinafter referred to as "the Holding Company') for the year ended 31 March 2020

Report on the internal financial controls with reference to the aforesaid consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013

(Referred to in paragraph A(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

In conjunction with our audit of the consolidated financial statements of the Holding Company as of and for the year ended 31 March 2020, we have audited the internal financial controls with reference to consolidated financial statements of the Holding Company and such company incorporated in India under the Companies Act, 2013 which is its subsidiary company, as of that date.

In our opinion, the Holding Company and such company incorporated in India which is its subsidiary company have, in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls were operating effectively as at 31 March 2020, based on the internal financial controls with reference to consolidated financial statements criteria established by such companies considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's Responsibility for Internal Financial Controls

The respective Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on the criteria established by the respective Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (hereinafter referred to as "the Act").

Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to consolidated financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of the internal controls based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements.

Meaning of Internal Financial controls with Reference to Consolidated Financial Statements

A company's internal financial controls with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately

and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial controls with Reference to consolidated Financial Statements

Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to consolidated financial statements to future periods are subject to the risk that the internal financial controls with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For **B S R and Associates**
Chartered Accountants
Firm's Registration No.: 128901W

Rajesh Arora
Partner
Membership No. : 076124
UDIN:20076124AAAAAS8676

Place: Gurugram
Date: 06 May 2020

Consolidated Balance sheet

as at March 31, 2020

(₹ Lakhs)

Particulars	Notes	As at March 31, 2020	As at March 31, 2019
I ASSETS			
1) Non-current assets			
(a) Property, plant and equipment	3	193	219
(b) Right - of - use assets	26A	3,216	-
(c) Goodwill	4	3,619	7,238
(d) Other intangible assets	4	125	124
(e) Intangible assets under development	4	-	3
(f) Financial assets			
(i) Investments	6A	10	10
(ii) Loans	6B	1,335	7
(g) Other non-current assets	6C	65	-
(h) Deferred tax assets (net)	18	2,459	1,772
(i) Income tax assets	5	3,214	2,964
Total Non- current assets		**14,236**	**12,337**
2) Current assets			
(a) Financial assets			
(i) Trade receivables	7	3,122	4,648
(ii) Cash and cash equivalents	8A	1,091	1,219
(iii) Bank balances other than (ii) above	8B	-	-
(iv) Loans	6B	1	2
(v) Other financial assets	9A	1,094	1,748
(b) Contract assets	9B	338	201
(c) Other current assets	10	159	312
Total current assets		**5,805**	**8,130**
TOTAL ASSETS		**20,041**	**20,467**
II EQUITY AND LIABILITIES			
1) Equity			
(a) Equity share capital	11	1,164	-
(b) Share suspense account	11	-	1,164
(c) Other equity	12	1,916	5,325
Total equity		**3,080**	**6,489**
2) Liabilities			
Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	13A	8,000	8,000
(ii) Lease liabilities	13B	1,226	-
(iii) Other financial liabilities	15	1,916	1,010
(b) Provisions	16	52	45
Total non- current liabilities		**11,194**	**9,055**
Current liabilities			
(a) Financial liabilities			
(i) Lease liabilities	13B	1,615	-
(ii) Trade payable			
a) Total outstanding dues of micro enterprises and small enterprises	14	9	53
b) Total outstanding dues of creditors other than micro enterprises and small enterprises	14	1,516	2,109
(iii) Other financial liabilities	15	1,281	1,381
(b) Contract liabilities	17B	141	45
(c) Provisions	16	775	488
(d) Other current Liabilities	17A	430	847
Total current liabilities		**5,767**	**4,923**
Total liabilities		**16,961**	**13,978**
TOTAL EQUITY AND LIABILITIES		**20,041**	**20,467**
Summary of significant accounting policies	2		

See accompanying notes to the consolidated financial statements.
In terms of our report of even date attached

For B S R and Associates
Chartered Accountants
(ICAI Firm Registration Number: 128901W)

Rajesh Arora
Partner
Membership No. 076124

Place: Gurugram
Date: May 6, 2020

For and on behalf of the Board of Directors of Digicontent Limited

Vikas Prakash
Company Secretary

Anup Sharma
Chief Financial Officer

Abhesh Verma
Chief Executive Officer

Praveen Someshwar
Director
(DIN:01802656)

Dinesh Mittal
Director
(DIN: 00105769)

Place: New Delhi
Date: May 6, 2020

Consolidated Statement of Profit and Loss

for the year ended March 31, 2020

(₹ Lakhs)

Particulars	Notes	Year ended March 31, 2020	Year ended March 31, 2019
I Income			
a) Revenue from operations	19	25,910	26,797
b) Other Income	20	177	58
Total Income		**26,087**	**26,855**
II Expenses			
a) Employee benefits expense	21	14,212	13,900
b) Finance costs	22	1,241	912
c) Depreciation and amortization expense	23	5,290	3,765
d) Other expenses	24	9,296	9,931
Total Expenses		**30,039**	**28,508**
III Profit before tax (I-II)		**(3,952)**	**(1,653)**
IV Earnings before interest, tax, depreciation and amortization (EBITDA) [III+II(b)+II(c)]		**2,579**	**3,024**
V Income tax expense			
Current tax	18	-	-
Deferred tax credit	18	(650)	(476)
[Adjustment of deferred charge/(credit) tax related to earlier years of ₹ 0.15 lakhs {Previous Year ₹ 33 lakhs}]			
Total tax expense		**(650)**	**(476)**
VI Loss for the year and attributable to owners after tax (III-V)		**(3,302)**	**(1,177)**
VII Other comprehensive Income	25		
Items that will not to be reclassified to profit or loss			
i) Remeasurement of the defined benefit plan gain/(loss)		(144)	43
ii) Income tax relating to items that will not be reclassified to profit or loss		37	(11)
Other comprehensive income for the year and attributable to owners, net of tax		**(107)**	**32**
VIII Total comprehensive Income for the year and attributable to owners, net of tax(VI+VII)		**(3,409)**	**(1,145)**
IX Earnings/(loss) per share (₹)			
Basic (Nominal value of share ₹ 2/-)	26	(5.67)	(2.02)
Diluted (Nominal value of share ₹ 2/-)	26	(5.67)	(2.02)
Summary of significant accounting policies	2		

See accompanying notes to the consolidated financial statements.
In terms of our report of even date attached

For B S R and Associates
Chartered Accountants
(ICAI Firm Registration Number: 128901W)

Rajesh Arora
Partner
Membership No. 076124

Place: Gurugram
Date: May 6, 2020

For and on behalf of the Board of Directors of Digicontent Limited

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Director
(DIN:01802656)

Dinesh Mittal
Director
(DIN: 00105769)

Place: New Delhi
Date: May 6, 2020

Consolidated Cash Flow Statement

for the year ended March 31, 2020

(₹ Lakhs)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Cash flows from operating activities:		
Loss before tax:	**(3,952)**	**(1,653)**
Adjustments for:		
Interest Income from deposits and others	(128)	(35)
Depreciation and amortization expense	5,290	3,765
Finance cost	1,241	904
Impairment of doubtful debts and advances (including bad debts written off)	75	71
Unclaimed balances/unspent liabilities written back (net)	(26)	-
Exchange differences	(17)	-
Profit on sale of property, plant and equipment (net)	-	(1)
Changes in operating assets and liabilties		
(Increase)/Decrease in trade receivables	1,486	(2,024)
Increase in current and non-current financial assets and other current and non-current assets	(1,159)	(356)
Decrease in current and non-current financial liabilities and other current and non-current liabilities and provisions	(903)	(177)
Cash generated from operations	**1,907**	**494**
Income tax paid	(192)	(880)
Net cash flows from operating activities (A)	**1,715**	**(386)**
Cash flows from investing activities:		
Interest received on deposits	45	35
Purchase of investments	-	(10)
Payment for purchase of property, plant and equipment & intangible assets	(168)	(198)
Net cash used in/from investing activities (B)	**(123)**	**(173)**
Cash flows from financing activities:		
Repayment of lease liabilities	(1,615)	-
Interest paid	(105)	(112)
Net cash flows from financing activities (C)	**(1,720)**	**(112)**
Net increase/ (decrease) in cash and cash equivalents (D= A+B+C)	**(128)**	**(671)**
Cash and cash equivalents at the beginning of the year (E)	**1,219**	**1,890**
Cash and cash equivalents at year end (D+E)	**1,091**	**1,219**

(₹ Lakhs)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Components of Cash & Cash Equivalents as at end of the year		
Cash in hand	2	1
Balances with banks		
- on deposit accounts	871	1,094
- in current accounts	218	124
Total cash and cash equivalents	**1,091**	**1,219**
Cash and cash equivalents as per Cash Flow Statement	**1,091**	**1,219**

Debt reconciliation disclosure pursuant to Amendment to Ind-AS 7:

(₹ Lakhs)

Particulars	Non Current Borrowings
Closing Balance as at March 31, 2018	**8,000**
Change during the year	-
Closing Balance as at March 31, 2019	**8,000**
Change during the year	-
Closing Balance as at March 31, 2020	**8,000**

Note : Refer note 26A for movement on lease liabilities.

See accompanying notes to the consolidated financial statements.
In terms of our report of even date attached

For B S R and Associates
Chartered Accountants
(ICAI Firm Registration Number: 128901W)

Rajesh Arora
Partner
Membership No. 076124

Place: Gurugram
Date: May 6, 2020

For and on behalf of the Board of Directors of Digicontent Limited

Vikas Prakash
Company Secretary

Anup Sharma
Chief Financial Officer

Abhesh Verma
Chief Executive Officer

Praveen Someshwar
Director
(DIN:01802656)

Dinesh Mittal
Director
(DIN: 00105769)

Place: New Delhi
Date: May 6, 2020

Consolidated Statement of Changes in Equity

for the year ended March 31, 2020

A. Equity Share Capital (Refer Note 11)

Equity Shares of ₹ 2 each issued, subscribed and fully paid up

(₹ Lakhs)

Particulars	Number of shares	Amount
Balance as at March 31, 2018	**-**	**-**
Changes in share capital during the year	-	-
Balance as at March 31, 2019	**-**	**-**
Changes in share capital during the year	5,81,87,078	1,164
Balance as at March 31, 2020	**5,81,87,078**	**1,164**

B. Share Suspense Account (Refer Note 11)

(₹ Lakhs)

Particulars	Number of shares	Amount
Balance as at March 31, 2018	**5,81,87,078**	**1,164**
Change in share suspense during the year	-	-
Balance as at March 31, 2019	**5,81,87,078**	**1,164**
Change in share suspense during the year	**(5,81,87,078)**	**(1,164)**
Balance as at March 31, 2020	**-**	**-**

C. Other Equity attributable to equity holders (Refer Note 12)

(₹ Lakhs)

Particulars	Retained earnings	Capital Reserve	Total
Balance as at March 31, 2018	(472)	6,942	6,470
Profit/(loss) for the year	(1,177)	-	(1,177)
Items of other comprehensive income recognised directly in retained earnings			
- Remeasurements of post-employment benefit obligation, net of tax	32		32
Balance as at March 31, 2019	**(1,617)**	**6,942**	**5,325**
Profit/(loss) for the year	(3,302)	-	(3,302)
Items of other comprehensive income recognised directly in retained earnings			
- Remeasurements of post-employment benefit obligation, net of tax	(107)	-	(107)
Balance as at March 31, 2020	**(5,026)**	**6,942**	**1,916**

See accompanying notes to the consolidated financial statements.
In terms of our report of even date attached

For B S R and Associates
Chartered Accountants
(ICAI Firm Registration Number: 128901W)

Rajesh Arora
Partner
Membership No. 076124

Place: Gurugram
Date: May 6, 2020

For and on behalf of the Board of Directors of Digicontent Limited

Vikas Prakash
Company Secretary

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Chief Financial Officer

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Praveen Someshwar
Director
(DIN:01802656)

Dinesh Mittal
Director
(DIN: 00105769)

Place: New Delhi
Date: May 6, 2020

Notes to Consolidated Financial Statements

for the year ended March 31, 2020

1. Corporate information

Digicontent Group consists of Digicontent Limited ("the Company" or "the Parent Company") and its wholly owned subsidiary (HT Digital Streams Limited) [hereinafter referred to as "the Group"].

Pursuant to Scheme of Arrangement ('The Scheme') between the Company and HT Media Limited (HTML) and their respective creditors and shareholders, the "Entertainment & Digital Innovation Business" of HTML along with its related assets and liabilities, and the related strategic investment in HT Digital Streams Limited (HTDSL) has been transferred to the Company upon the sanction of the Scheme by Hon'ble National Company Law Tribunal (NCLT), New Delhi Bench vide order dated 7 March, 2019 (certified copy received by the Company on 27 March, 2019) has sanctioned the Scheme ("the order"). The certified copy of the order sanctioning the Scheme has been filed with the Registrar of Companies, NCT of Delhi and Haryana on April 05, 2019. Accordingly, the Scheme has been given effect from March 31, 2018 (closing business hours), i.e. Appointed Date.

Pursuant to the Scheme, HTML has transferred its entire stake in HTDSL (i.e. 57.17%) to Digicontent Limited. Consequently, HTDSL has become wholly-owned subsidiary of Digicontent Limited.

"Entertainment & Digital Innovation Business" includes the following-

Fever Audio Tool	Carries out: • Aggregation and creation of audio and multi-screen videos • Audio feed which plays music inside across various stores • Distribution of in-house creative and niche celeb based content to mobile and digital users
Desi Martini	Carries out internet related business for providing movie reviews and ratings in the name of www.desimartini.com
Photo Library	Maintains Repository of the copyrighted images
Brand Promotion	• Carries out media tool to build, promote and amplify brand communication • Covers various brand activities like events, promotions, parties, campaigns, product launches across various HT Media Platforms

The business operations of HT Digital Streams Limited (subsidiary) are dissemination of news, knowledge, information, entertainment and content of general interest in English, Hindi or any other language, globally through various digital and electronic media; and management of advertising time and space on its news websites namely hindustantimes.com, livemint.com and livehindustan.com.

Information on related party relationship of the Company is provided in Note No 29.

The registered office of the Company is located at Hindustan Times House, 2nd Floor, 18-20, K.G. Marg, New Delhi-110001.

The consolidation financial statement of the group for the year ended March 31, 2020 are authorised for issue in accordance with a resolution of the board of directors on May 6, 2020.

2. Significant accounting policies followed by the Group

2.1 Basis of preparation

The Consolidated financial statements (CFS) of the Group have been prepared in accordance with the Indian Accounting Standards ('Ind-AS') specified in the Companies (Indian Accounting Standards) Rules, 2015 (as amended) under Section 133 of the Companies Act 2013 (the "accounting principles generally accepted in India").

The accounting policies are applied consistently to all the periods presented in the Consolidated financial statements.

Notes to Consolidated Financial Statements

for the year ended March 31, 2020

The consolidated financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value:

- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments)
- Defined benefit plans- plan assets measured at fair value.

The consolidated financial statements and notes have been rounded off to the nearest lacs as per the requirement of Schedule III, unless otherwise stated.

2.2 Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiary as at 31 March, 2020. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights
- The size of the group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that group member's financial statements in preparing the consolidated financial statements to ensure conformity with the group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent, i.e., year ended on 31 March. When the end of the reporting period of the parent is different from that of a subsidiary, the subsidiary prepares, for consolidation purposes, additional financial information as of the same date as the financial statements of the parent to enable the parent to consolidate the financial information of the subsidiary, unless it is impracticable to do so.

Consolidation procedure:

i) Subsidiary:

(a) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries.

(b) Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.

Notes to Consolidated Financial Statements

for the year ended March 31, 2020

(c) Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised in assets, such as property, plant and equipment are eliminated in full). Ind-AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- Derecognises the assets (including goodwill) and liabilities of the subsidiary
- Derecognises the carrying amount of any non-controlling interests
- Derecognises the cumulative translation differences recorded in equity
- Recognises the fair value of the consideration received
- Recognises the fair value of any investment retained
- Recognises any surplus or deficit in profit or loss
- Reclassifies the parent's share of components previously recognised in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities

2.3 Summary of significant accounting policies

a) Business combinations and goodwill

Business combinations are accounted for using the acquisition method, other than common control transactions. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their acquisition date fair values. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable. However, the following assets and liabilities acquired in a business combination are measured at the basis indicated below:

- Deferred tax assets or liabilities, and the assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with Ind-AS 12 Income Tax and Ind-AS 19 Employee Benefits respectively.
- Liabilities or equity instruments related to share based payment arrangements of the acquiree or share – based payments arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with Ind-AS 102 Share-based Payments at the acquisition date.

If the business combination is achieved in stages, any previously held equity interest is re-measured at its acquisition date fair value and any resulting gain or loss is recognised in profit or loss or OCI, as appropriate.

Notes to Consolidated Financial Statements

for the year ended March 31, 2020

Any contingent consideration to be transferred by the acquirer is recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of Ind-AS 109 Financial Instruments, is measured at fair value with changes in fair value recognised in profit or loss. If the contingent consideration is not within the scope of Ind-AS 109, it is measured in accordance with the appropriate Ind-AS. Contingent consideration that is classified as equity is not re-measured at subsequent reporting dates and subsequent its settlement is accounted for within equity.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in OCI and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognises the gain directly in equity as capital reserve, without routing the same through OCI.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

Where goodwill has been allocated to a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted through goodwill during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognized at that date. These adjustments are called as measurement period adjustments. The measurement period does not exceed one year from the acquisition date.

Business combinations - common control transactions

Common control business combination means a business combination involving entities or businesses in which all the combining entities or businesses are ultimately controlled by the same party or parties both before and after the business combination, and that control is not transitory.

Common control business combination are accounted for using the pooling of interests method as follows:

- The assets and liabilities of the combining entities are reflected at their carrying amounts.

Notes to Consolidated Financial Statements

for the year ended March 31, 2020

- No adjustments are made to reflect fair values, or recognise any new assets or liabilities. Adjustments are only made to harmonise accounting policies.
- The financial information in the financial statements in respect of prior periods is restated as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination. However, where the business combination had occurred after that date, the prior period information is restated only from that date.
- The balance of the retained earnings appearing in the financial statements of the transferor is aggregated with the corresponding balance appearing in the financial statements of the transferee or is adjusted against general reserve.
- The identity of the reserves are preserved and the reserves of the transferor become the reserves of the transferee.
- The difference, if any, between the amounts recorded as share capital issued plus any additional consideration in the form of cash or other assets and the amount of share capital of the transferor is transferred to capital reserve and is presented separately from other capital reserves

b) Current versus non- current classification

The Group presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current. A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the display of advertisement on websites and delivery of content and their realization in cash and cash equivalents. The Group has identified twelve months as its operating cycle.

c) Foreign currencies

The Group's consolidated financial statements are presented in ₹, which is also the parent Company's functional currency. For each entity the Group determines the functional currency and items included in the financial statements of each entity are measured using that functional currency. The Group uses the direct method of consolidation and on disposal of a foreign operation the gain or loss that is reclassified to profit or loss reflects the amount that arises from using this method.

Transactions and Balances

Transactions in foreign currencies are initially recorded by the Group at their respective functional currency spot rates at the date the transaction first qualifies for recognition. However, for practical reasons, the Group uses monthly average rate if the average approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Notes to Consolidated Financial Statements

for the year ended March 31, 2020

Exchange differences arising on the settlement or translation of monetary items are recognised in profit or loss.

Exchange differences arising on the settlement of monetary items or on restatement of the Group's monetary items at rates different from those at which they were initially recorded during the period, or reported in previous financial statements, are recognized as income or as expenses in the period in which they arise. They are deferred in equity if they relate to qualifying cash flow hedges.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

d) Fair value measurement

The Group measures financial instruments, such as, derivatives and certain investments at fair value at each reporting/ balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly
- Level 3 — Valuation techniques for which inputs are unobservable inputs for the asset or liability

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

Notes to Consolidated Financial Statements

for the year ended March 31, 2020

Other fair value related disclosures are given in the relevant notes :

- Disclosures for valuation methods, significant estimates and assumptions (Note 32)
- Quantitative disclosures of fair value measurement hierarchy (Note 32)
- Financial instruments (including those carried at amortised cost) (Note 32)

e) Revenue recognition

Effective April 1, 2018 the Group has adopted Ind AS 115 "Revenue from Contracts with Customers" using the cumulative catch-up transition method which is applied to contracts that were not completed as of April 1, 2018.

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured based on the transaction price, which is the consideration, adjusted for allowances, trade discounts, volume rebates, if any, as specified in the contract with the customer. Revenue excludes taxes collected from customers. The Group has concluded that it is the principal in all of its revenue arrangements since it is the primary obligor in all the revenue arrangements as it has pricing latitude and is also exposed to inventory and credit risks.

Goods and Service Tax (GST)/ Service Tax is not received by the Group on its own account. Rather, it is tax collected on behalf of the government. Accordingly, it is excluded from revenue.

Contract asset and unbilled receivables

Contract asset represents the Group's right to consideration in exchange for services that the Group has transferred to a customer when that right is conditioned on something other than the passage of time.

When there is unconditional right to receive cash, and only passage of time is required to do invoicing, the same is presented as unbilled receivable.

A contract liability is recognised if a payment is received or a payment is due (whichever is earlier) from a customer before the Group transfers the related goods or services. Contract liabilities are recognised as revenue when the Group performs under the contract (i.e., transfers control of the related goods or services to the customer).

The specific recognition criteria described below must also be met before revenue is recognised:

Online Advertising

Revenue from digital platforms by display of internet advertisements is typically contracted for a period of one to twelve months. Revenue in this respect is recognized as and when advertisement is published/ displayed. Unearned revenues are reported on the balance sheet as deferred revenue/ contract liability.

Revenue from Content Selling

Revenue from Content Selling is recognized as and when the content is published/circulated by the customer.

Revenue from subscription

Revenue from subscription is typically contracted for a period ranging between one to twenty four months. Revenue in this respect is recognized over the period of the subscription, in accordance with the established principles of accrual accounting. Unearned revenues are reported on the balance sheet as deferred revenue.

Brand Promotion

Revenue from Brand Promotion is recognized as and when the content is published by the customer.

Interest income

Interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When

Notes to Consolidated Financial Statements

for the year ended March 31, 2020

calculating the effective interest rate, the Group estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in finance income in the statement of profit and loss.

f) Taxes

The Government of India, on September 20, 2019, vide Taxation Laws (Amendment) Ordinance 2019, inserted a new Section 115BAB in the Income Tax Act, 1961, which gives option to the Group to pay Income Tax at reduced rates as per the provisions/ conditions defined in the said section. The Group is in the process of evaluating the impact of this Ordinance.

Current income tax

Tax expense is the aggregate amount included in the determination of profit or loss for the period in respect of current tax and deferred tax.

Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961.

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised is correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Appendix C to Ind AS 12, Income Taxes dealing with accounting for uncertainty over income tax treatments is applicable from accounting periods beginning on or after 1 April 2019. It does not have any material impact on financial statements of the Company.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences except :

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of taxable temporary differences associated with investments in subsidiaries, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of deductible temporary differences associated with investments in subsidiaries, deferred tax assets are recognised only to the extent that it is probable that the temporary

Notes to Consolidated Financial Statements

for the year ended March 31, 2020

differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

Tax benefits acquired as part of a business combination, but not satisfying the criteria for separate recognition at that date, are recognised subsequently if new information about facts and circumstances change. Acquired deferred tax benefits recognised within the measurement period reduce goodwill related to that acquisition if they result from new information obtained about facts and circumstances existing at the acquisition date. If the carrying amount of goodwill is zero, any remaining deferred tax benefits are recognised in OCI/ capital reserve depending on the principle explained for bargain purchase gains. All other acquired tax benefits realised are recognised in profit or loss.

GST/ value added taxes paid on acquisition of assets or on incurring expenses

Expenses and assets are recognised net of the amount of GST/ value added taxes paid, except:

- When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable
- When receivables and payables are stated with the amount of tax included

The net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

g) Property, plant and equipment

Construction in progress is stated at cost, net of accumulated impairment losses, if any. Plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met.

Cost comprises the purchase price, borrowing costs if capitalization criteria are met and any directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Recognition:

The cost of an item of property, plant and equipment shall be recognised as an asset if, and only if:

(a) it is probable that future economic benefits associated with the item will flow to the entity; and

(b) the cost of the item can be measured reliably.

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All other expenses on existing assets, including day-to- day repair and maintenance expenditure and cost of replacing parts, are charged to the Statement of Profit and Loss for the period during which such expenses are incurred.

Depreciation methods, estimated useful life and residual value

Depreciation is calculated on a straight-line basis over the estimated useful life of the assets as follows:

Type of asset	Useful life estimated by management (Years)
Plant and Machinery	3-6
Office Equipment	2-5

The Group, based on technical assessment made by the management depreciates certain assets over estimated useful lives which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

Property, Plant and Equipment which are added/ disposed off during the period, depreciation is provided on pro-rata basis with reference to the month of addition/deletion.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised.

Subsequent expenditure can be capitalised only if it is probable that future economic benefits associated with the expenditure will flow to the group.

The residual values, useful life and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

h) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

The useful life of intangible assets is assessed as either finite or indefinite.

Intangible assets with finite life are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite life is recognised in the statement of profit and loss.

Intangible assets with indefinite useful life are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

An intangible asset is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss.

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Intangible assets with finite life are amortized on straight line basis using the estimated useful life as follows:

Intangible Assets	Useful life (in years)
Software Licenses	1-6
Goodwill	5
Website Development	6

i) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

j) Leases

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as a lessee

The Group recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss.

The Group measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Group uses incremental borrowing rate. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Group is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. The Group recognises the amount of the re-measurement of lease liability due to modification as an adjustment to the right-of-use asset and statement of profit and loss depending upon the nature of modification. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Group recognises any remaining amount of the re-measurement in statement of profit and loss.

The Group has elected not to apply the requirements of Ind AS 116 to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are

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recognised as an expense on a straight-line basis over the lease term.

As a practical expedient a lessee (the Group) has elected, by class of underlying asset, not to separate lease components from any associated non-lease components. A lessee (the Group) accounts for the lease component and the associated non-lease components as a single lease component.

Group as a lessor

At the inception of the lease the Group classifies each of its leases as either an operating lease or a finance lease. The Group recognises lease payments received under operating leases as income on a straight- line basis over the lease term. In case of a finance lease, finance income is recognised over the lease term based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the lease.

Transition to Ind AS 116

Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has notified Ind AS 116 Leases which replaces the existing lease standard, Ind AS 17 leases and other interpretations. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. It introduces a single, on-balance sheet lease accounting model for lessees.

The Group has adopted Ind AS 116, effective annual reporting period beginning April 1, 2019 and applied the standard to its leases, retrospectively, with the cumulative effect of initially applying the Standard, recognised on the date of initial application (April 1, 2019). Accordingly, the Group has not restated comparative information. As on April 1, 2019, the Group has recognized a right of use asset at an amount equivalent to the lease liability and consequently there is no adjustment to the opening balance of retained earnings as on April 1, 2019. On application of Ind AS 116, the nature of expenses has changed from lease rent in previous periods to depreciation cost for the right-to-use asset, and finance cost for interest accrued on lease liability.

Identification of lease:

- The Group has reassessed whether a contract is, or contains, a lease at the date of initial application.

Leases previously classified as operating leases:

- The Group has recognised a lease liability at the date of initial application for leases previously classified as an operating lease applying Ind AS 17 (other than those which does not satisfy the lease definition criteria under Ind AS 116). The Group has measured lease liability at the present value of the remaining lease payments, discounted using the Group's incremental borrowing rate at the date of initial application.

- The Group has recognised a right-of-use asset at the date of initial application for leases previously classified as an operating lease applying Ind AS 17 (other than those which does not satisfy the lease definition criteria under Ind AS 116). The Group has opted to measure right-of-use asset at an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in the balance sheet immediately before the date of initial application.

- The Group has relied on its assessment of whether leases are onerous applying Ind AS 37, Provisions, Contingent Liabilities and Contingent Assets, immediately before the date of initial application as an alternative to performing an impairment review.

- The Group has opted not to apply the above transition requirements to leases for which the lease term ends within 12 months of the date of initial application.

Leases previously classified as finance leases:

- For leases that were classified as finance leases applying Ind AS 17, the carrying amount of the right-of-use asset and the lease liability at the

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date of initial application is the carrying amount of the lease asset and lease liability immediately before that date measured applying Ind AS 17.

There is no impact on transition as on 1 April 2019.

k) Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

l) Employee benefits

Short term employee benefits and defined contribution plans:

All employee benefits payable/available within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages and bonus etc. are recognised in the statement of profit and loss in the period in which the employee renders the related service.

Retirement benefit in the form of provident fund is a defined contribution scheme. The Group has no obligation, other than the contribution payable to the provident fund. The Group recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

Gratuity

Gratuity is a defined benefit scheme. The defined benefit obligation is Computed by actuaries using the projected unit credit method.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognised in profit or loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Group recognises related restructuring cost

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset.

The Group recognises the following changes in the net defined benefit obligation as an expense in the Statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

Termination benefits

The Group recognizes termination benefit as a liability and an expense when the Group has a present

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obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the termination benefits fall due more than 12 months after the balance sheet date, they are measured at present value of future cash flows using the discount rate determined by reference to market yields at the balance sheet date on government bonds.

Compensated Absences

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short term employee benefit. The Group measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The Group treats leaves expected to be carried forward for measurement purposes. Such compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred. The Group presents the entire leave as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for 12 months after the reporting date. Where Group has the unconditional legal and contractual right to defer the settlement for a period beyond 12 months, the same is presented as non-current liability.

m) Impairment of non-financial assets

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded Company's or other available fair value indicators.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the entity operates, or for the market in which the asset is used.

An assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation,

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had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

n) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Equity investments

All equity investments in scope of Ind-AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind-AS 103 applies are Ind-AS classified as at FVTPL. For all other equity instruments, the Group may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Group makes such election on an instrument-by-instrument basis. The classification is made on Initial recognition and is irrevocable.

If the group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Group may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

De-recognition

A financial asset (or, where applicable, a part of a financial asset or part of a Group of similar financial assets) is primarily derecognised (i.e. removed from the Group's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Impairment of financial assets

In accordance with Ind-AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

a) Financial assets are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance

b) Trade receivables or any contractual right to receive cash or another financial asset that result

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from transactions that are within the scope of Ind AS 115 (referred to as 'contractual revenue receivables' in these financial statements)

The Group follows 'simplified approach' for recognition of impairment loss allowance on:

- Trade receivables or contract revenue receivables; and

The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Group determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss.

However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

As a practical expedient, the Group uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivablesand is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the Statement of Profit and Loss. This amount is reflected under the head 'other expenses' in the Statement of Profit and Loss. The balance sheet presentation for various financial instruments is described below:

- Financial assets measured as at amortized cost, contractual revenue receivables and lease receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Group does not reduce impairment allowance from the gross carrying amount. For assessing increase in credit risk and impairment loss, the Group combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

The Group does not have any purchased or originated credit-impaired (POCI) financial assets, i.e., financial assets which are credit impaired on purchase/ origination.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include trade and other payables, loans and borrowings.

Subsequent measurement

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognised in

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profit and loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the Statement of Profit and Loss. This category generally applies to borrowings.

De-recognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously

o) Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, as they are considered an integral part of the Group's cash management.

p) Contingent Liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Group does not recognize a contingent liability but discloses its existence in the financial statements. Contingent assets are only disclosed when it is probable that the economic benefits will flow to the entity.

q) Measurement of EBITDA

The Group has elected to present earnings before interest expense, tax, depreciation and amortization (EBITDA) as a separate line item on the face of the statement of profit and loss. The Group measures EBITDA on the face of profit/ (loss) from continuing operations. In the measurement, the Group does not include depreciation and amortization expense, finance costs and tax expense.

r) Earnings per Share

Basic earnings per share

Basic earnings per share are calculated by dividing:

- the profit attributable to owners of the Group
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares.

Diluted earnings per share

Diluted earnings per share adjust the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

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2.3. Significant accounting judgements, estimates and assumptions

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the acGrouping disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

The areas involving critical estimates or Judgement are as below:

Property, Plant and Equipment

The Group, based on technical assessment management estimate, depreciates certain assets over estimated useful lives which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management has estimated, supported by technical assessment, the useful lives of certain plant and machinery as 16 to 21 years. These useful lives are higher than those indicated in schedule II. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

Taxes

Uncertainties exist with respect to the interpretation of complex tax regulations, changes in tax laws, and the amount and timing of future taxable income. Given the wide range of business relationships and the long-term nature and complexity of existing contractual agreements, differences arising between the actual results and the assumptions made, or future changes to such assumptions, could necessitate future adjustments to tax income and expense already recorded. The Group establishes provisions, based on reasonable estimates. The amount of such provisions is based on various factors, such as experience of previous tax assessments and differing interpretations of tax regulations by the taxable entity and the responsible tax authority. Such differences of interpretation may arise on a wide variety of issues depending on the conditions prevailing in the respective domicile of the Companies.

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

Further details on taxes are disclosed in Note 18.

Defined benefit plans

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

The mortality rate is based on publicly available mortality tables for the specific countries. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates for the respective countries.

Further details about gratuity obligations are given in Note 27.

Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing

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fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

Impairment of financial assets

The impairment provisions for financial assets are based on assumptions about risk of default and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

Impairment of non- financial assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or CGU's fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent markets transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded subsidiaries or other available fair value indicators.

Determining the lease term of contracts with renewal and termination options – as lessee

The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Company applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Company reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate.

The periods covered by termination options are included as part of the lease term only when they are reasonably certain not to be exercised.

For further details about leases, refer to accounting policy on leases and Note 26A.

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Note 3 : Property, plant and equipment

(₹ Lakhs)

Particulars	Office equipments	Plant and machinery	Total
Cost			
As at March 31, 2018	**45**	**353**	**398**
Additions during the year	2	181	183
Less : Disposals/ adjustments	-	5	5
As at March 31, 2019	**47**	**529**	**576**
Additions during the year	2	80	82
Less : Disposals/ adjustments	-	2	2
As at March 31, 2020	**49**	**607**	**656**
Depreciation/ Impairment			
As at March 31, 2018	1	262	263
Charge for the year	2	96	98
Less : Disposals/ adjustments	-	4	4
As at March 31, 2019	**3**	**354**	**357**
Charge for the year	4	104	108
Less : Disposals/ adjustments	-	2	2
As at March 31, 2020	**7**	**456**	**463**
Net Block			
As at March 31, 2020	**42**	**151**	**193**
As at March 31, 2019	**44**	**175**	**219**

Note 4 : Intangible assets and intangible assets under development

(₹ Lakhs)

Particulars	Other Intangible Assets			Total	Goodwill (Refer note 38)
	Website Development	Software Licenses	Intangible Assets under development		
Gross carrying amount					
As at March 31, 2018	**91**	**81**	**-**	**172**	**18,095**
Additions during the year	-	27	3	30	-
As at March 31, 2019	**91**	**108**	**3**	**202**	**18,095**
Additions during the year	-	46	-	46	-
Less : Disposals/ adjustments	-	-	3	3	-
As at March 31, 2020	**91**	**154**	**-**	**245**	**18,095**
Accumulated amortisation					
As at March 31, 2018	**14**	**13**	**-**	**27**	**7,238**
Charge for the year	15	33	-	48	3,619

Notes to Consolidated Financial Statements

for the year ended March 31, 2020

Note 4 : Intangible assets and intangible assets under development (Contd..)

(₹ Lakhs)

Particulars	Other Intangible Assets			Total	Goodwill (Refer note 38)
	Website Development	Software Licenses	Intangible Assets under development		
As at March 31, 2019	**29**	**46**	**-**	**75**	**10,857**
Charge for the year	15	30	-	45	3,619
As at March 31, 2020	**44**	**76**	**-**	**120**	**14,476**
Net carrying amount					
As at March 31, 2020	**47**	**78**	**-**	**125**	**3,619**
As at March 31, 2019	**62**	**62**	**3**	**127**	**7,238**

Note 5 : Income tax assets (net)

(₹ Lakhs)

Particulars	March 31, 2020	March 31, 2019
Income tax assets (net) [related to current tax]	3,214	2,964
Total Income tax assets	**3,214**	**2,964**
Current	**-**	**-**
Non-Current	**3,214**	**2,964**

Note 6A: Investment

(₹ Lakhs)

Particulars	March 31, 2020	March 31, 2019
Investments at Fair Value through profit and loss		
Unquoted		
Investment in equity instruments	10	10
Total investments	**10**	**10**
Current	**-**	**-**
Non - Current	**10**	**10**
Aggregate amount of quoted investment	**-**	**-**
Aggregate amount of unquoted investment	**10**	**-**

Note 6B : Loans

(₹ Lakhs)

Particulars	March 31, 2020	March 31, 2019
Security Deposit (refer note 29A)	1,336	9
Total	**1,336**	**9**
Current	**1**	**2**
Non - Current	**1,335**	**7**

Notes to Consolidated Financial Statements

for the year ended March 31, 2020

Note 6B : Loans (Contd..)

(₹ Lakhs)

Particulars	March 31, 2020	March 31, 2019
Secured, considered good	-	-
Unsecured, considered good	1,336	9
Total	**1,336**	**9**

Note 6C : Other non- current assets

(₹ Lakhs)

Particulars	March 31, 2020	March 31, 2019
Capital advance	65	-
Total	**65**	**-**

Note 7 : Trade Receivables

(₹ Lakhs)

Particulars	March 31, 2020	March 31, 2019
Trade receivables	1,668	1,311
Receivables from related parties (refer note 29A)	1,826	3,629
Provision for doubtful debts	(372)	(292)
Total	**3,122**	**4,648**
Current	**3,122**	**4,648**
Non - Current	**-**	**-**

Note 7 : Trade Receivables

(₹ Lakhs)

Particulars	March 31, 2020	March 31, 2019
Unsecured, considered good	3,122	4,648
Unsecured, considered doubtful	372	292
Total	**3,494**	**4,940**
Impairment for unsecured doubtful debts	(372)	(292)
Total Trade Receivables	**3,122**	**4,648**

No trade or other receivable are due from directors or other officers of the Group either severally or jointly with any other person. For details of amount due from Related Parties refer note 29A.

Note 8A: Cash and Cash Equivalents

(₹ Lakhs)

Particulars	March 31, 2020	March 31, 2019
Balance with banks :		
- On current accounts	218	124

Notes to Consolidated Financial Statements

for the year ended March 31, 2020

Note 8A: Cash and Cash Equivalents (Contd..)

(₹ Lakhs)

Particulars	March 31, 2020	March 31, 2019
- Deposits with original maturity of less than three months	871	1,094
Cash on hand	2	1
Total	**1,091**	**1,219**

Short-term deposits are made for varying periods of between one day and three months, depending on the immediate cash requirements of the Company and earn interest at the respective short-term deposit rates.

Note 8B : Other bank balance

(₹ Lakhs)

Particulars	March 31, 2020	March 31, 2019
Bank balances other than (8A) above		
- Unclaimed dividend account*	-	-
Total	**-**	**-**

*₹ 10,460/- balance in unclaimed dividend account for the year ended March 31, 2020 has been rounded off to Nil.

* These balances are not available for use by the Company as they represent corresponding unclaimed dividend liabilities.

For the purpose of the statement of cash flows, cash and cash equivalents comprise the following:

(₹ Lakhs)

Particulars	March 31, 2020	March 31, 2019
Balance with banks :		
- On current accounts	218	124
- Deposits with original maturity of less than three months	871	1,094
Cash on hand	2	1
Total	**1,091**	**1,219**

Note 9A: Other financial assets

(₹ Lakhs)

Particulars	March 31, 2020	March 31, 2019
Other Financial Assets at Amortised Cost		
Income accrued on bank deposit	6	-
Employee receivables	28	28
Other receivables from related party (refer note 29A)	-	1,720
Unbilled revenue (refer note 29A)	1,078	-
Provision for doubtful receivables	(18)	-
Total	**1,094**	**1,748**
Current	**1,094**	**1,748**
Non - Current	**-**	**-**

Notes to Consolidated Financial Statements

for the year ended March 31, 2020

Break up of financial assets carried at amortised cost

(₹ Lakhs)

Particulars	March 31, 2020	March 31, 2019
Trade receivables (Note 7)	3,122	4,648
Cash and cash equivalents (Note 8)	1,091	1,219
Other bank balances (Note 8B)	-	-
Other financial assets (Note 9A)	1,094	1,748
Loans (Note 6B)	1,336	9
Total	**6,643**	**7,624**

Break up of financial assets at fair value through profit and loss

(₹ Lakhs)

Particulars	March 31, 2020	March 31, 2019
Investments (Note 6A)	10	10
Total	**10**	**10**

Note 9B: Contract assets

(₹ Lakhs)

Particulars	March 31, 2020	March 31, 2019
Income accrued but not due *	338	201
Total	**338**	**201**
Current	**338**	**201**
Non - Current	**-**	**-**

*Amount billed during FY 2019-2020 from contract assets at the beginning of the year is ₹ 201 lakhs. Balance of ₹ 338 Lacs as at March 31, 2020 pertains to current year transactions.

Note 10: Other current assets

(₹ Lakhs)

Particulars	March 31, 2020	March 31, 2019
Prepaid expenses* (refer note 29A)	107	50
Other receivables	22	34
Goods and service tax (GST) credit receivable	30	228
Total	**159**	**312**

*₹ 269 lakhs adjusted in FY 2019-20 on account of receivables and payables from the same party.

Notes to Consolidated Financial Statements

for the year ended March 31, 2020

Note 11 : Share Capital

Autorised Share Capital

(₹ Lakhs)

Particulars	Number of shares	Amount
At March 31, 2018	50,000	1
Increase/(decrease) during the year	-	-
At March 31, 2019	50,000	1
Increase/(decrease) during the year	5,99,50,000	1,199
At March 31, 2020	6,00,00,000	1,200

Terms/ rights attached to equity shares

The Company has only one class of equity shares having par value of ₹ 2 per share. Each holder of equity shares is entitled to one vote per share.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Share Suspense Account

(₹ Lakhs)

Equity shares of ₹ 2 each issued, subscribed and fully paid	Number of shares	Amount
At March 31, 2018	**5,81,87,078**	**1,164**
Changes during the year	-	-
At March 31, 2019	**5,81,87,078**	**1,164**
Changes during the year (refer note 28)	(5,81,87,078)	(1,164)
At March 31, 2020	**-**	**-**

Issued and subscribed capital

Equity shares of ₹ 2 each issued, subscribed and fully paid

(₹ Lakhs)

Particulars	Number of shares	Amount
At March 31, 2018	**-**	**-**
Changes during the year	-	-
At March 31, 2019	**-**	**-**
Changes during the year (refer note 28)	5,81,87,078	1,164
At March 31, 2020	**5,81,87,078**	**1,164**

Notes to Consolidated Financial Statements

for the year ended March 31, 2020

Reconciliation of the equity shares outstanding at the beginning and at the end of the year

(₹ Lakhs)

Particulars	March 31, 2020		March 31, 2019	
	Number of shares	Amount (₹ Lakhs)	Number of shares	Amount (₹ Lakhs)
Shares outstanding at the beginning of the year	-	-	-	-
Shares Issued during the year	5,81,87,078	1,164	-	-
Shares cancelled during the year	-	-	-	-
Shares outstanding at the end of the year	**5,81,87,078**	**1,164**	**-**	**-**

Shares held by holding/ ultimate holding company and/ or their subsidiaries/ associates

Out of equity shares issued by the Company, shares held by its holding company is as below:

(₹ Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
The Hindustan Times Limited, the holding company		
4,04,38,621 (March 31, 2019- Nil) equity shares of ₹ 2 each fully paid	809	-

Details of shareholders holding more than 5% shares in the Company

(₹ Lakhs)

Particulars	March 31, 2020		March 31, 2019	
	Number of shares	% holding	Number of shares	% holding
Equity shares of ₹ 2 each fully paid				
The Hindustan Times Limited, the holding company	4,04,38,621	69.5%	-	-

As per records of the Company, including its register of shareholders/members and other declaration received from the shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

Note 12: Other Equity

(₹ Lakhs)

Particulars	March 31, 2020	March 31, 2019
Retained earnings	(5,026)	(1,617)
Capital reserve	6,942	6,942
Total	**1,916**	**5,325**

Notes to Consolidated Financial Statements

for the year ended March 31, 2020

Retained Earnings

(₹ Lakhs)

Particulars	Amount
At March 31, 2018	**(472)**
Net loss for the year	(1,177)
Items of other comprehensive income recognised directly in retained earnings	
- Remeasurements of defined benefits obligation, net of tax	32
At March 31, 2019	**(1,617)**
Net loss for the year	(3,302)
Items of other comprehensive income recognised directly in retained earnings	
- Remeasurements of defined benefits obligation, net of tax	(107)
At March 31, 2020	**(5,026)**

Capital Reserve*

(₹ Lakhs)

Particulars	Amount
At March 31, 2018	**6,942**
Changes during the year	-
At March 31, 2019	**6,942**
Changes during the year	-
At March 31, 2020	**6,942**

* In relation to past business acquisitions

Note 13 A : Borrowings

(₹ Lakhs)

Particulars	March 31, 2020	March 31, 2019
Non- current Borrowings		
Unsecured		
Inter corporate loans (note below)(refer note 29A)	8,000	8,000
Total	**8,000**	**8,000**
Aggregate Secured Loans	**-**	**-**
Aggregate Unsecured Loans	**8,000**	**8,000**

Intercompany loan from HT Media Limited was drawn in various tranches ₹ 7700 Lakhs on December 28, 2017 & ₹ 300 Lakhs on March 28, 2018 and are due for repayment on or before the completion of 60 months from the date of disbursement of loan amount along with an interest of 11% compounded annually.

Notes to Consolidated Financial Statements

for the year ended March 31, 2020

Note 13B : Lease liabilities

(₹ Lakhs)

Particulars	March 31, 2020	March 31, 2019
Unsecured		
Lease liabilities* (refer note 26A)	2,841	-
Total	**2,841**	**-**
Current	**1,615**	**-**
Non- current	**1,226**	**-**

*₹ 269 lakhs adjusted in FY 2019-20 on account of receivables and payables from the same party.

Note 14: Trade payables

(₹ Lakhs)

Particulars	March 31, 2020	March 31, 2019
Trade payables		
(i) Total outstanding dues of micro enterprises and small enterprises (refer note 30)	9	53
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises		
- payable to related parties (refer note 29A)	4	176
- payable to others	1,512	1,933
Total	**1,525**	**2,162**
Current	**1,525**	**2,162**
Non- Current	**-**	**-**

Note 15 : Other financial liabilities

(₹ Lakhs)

Particulars	March 31, 2020	March 31, 2019
I. Other financial liabilities at amortised cost		
Unclaimed dividend *	-	-
Employee payables	1,240	1,362
Interest accrued but not due on borrowings (refer note 29A)	1,916	1,010
Creditors for capital purchases	41	19
Total	**3,197**	**2,391**
Current	**1,281**	**1,381**
Non- Current	**1,916**	**1,010**

*₹ 10,460/- payable to inventor education and protection fund for the year ended March 31, 2020 has been rounded off to Nil.

Notes to Consolidated Financial Statements

for the year ended March 31, 2020

Break up of financial liabilities carried at amortised cost

(₹ Lakhs)

Particulars	March 31, 2020	March 31, 2019
Borrowings (non-current) (Note 13A)	8,000	8,000
Lease Liabilities (Note 13B)	2,841	-
Trade payables (Note 14)	1,525	2,162
Other finacial liabilities (Note 15)	3,197	2,391
Total financial liabilities carried at amortised cost	**15,563**	**12,553**

Note 16 : Provisions

(₹ Lakhs)

Particulars	March 31, 2020	March 31, 2019
Provision for gratuity (refer note 27)	769	468
Provision for compensated absences (refer note 27)	58	65
Total	**827**	**533**
Current	**775**	**488**
Non- Current	**52**	**45**

Note 17A : Other current liabilities

(₹ Lakhs)

Particulars	March 31, 2020	March 31, 2019
Advances from customers	-	15
Statutory dues	430	832
Total	**430**	**847**

Note 17B : Contract liabilities

(₹ Lakhs)

Particulars	March 31, 2020	March 31, 2019
Unearned revenue*	141	45
Total	**141**	**45**
Current	**141**	**45**
Non Current	**-**	**-**

*Amount of revenue recognised during FY 2019-2020 from contract liabilities at the beginning of the year is 45 lakhs. Balance of ₹ 141 Lacs as at March 31, 2020 pertains to current year transactions.

Notes to Consolidated Financial Statements

for the year ended March 31, 2020

Note 18 : Income tax

The major components of income tax expense for the year ended 31 March 2020 are :

Statement of profit and loss :

Profit or loss section

(₹ Lakhs)

Particulars	March 31, 2020	March 31, 2019
Current income tax :		
Current income tax charge	-	-
Deferred tax :		
Deferred tax credit	(650)	(443)
Adjustments in respect of previous year *	-	(33)
Income tax expense reported in the statement of profit or loss	**(650)**	**(476)**

*₹ 14,888/- represents tax true up impact for the year ended March 31, 2020 has been rounded off to Nil.

OCI section :

Deferred tax related to items recognised in OCI during in the year :

(₹ Lakhs)

Particulars	March 31, 2020	March 31, 2019
Income tax (charge)/credit on remeasurements of defined benefit plans	37	(11)
Income tax charged to OCI	**37**	**(11)**

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for March 31, 2020 and March 31, 2019:

(₹ Lakhs)

Particulars	March 31, 2020	March 31, 2019
Accounting loss before income tax	(3,952)	(1,652)
At India's statutory income tax rate of 26%	(1,028)	(430)
At the effective income tax rate	**(1,028)**	**(430)**
Non-recognition of deferred tax asset	245	-
On account of reversal of opening Deferred tax asset position	133	-
Impact due to change in tax rate	-	(13)
Tax true up impact*	-	(33)
Income tax expense reported in the statement of profit and loss	**(650)**	**(476)**

*₹ 14,888/- represents tax true up impact for the year ended March 31, 2020 has been rounded off to Nil.

Notes to Consolidated Financial Statements

for the year ended March 31, 2020

Deferred tax

Deferred tax relates to the following:

(₹ Lakhs)

Particulars	March 31, 2020	March 31, 2019
Deferred tax assets		
Differences in depreciation in block of property, plant and equipment as per tax books and financial books	567	135
Unabsorbed depreciation	1,553	1,377
Provision for doubtful debts and advances	72	79
Effect of expenditure debited to statement of profit and loss in the current year/ earlier years but allowed for tax purposes in following years	267	181
Gross deferred tax assets	**2,459**	**1,772**
Deferred tax assets (net)	**2,459**	**1,772**

Reconciliation of deferred tax assets (net):

Particulars	(₹ Lakhs)
Opening balance as of 1 April 2018	**1,307**
Tax income/(expense) during the period recognised in profit or loss	476
Tax income/(expense) during the period recognised in OCI	(11)
Closing balance as at March 31, 2019	**1,772**
Tax income/(expense) during the year recognised in profit or loss	650
Tax income/(expense) during the year recognised in OCI	37
Closing balance as at March 31, 2020	**2,459**

The Group offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

Note 19 : Revenue from operations

(₹ Lakhs)

Particulars	March 31, 2020	March 31, 2019
Sale of services	25,910	26,797
Total	**25,910**	**26,797**

Notes to Consolidated Financial Statements

for the year ended March 31, 2020

Note 20 : Other income

(₹ Lakhs)

Particulars	March 31, 2020	March 31, 2019
Interest income on EIR method		
- Bank deposits	51	35
- income tax refund	58	-
- Others	19	-
Other non - operating income		
Unclaimed balances/unspent liabilities written back (net)	26	1
Exchange differences (net)	17	-
Net gain on disposal of property, plant and equipment	-	1
Miscellaneous income	6	21
Total	**177**	**58**

Note 21 : Employee benefits expense

(₹ Lakhs)

Particulars	March 31, 2020	March 31, 2019
Salaries, wages and bonus	13,456	13,251
Contribution to provident and other funds (refer note 27)	555	471
Gratuity expense (refer note 27)	166	139
Workmen and staff welfare expenses	35	39
Total	**14,212**	**13,900**

Note 22 : Finance costs

(₹ Lakhs)

Particulars	March 31, 2020	March 31, 2019
Interest on inter corporate deposit from holding company (refer note 29A)	1,006	904
Interest on lease liabilities (refer note 26A)	230	-
Bank Charges	5	8
Total	**1,241**	**912**

Note 23 : Depreciation and amortization expense

(₹ Lakhs)

Particulars	March 31, 2020	March 31, 2019
Depreciation of tangible assets (refer note 3)	1,519	98
Depreciation expense of right-of-use assets (refer note 26A)	107	-
Amortization of intangible assets (refer note 4)	3,664	3,667
Total	**5,290**	**3,765**

Notes to Consolidated Financial Statements

for the year ended March 31, 2020

Note 24 : Other expenses

(₹ Lakhs)

Particulars	March 31, 2020	March 31, 2019
Advertising and sales promotion	361	265
Power and fuel	2	3
Communication Costs	56	43
Legal and professional fees	401	264
Newsservice and dispatches	3,055	2,858
Repairs and maintenance		
Plant and machinery	1,335	1,419
Rates and taxes	1	24
Insurance	84	81
Service Charges on ad revenue	-	4
Rent & maintenance	2,130	3,314
Travelling and conveyance	1,621	1,434
Net impairment losses on financial assets	75	71
Exchange differences (net)	-	3
Director's sitting fees (refer note 29A)	20	-
Payment to auditor (refer details below)	25	17
Security Charges	19	20
Housekeeping charges	44	50
Miscellaneous expenses	67	61
Total	**9,296**	**9,931**

Note : Payment to auditors

(₹ Lakhs)

Particulars	March 31, 2020	March 31, 2019
As auditor :		
- Audit fee	16	12
- Limited review	4	-
- Tax audit fee	3	2
In other capacities :		
- Other services	-	2
Reimbursement of expenses	2	1
Total	**25**	**17**

Notes to Consolidated Financial Statements

for the year ended March 31, 2020

Note 25 : Other comprehensive income

The disaggregation of changes to OCI by each type of reserve in equity is shown below :

During the year ended March 31, 2020

(₹ Lakhs)

Particulars	Retained earnings	Total
Re- measurement gains (losses) on defined benefit plans	(144)	(144)
Tax impact	37	37
Total	**(107)**	**(107)**

During the period ended March 31, 2019

(₹ Lakhs)

Particulars	Retained earnings	Total
Re- measurement gains (losses) on defined benefit plans	43	43
Tax impact	(11)	(11)
Total	**32**	**32**

Note 26: Earnings per share (EPS) (refer note 28)

Basic and Diluted EPS amounts are calculated by dividing the profit for the period attributable to equity holders by the number of Equity shares outstanding during the year after considering the impact of the Scheme. As at March 31, 2020, there are no dilutive potential Equity Shares outstanding.

The following reflects the income and share data used in the basic and diluted EPS computations:

(₹ Lakhs)

Particulars	March 31, 2020	March 31, 2019
Loss attributable to equity holders (₹ Lakhs)	**(3,302)**	**(1,177)**
Weighted average number of equity shares for basic and diluted earnings per share (lakhs)	**5,81,87,078**	**5,81,87,078**
Earnings per share (face value of ₹ 2/- Each)		
Basic EPS (₹)	(5.67)	(2.02)
Diluted EPS (₹)	(5.67)	(2.02)

Notes to Consolidated Financial Statements

for the year ended March 31, 2020

Note 26A: Leases

"The Group has taken office premises under lease arrangement.

i) The details of the right-of-use asset held by the Group is as follows:

(₹ Lakhs)

Particulars	Buildings
Balance at 1 April 2019	**-**
Additions to right-of-use assets	4,736
Depreciation charge for the year	(1,518)
Derecognition of right-of-use assets	-
Balance at 31 March 2020	**3,216**

ii) Set out below are the carrying amounts of lease liabilities and the movements during the period:

(₹ Lakhs)

Particulars	Amount
Balance at 1 April 2019	**-**
Additions	4,225
Accretion of interest	230
Payments	1,615
Balance at 31 March 2020	**2,841**
Current	**1,615**
Non- Current	**1,226**

The maturity analysis of lease liabilities are disclosed in Note 33.

iii) Amounts recognised in profit or loss:

(₹ Lakhs)

Particulars	Amount
Interest on lease liabilities	230
Depreciation expense of right-of-use assets	(1,518)
Expenses relating to short-term leases	2,130

iv) Amounts recognised in statement of cash flows:

(₹ Lakhs)

Particulars	Amount
Total cash outflow for leases	1,615

Notes to Consolidated Financial Statements

for the year ended March 31, 2020

Note 27 : Defined Benefits Plan

A. Gratuity

(₹ Lakhs)

Particulars	March 31, 2020	March 31, 2019
Gratuity	769	468
Total	**769**	**468**
Current	**717**	**423**
Non- Current	**52**	**45**

The Group has a defined benefit gratuity plan. Every employee who has completed five years or more of services gets a gratuity on separation at 15 days salary (last drawn salary) for each completed year of service.

The gratuity plan is governed by the Payment of Gratuity Act, 1972. The Group has purchased insurance policy, which is basically a year-on-year cash accumulation plan in which the interest rate is declared on yearly basis and is guaranteed for a period of one year. The insurance Group, as part of the policy rules, makes payment of all gratuity outgoes happening during the year (subject to sufficiency of funds under the policy). The policy, thus, mitigates the liquidity risk. However, being a cash accumulation plan, the duration of assets is shorter compared to the duration of liabilities. Thus, the Group is exposed to movement in interest rate (in particular, the significant fall in interest rates, which should result in a increase in liability without corresponding increase in the asset.

The following tables summaries the components of net benefit expense recognised in the statement of profit or loss and amounts recognised in the balance sheet for the respective plans:

A. Post employment obligations

Gratuity Plan

Changes in the defined benefit obligation and fair value of plan assets as at 31 March, 2020 :

Present value of Obligation

(₹ Lakhs)

Particulars	March 31, 2020	March 31, 2019
	Present value of Obligation	Present value of Obligation
Opening balance	737	725
Current service cost	130	109
Interest expense or cost	58	58
Re-measurement (or actuarial)(gain) / loss arising from:		
- change in demographic assumptions	-	-
- change in financial assumptions	89	20
- experience variance (i.e. actual experience vs assumptions)	58	(72)
Benefits paid	(123)	(103)
Total	**948**	**737**

Notes to Consolidated Financial Statements

for the year ended March 31, 2020

Fair Value of Plan Assets

(₹ Lakhs)

Particulars	March 31, 2020	March 31, 2019
Opening balance	269	352
Investment income	21	28
Benefits paid	(114)	(102)
Return on plan assets, excluding amount recognised in net interest expenses	3	(9)
Total	**179**	**269**

The major categories of plan assets of the fair value of the total plan assets are as follows:

(₹ Lakhs)

Particulars	Defined Gratuity Plan	
	March 31, 2020	March 31, 2019
Investment in funds managed by insurer	100%	100%

The principal assumptions used in determining gratuity obligation for the Group's plans are shown below:

(₹ Lakhs)

Particulars	March 31, 2020	March 31, 2019
	%	%
Discount Rate	6.85%	7.75%
Salary Growth Rate	5.00%	5.00%
Withdrawal Rate		
Up to 30 years	3%	3%
31 - 44 years	2%	2%
Above 44 years	1%	1%

A quantitative sensitivity analysis for significant assumption as at March 31, 2020 is as shown below:

(₹ Lakhs)

Particulars	March 31, 2020	March 31, 2019
Defined benefit obligation (Base)	949	738

Impact on defined benefit obligation

(₹ Lakhs)

Particulars	March 31, 2020		March 31, 2019	
Assumptions	Decrease	Increase	Decrease	Increase
Discount rate(-/+1%)	116	(98)	85	(73)
Salary growth rate(-/+1%)	(100)	117	(75)	86
Attrition rate (-/+ 50%)	(12)	11	(15)	12

Notes to Consolidated Financial Statements

for the year ended March 31, 2020

The sensitivity analysis above has been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

The following payments are maturity profile of Defined Benefit Obligations in future years:

(₹ Lakhs)

Particulars	March 31, 2020	March 31, 2019
Within the next 12 months (next annual reporting period)	55	62
Between 2 and 5 years	219	189
Between 6 and 10 years	374	259
Beyond 10 years	1,734	1,525
Total expected payments	**2,382**	**2,035**

Average duration of the defined benefit plan obligation

(₹ Lakhs)

Particulars	March 31, 2020	March 31, 2019
Weighted average duration	16 Years	16 Years

B. Defined Contribution Plan

(₹ Lakhs)

Particulars	March 31, 2020	March 31, 2019
Contribution to provident and other funds		
Charged to statement of profit and loss	555	471

B. Leave encashment (unfunded)

The Group recognizes the leave encashment expenses in the Statement of Profit & Loss based on actuarial valuation.

The expenses recognized in the Statement of Profit & Loss and the Leave encashment liability at the beginning and at the end of the year :

(₹ Lakhs)

Particulars	March 31, 2020	March 31, 2019
Liability at the beginning of the period	65	65
Benefits paid during the year	(19)	(6)
Provided during the year	10	6
Liability at the end of the year	**56**	**65**

Note 28:

"The Scheme of Arrangement (Demerger) u/s 230-232 of the Companies Act, 2013 between the Company and HT Media Limited (HTML) and their respective shareholders and creditors (Scheme) for transfer and vesting of the Entertainment & Digital Innovation Business of HTML to and in the Company, as going concern, with effect from March 31, 2018 (closing business hours) i.e. Appointed Date, was sanctioned by the Hon'ble National Company Law Tribunal (NCLT), New Delhi Bench vide order dated March 7, 2019 (the

Notes to Consolidated Financial Statements

for the year ended March 31, 2020

order). Consequent upon filing of the order passed by NCLT with the Registrar of Companies, NCT of Delhi & Haryana on April 5, 2019, the Scheme became effective from the Appointed Date.

Pursuant to the Scheme, HTML has transferred its entire stake in HTDSL (i.e. 57.17%) to the Company. Consequently, HTDSL has become wholly-owned subsidiary of the Company. The Consolidated results for year ended March 31, 2019 were prepared for filing information memorandum for listing purpose.

The Company issued and allotted its 58,187,078 equity shares of face value of ₹ 2/- each on April 12, 2019 to the eligible shareholders of HTML.

The aforesaid equity shares were admitted for trading and listed on the stock exchanges i.e. National Stock Exchange of India Limited and BSE Limited on June 18, 2019. These equity shares have also been considered for the purpose of calculation of earnings per share and paid up share capital for the previous year.

Note 29: Related party transactions

i) List of Related Parties and Relationships:-

Parties having direct or indirect control over the Company (Holding Company)	Earthstone Holding (Two) Private Limited (Ultimate controlling party is the Promoter Group)
Holding Company	The Hindustan Times Limited
Fellow Subsidiaries (with whom transactions have occurred during the year)	HT Media Limited Hindustan Media Ventures Limited HT Digital Media Holdings Limited HT Overseas Pte. Ltd. HT Learning Centres Limited
Key Managerial Persons (with whom transactions have occurred during the year)	Mr. Ajay relan (Non-Executive independent Director, w.e.f April 18, 2019) Mr. Vivek Mehra (Non-Executive independent Director, w.e.f April 18, 2019) Mrs. Suchitra Rajendra (Non-Executive independent Director, w.e.f April 18, 2019)

ii) Transactions with related parties

Refer Note 29A

iii) Terms and conditions of transactions with related parties

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash (other than Inter-corporate Deposit refer note 13A)

Notes to Consolidated Financial Statements

for the year ended March 31, 2020

Note 29A : Related party transactions

(₹ Lakhs)

Particulars	Holding Company		Fellow Subsidiaries		Key Managerial Personnel (KMP's) / Directors		Total	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
Transactions during the year with related parties								
REVENUE TRANSACTIONS								
INCOME								
Digital services	-	-	323	68	-	-	323	68
Service fees received	-	-	1,384	1,771	-	-	1,384	1,771
Multi-media content management services	-	-	16,869	18,880	-	-	16,869	18,880
Share of revenue received on joint sale	-	-	126	98	-	-	126	98
EXPENSE		-						
Advertisement expenses	-	-	178	44		-	178	44
Share of revenue given on joint sale	-	-	-	84		-	-	84
Infrastructure support services	-	-	2,117	2,456		-	2,117	2,456
Rent & maintenance	1,615	800		-		-	1,615	800
Interest accrued on inter corporate deposit	-	-	1,006	904		-	1,006	904
Non Executive Director's Sitting Fee and Commission	-	-		-	20	-	20	-
Treasury & management support services	-	-	87	-		-	87	-
OTHERS								
Reimbursement of expenses incurred on behalf of the Group by parties	-	-	126	210			126	210
Reimbursement of expenses incurred on behalf of the party by the Group	-	-	19	33			19	33
Security deposit given by the Company	1,556	-	-	-	-	-	1,556	-
Issue of equity share capital	809	-		-			809	-
BALANCE OUTSTANDING								
Share suspense account*	-	809	-	-	-	-	-	809
Trade and other receivables (including other financial assets)	-	-	2,904	5,349	-	-	2,904	5,349
Trade payables	-	-	4	176	-	-	4	176
Security deposit given	1,556	-	-	-	-	-	1,556	-
Prepaid expenses	269	-	-	-	-	-	269	-
Inter corporate deposit & interest accrued on it	-	-	9,916	9,010	-	-	9,916	9,010

* Represents face value of equity shares of Digicontent Limited to be issued to Holding company.

Notes to Consolidated Financial Statements

for the year ended March 31, 2020

Note 30: Based on the information available with the Group, Details of dues to Micro and Small Enterprises as defined under the MSMED Act, 2006

(₹ Lakhs)

Particulars	March 31, 2020	March 31, 2019
Principal amount	9	53
Interest due thereon at the end of the accounting year	-	-
The amount of interest paid by the buyer in terms of Section 16, of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
The amount of interest due and payable for the year for delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006.	-	-
The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under Section 23 of MSMED Act, 2006.	-	-

Note 31 : Capital management

For the purpose of the Group's capital management, capital includes issued equity capital, share premium and all other equity reserves. The primary objective of the Group's capital management is to maximise the shareholder value.

The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Group monitors capital using a gearing ratio, which is net debt divided by total capital and net debt. The Group includes within net debt, interest bearing loans and borrowings, interest accrued on borrowings, less cash and cash equivalents and other bank balances.

(₹ Lakhs)

Particulars	March 31, 2020	March 31, 2019
Borrowings (Note 13A)	8,000	8,000
Interest accrued on borrowings (Note 15)	1,916	1,010
Less: cash and cash equivalents (Note 8A)	(1,091)	(1,219)
Less : Other bank balances(Note 8B)*	-	-
Net debt	**8,825**	**7,791**
Equity	3,080	6,489
Total capital	**3,080**	**6,489**
Capital and net debt	**11,905**	**14,280**
Gearing ratio	**74%**	**55%**

*₹ 10,460/- balance in unclaimed dividend account for the year ended March 31, 2020 has been rounded off to Nil.

Notes to Consolidated Financial Statements

for the year ended March 31, 2020

Note 32 : Fair values

Set out below, is a comparison by class of the carrying amounts and fair value of the Group's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values:

(₹ Lakhs)

Particulars	Carrying Value		Fair value		Fair value mechanism Hierarchy level
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	
Financial assets measured at fair value through profit and loss (FVTPL)					
Unquoted Equity Investments (refer note 6A)	10	10	10	10	Level 3*
Financial assets measured at amortised cost					
Security deposits given [Non-Current] (refer note 6B)	1,335	7	1,335	7	Level 2**
Financial liabilities for measured at amortised cost					
Long term borrowings (refer note 13A)	8,000	8,000	8,000	8,000	Level 2***

*The sensitivity analysis disclosures in relation to Unquoted equity instrument classified at FVTPL is not been disclosed since the management believes that there is no movement in the fair value on the reporting date.

**The Security deposits given are evaluated by the Company based on parameters such as interest rate, risk factors, risk characteristics and individual credit-worthiness of the counterparty. Based on this evaluation, allowances are taken into account for the expected losses.

***The fair values of Long term interest-bearing borrowings are determined by using Discounted Cash Flow (DCF) method using discount rate that reflects the issuer's borrowing rate as at the end of the reporting period. The own non-performance risk was assessed to be insignificant.

The management assessed that fair value of trade receivables, cash and cash equivalents, other bank balances, loan given (current), other current financial assets, trade payables and other current financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

Note 33: Financial risk management objectives and policies

The Group's principal financial liabilities comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Group's operations and to support its operations. The Group's principal financial assets include loans, trade and other receivables, and cash and cash equivalents that derive directly from its operations.

The Group is exposed to market risk, credit risk and liquidity risk. The Group's senior management oversees the mitigation of these risks. The Group's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Group's policies and risk objectives. The policies for managing each of these risks, which are summarized below:-

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk.

Notes to Consolidated Financial Statements

for the year ended March 31, 2020

This is based on the financial assets and financial liabilities held at 31 March 2020 and 31 March 2019.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group has no exposure to the risk of changes in market interest since the Group has fixed interest rate debt obligation.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a foreign currency).

Foreign currency sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change in exchange rates, with all other variables held constant. The impact on the Group's profit before tax is due to changes in the fair value of monetary assets and liabilities.

(₹ Lakhs)

Particulars	Change in foreign currency rate		Effect on profit before tax	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
Change in USD rate				
Trade Receivables	+/-1%	+/-1%	3	1

Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions and foreign exchange transactions.

Trade receivables and other financial assets

An impairment analysis is performed at each reporting date on an individual basis for major clients. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in Note 7 and Note 9A . The group does not hold collateral as security.

The Group evaluates the concentration of risk with respect to trade receivables and other financial assets as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets.

Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Group's treasury department in accordance with the Group's policy. Investments of surplus funds are made as per guidelines and within limits approved by Board of Directors. Board of Directors/ Management reviews and update guidelines, time to time as per requirement. The guidelines are set to minimize the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

Liquidity risk

The Group monitors its risk of a shortage of funds using a liquidity planning tool.

No loans will mature in less than one year at March 31, 2020 based on the carrying value of borrowings reflected in the financial statements.

Notes to Consolidated Financial Statements

for the year ended March 31, 2020

The table below summarizes the maturity profile of the Group's financial liabilities

Particulars	With in 1 year	More than 1 years	Total
As at March 31, 2020			
Borrowings (refer note 13A)	-	8,000	8,000
Lease liabilities (refer note 13B)	1,615	1,226	2,841
Trade and other payables (refer note 14)	1,525	-	1,525
Other financial liabilities (refer note 15)	1,281	1,916	3,197
As at March 31, 2019			
Borrowings (refer note 13A)	-	8,000	8,000
Trade and other payables (refer note 14)	2,162	-	2,162
Other financial liabilities (refer note 15)	1,381	1,010	2,391

Note 34 :

Additional information as required under Schedule III of the Companies Act, 2013, of the enterprises consolidated as subsidiary.

(₹ Lakhs)

Particulars	Net assets i.e. total assets minus total liabilities		Share in Profit or Loss		Share in other Comprehensive income		Share in total Comprehensive income	
	As % of consolidated net assets	Amount (₹ Lakhs)	As % of consolidated profit or loss	Amount (₹ Lakhs)	As % of consolidated other comprehensive income	Amount (₹ Lakhs)	As % of total comprehensive income	Amount (₹ Lakhs)
Current year :								
As on March 31, 2020								
I. Parent :								
Digicontent Limited	(304)	(9,354)	37	(1,238)	3	(3)	36	(1,241)
II. Subsidiary :								
Indian								
HT Digital Streams Limited	404	12,434	63	(2,064)	97	(104)	64	(2,168)
Total	**100**	**3,080**	**100**	**(3,302)**	**100**	**(107)**	**100**	**(3,409)**

Notes to Consolidated Financial Statements

for the year ended March 31, 2020

(₹ Lakhs)

Particulars	Net assets i.e. total assets minus total liabilities		Share in Profit or Loss		Share in other Comprehensive income		Share in total Comprehensive income	
	As % of consolidated net assets	Amount (₹ Lakhs)	As % of consolidated profit or loss	Amount (₹ Lakhs)	As % of consolidated other comprehensive income	Amount (₹ Lakhs)	As % of total comprehensive income	Amount (₹ Lakhs)
Previous year :								
As on March 31, 2019								
I. Parent :								
Digicontent Limited	(97)	(6,307)	31	(360)	(51)	(16)	33	(376)
II. Subsidiary :								
Indian								
HT Digital Streams Limited	197	12,796	69	(817)	151	48	67	(769)
Total	**100**	**6,489**	**100**	**(1,177)**	**100**	**32**	**100**	**(1,145)**

Note 35: Commitments

(₹ Lakhs)

Particulars	March 31, 2020	March 31, 2019
Estimated amount of contracts on capital account pending to be executed (Net of advances ₹ 65 Lakhs (As at March 31, 2019: Nil)	208	34

Note 36: Segment reporting

The Group operations comprise of only one segment i.e. ""Entertainment & Digital Innovation Business"". The Chief Operating Decision Maker (CODM) uses "Entertainment and Digital Business" as single segment to assess performance and for allocating resources. In view of the same separate segment information is not required to be given as per the requirement of Ind AS 108 on "Operating Segments".

There are certain customers (including related parties) which represent 10% or more of the Group's total revenue with total amounting to ₹ 21,212 lakhs and ₹ 20,650 lakhs for the year ended March 31, 2020 and March 31, 2019 respectively.

Note 37: Group Information

Information about subsidiaries

The consolidated financial statements of the company includes subsidiaries listed in the table below :

Particulars	Principal activity	Country of incorporation	% equity interest	
			March 31, 2020	March 31, 2019
HT Digital Streams Limited	Digital services	India	100	100

Notes to Consolidated Financial Statements

for the year ended March 31, 2020

Note 38 : Goodwill acquired under Scheme of Arrangement under section 391-394 of Companies Act, 1956 between HT Media Limited and HT Digital Streams Limited and Hindustan Media Ventures Limited and HT Digital Streams Limited ('the Scheme'), in the previous years, is being amortised as per the scheme of arrangement sanctioned by Hon'ble Hight Courts.

For the purposes of impairment testing, goodwill is allocated to the Cash Generating Unit (CGU). The recoverable amount of the CGU was based on its value in use. The value in use of this unit was determined to be higher than the carrying amount and sensitivity analysis of changes in key assumptions did not identify any probable scenarios where the CGU recoverable amount would fall below their carrying amount.

Value in use was determined by discounting the future cash flows generated from the continuing use of the CGU over a period of 5 years. Key assumptions used are as follows:

i) Annual revenue growth and margin included in the cash flow projections.

ii) Discount rate considering weighted average cost of capital of the Company.

Note 39: Standards issued but not yet effective

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2020.

Note 40 : Previous year figures have been regrouped and reclassified wherever necessary to conform to the current year classification.

Note 41 : Management has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amount of assets of the Group. In developing the assumptions relating to the possible future uncertainties because of this pandemic, the Group, as at the date of adoption of these consolidated financial statements has used internal and external sources of information. The Group has performed sensitivity analysis on the assumptions used and based on current estimates expects that the carrying amount of assets will be recovered. The impact of COVID-19 on the Group's financial statements may differ from that estimated as at the date of adoption of audited financial statements for the year ended 31 March 2020.

In terms of our report of even date attached
For B S R and Associates
Chartered Accountants
(ICAI Firm Registration Number: 128901W)

Rajesh Arora
Partner
Membership No. 076124

Place: Gurugram
Date: May 6, 2020

For and on behalf of the Board of Directors of Digicontent Limited

Vikas Prakash
Company Secretary

Anup Sharma
Chief Financial Officer

Abhesh Verma
Chief Executive Officer

Praveen Someshwar
Director
(DIN:01802656)

Dinesh Mittal
Director
(DIN: 00105769)

Place: New Delhi
Date: May 6, 2020

Notes to Consolidated Financial Statements

for the year ended March 31, 2020

Annexure

Statement containing salient features of the financial statement of subsidiaries or associate companies or joint ventures

PART "A" : SUBSIDIARIES

(₹ Lakhs)

Sr. No.	1
Name of the Subsidiary Company	HT Digital Streams Limited
Date since when subsidiary was acquired	31-Mar-18
Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Not applicable
Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	Not applicable
a) Share capital	2,005
b) Reserves and surplus	8,459
c) Total assets	19,148
d) Total liabilities	19,148
e) Investments	10
f) Turnover@	24,483
g) Profit / (loss) before taxation	(3,011)
h) Provision for tax expenses/(benefits)	(783)
i) Profit / (loss) after taxation	(2,228)
j) Proposed dividend (includes dividend distribution tax)	-
Extent of shareholding (%)	100%

@includes Other Income

PART " B" : ASSOCIATES AND JOINT VENTURES

The Company doesn't have any associate and joint venture.

For and on behalf of the Board of Directors of Digicontent Limited

Vikas Prakash
Company Secretary

Anup Sharma
Chief Financial Officer

Abhesh Verma
Chief Executive Officer

Dinesh Mittal
Director
(DIN: 00105769)

Praveen Someshwar
Director
(DIN:01802656)

Place: New Delhi
Date: May 6, 2020

Notes

HTDS DIGITAL NEWS PLATFORMS
GROW EXPONENTIALLY!

MARCH '20

53 Mn.
UNIQUE USERS

796 Mn.
PAGE VIEWS

MARCH '20

58 Mn.
UNIQUE USERS

278 Mn.
PAGE VIEWS

MARCH '20

68 Mn.
UNIQUE USERS

527 Mn.
PAGE VIEWS

Source: Comscore, March 2020

DIGICONTENT LIMITED

Hindustan Times House,
18-20 (2nd floor), Kasturba Gandhi Marg
New Delhi-110001.
Email: investor@digicontent.co.in
Website: www.digicontent.co.in

a K&A creation | www.kalolwala.co.in

N. C. KHANNA
Company Secretaries

21 C/GH-10, Paschim Vihar,
New Delhi-110087
Tel.: 45636486
Mobile : 8368437118
E-mail : nckhanna12@gmail.com

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31/03/2020

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
HT DIGITAL STREAMS LIMITED
CIN :- U74900BR2015PLC025243
Budh Marg, P.S.- Kotwali
Patna BR 800001 IN

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by HT DIGITAL STREAMS LIMITED (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me/us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon. Based on my/our verification of the HT DIGITAL STREAMS LIMITED books, papers, minute books (on virtual basis), forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit. We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2020, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made herein after:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by HT DIGITAL STREAMS LIMITED ("The Company") for the financial year ended on 31st March, 2020, according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made there under;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws Framed there under;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial borrowings.#

N.C. KHANNA COMPANY SECRETARIES NEW DELHI CP No. 5143

---- 2/

The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-*

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

(d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

(vi) Other laws applicable specifically to the Company namely:-

(a) Information Technology Act, 2000 and the rules made thereunder;

We have also examined compliance with the applicable clauses of the following:

(i) Secretarial Standards issued by The Institute of Company Secretaries of India.

(ii) The Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015; *

**[Not Applicable as the Company is not Listed Entity during the financial year under review];*
#[No Transaction held during the financial year under review]

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

----/3

N.C. KHANNA COMPANY SECRETARIES NEW DELHI CP No. 5143

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period:-

(i) The Company passed the resolution to borrow money(ies) by way of Inter Corporate Deposits in one or more tranches from Digicontent Limited (Holding Company) upto an aggregate amount of Rs. 25 Crore.

(ii) M/s *B S R and Associates, Chartered Accountants, [Firm Registration No. 128901W] were appointed as Statutory Auditors of the Company w.e.f. July 12, 2019, to fill the casual vacancy arising out of resignation of M/s Price Waterhouse & Co Chartered Accountants LLP [Firm Registration No. 304026E/E-300009]*

For N C Khanna Company Secretaries

Place: New Delhi
Date: 05/05/2020

N.C. KHANNA COMPANY SECRETARIES NEW DELHI CP No. 5143

N C Khanna
Properitor
FCS No. 4268
CP No.5143
UDIN: F004268B000203258

This Report is to be read with our letter of even date which is annexed as Annexure A to this Report and forms an integral part of this Report.

N. C. KHANNA
Company Secretaries

21 C/GH-10, Paschim Vihar,
New Delhi-110087
Tel.: 45636486
Mobile : 8368437118
E-mail : nckhanna12@gmail.com

Annex A

To,
The Members,
HT DIGITAL STREAMS LIMITED
CIN :- U74900BR2015PLC025243
Budh Marg, P.S.- Kotwali
Patna BR 800001 IN

Our Secretarial Audit Report of even date, for the financial year ended 31st March 2020 is to be read along with this letter.

Management's Responsibility

1. It is the responsibility of the management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

Auditor's Responsibility

2. Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.

3. We believe that audit evidence and information obtained from the Company's management is adequate and appropriate for us to provide a basis for our opinion.

4. Wherever required, we have obtained the management's representation about the compliance of laws, rules and regulations and happening of events etc.

Disclaimer

5. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

6. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.

For N C Khanna Company Secretaries

Place: New Delhi
Date: 05/05/2020

N.C. KHANNA COMPANY SECRETARIES NEW DELHI CP No. 5143

N C Khanna
Properitor
FCS No. 4268
CP No.5143
UDIN: F004268B000203258

NEXT MEDIAWORKS LIMITED

Regd Office: Unit 701 A, 7th Floor, Tower-2, Indiabulls Finance Centre, Senapati Bapat Marg, Elphinstone Road, Mumbai – 400 013
Email ID : cs@nextmediaworks.com Website : www.nextmediaworks.com
CIN: L22100MH1981PLC024052 Tel No: 022-44104104

Statement of unaudited standalone financial results for the three months and six months ended September 30, 2020

(INR in Lakhs except per share data)

Sr. No.	Particulars	Standalone					
		Three months Ended			Six months ended		Year Ended
		September 30, 2020	June 30, 2020	September 30, 2019	September 30, 2020	September 30, 2019	March 31, 2020
		(Unaudited)	(Unaudited) (Revised) (Refer note 5)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited) (Revised) (Refer note 5)
1	**Income**						
	a) Revenue from operations	-	-	-	-	-	-
	b) Other income	17.94	7.54	190.85	25.48	208.31	229.47
	Total income	**17.94**	**7.54**	**190.85**	**25.48**	**208.31**	**229.47**
2	**Expenses**						
	(a) Employee benefit expenses	7.66	6.98	0.10	14.64	25.60	44.13
	(b) Finance costs	34.39	34.07	54.11	68.46	91.96	138.94
	(c) Other expenses	23.75	11.99	23.71	35.74	71.18	122.60
	Total expenses	**65.80**	**53.04**	**77.92**	**118.84**	**188.74**	**305.67**
3	**(Loss) / Profit before exceptional items and tax (1-2)**	**(47.86)**	**(45.50)**	**112.93**	**(93.36)**	**19.57**	**(76.20)**
4	**(Loss) / Profit before finance costs (EBITDA) and exceptional items (3+2b)**	**(13.47)**	**(11.43)**	**167.04**	**(24.90)**	**111.53**	**62.74**
5	Exceptional items (loss)	-	-	-			(2,018.00)
6	**(Loss) / Profit before tax (3+5)**	**(47.86)**	**(45.50)**	**112.93**	**(93.36)**	**19.57**	**(2,094.20)**
7	**Tax expense**						
	Current Tax	-	-	-	-	-	-
	Deferred Tax	-	-	-	-	-	-
	Total tax expense	-	-	-	-	-	-
8	**Net (loss) / Profit after tax for the period (6-7)**	**(47.86)**	**(45.50)**	**112.93**	**(93.36)**	**19.57**	**(2,094.20)**
9	**Other Comprehensive Income (OCI) net of taxes**						
	Items that will not to be reclassified subsequently to profit or loss						
	Remeasurement of defined benefit plans	(0.45)	0.41	0.55	(0.05)	0.55	1.63
10	**Total Comprehensive income/(loss) for the period (8+9)**	**(48.31)**	**(45.09)**	**113.48**	**(93.41)**	**20.12**	**(2,092.57)**
11	Paid up equity share capital (Face value INR 10 per share)	6,689.29	6,689.29	6,689.29	6,689.29	6,689.29	6,689.29
12	Other equity excluding Revaluation Reserves as per audited balance sheet						(6,129.48)
13	**(Loss) / earnings Per Share (of INR 10 each)**	Not Annualised	Not Annualised	Not Annualised	Not Annualised	Not Annualised	
	Basic and Diluted	(0.07)	(0.07)	0.17	(0.14)	0.03	(3.13)

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Notes:

1 The above un-audited standalone financial results for the quarter and six months ended September 30, 2020 were reviewed and recommended by the Audit Committee and approved by the Board of Directors at their respective meetings held on November 27, 2020. The Statutory Auditors of Next Mediaworks Limited ('the Company') have conducted "Limited Review" of these results in terms of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI (LODR)') as amended and have issued an unmodified review opinion.

2 The standalone financial results have been prepared in accordance with the Indian Accounting Standards ('Ind-AS') prescribed under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules as amended from time to time.

3 Considering the nature of operations, the Company has concluded that there is only one operating segment as per Ind AS 108 "Operating Segments". Accordingly, no separate disclosure of segment information has been made.

4 Management has been continuously evaluating the possible effects that may result from the pandemic relating to COVID-19 on the operations and financial results of the Company for the quarter and six months ended September 30, 2020. The Company has considered and taken into account internal and external information and has performed sensitivity analysis based on current estimates in assessing the recoverability of financial and non financial assets. Given the uncertainties associated with nature, condition and duration of COVID-19, the impact assessment on the Company's financial information will be continuously made and provided for as required.

5 HT Media Limited (Holding Company), received a whistleblower complaint ("WB Complaint") in August 2020 from a named employee of the radio business on his last working day. The WB Complaint alleged anomalies resulting in deficiencies in certain financial reporting processes of the radio business of the Company's Subsidiary i.e. Next Radio Limited. The Holding Company, in accordance with its whistleblower policy, and as confirmed by respective Audit Committees appointed an independent law firm which worked closely with two independent accounting firms for an in-depth comprehensive review. The said investigation brought out practices indicating the following deficiencies and lapses during financial years 2019-20 and 2020-21:

a. Practice of pre-billing (i.e. billing and booking revenue for services yet to be consumed/ delivered) resulting in reporting of higher revenue in financial statements. Such billing remained unconsumed/ undelivered.
b. Potential manipulation of debtor ageing by issuance of inappropriate credit notes and additional invoices to avoid higher provisioning for bad debts.
c. Circulating improper balance confirmation requests (by including invoices without delivery/ requests for advertisement) to customers (with such balances either remaining unconfirmed or disputed) resulting in reporting higher revenue.
d. Potentially improper credit approvals including forced/ credit approval under protest at the instructions of senior management of the Radio business.

Further, based on a very detailed investigation performed, the investigating team and the management concluded that the above mentioned findings were confined to a stream of revenue ('pure money') of radio business of the above mentioned subsidiary only and were not pervasive across other financial statement captions. The said investigation did not reveal existence of any personal profiteering or siphoning of funds or embezzlement or misappropriation of funds.
The final findings of the investigation have been presented to the Audit Committees and Board of Directors of the Company and the Holding Company, including multiple status update briefings in the interim. The Audit Committees have considered the report. The management has also placed before the Audit Committees an action plan for (a) strengthening internal financial controls and systems; (b) centralizing the revenue assurance function; (c) a plan for integration of IT systems used in the radio business; and (d) recommendations from Chief HR Officer to bring about changes in HR policies and practices with emphasis on adoption of better ethical codes and practices. The Audit Committees have also made their recommendations for action against the employees involved in the wrongdoings to the respective Board of Directors for their consideration. The Board of Directors have considered and accepted the said investigation report and are in the process of taking appropriate steps in the best interest of the Company and its various stakeholders.
As an outcome of said investigation, management has revised the comparative information as disclosed in the standalone financial results.
The Company has made an assessment of and believes that it has provided for the financial impact arising from the this matter including non-compliances with laws and regulations, to the extent identified and believes that the additional financial impact, if any, arising from adjustments due to instances other than those identified is not expected to be material.
These deficiencies, along with their consequential impact, have led to identification that the Company needs to further strengthen its internal control environment, in order to minimize the instances of overriding of certain internal controls by senior management officials. The Company is taking necessary action to address these material weaknesses including tightening of internal controls.
The findings of the investigation have direct (as quantified in the investigation report) and consequential impact on certain other financial statement captions.

6 The certificate of CEO and CFO pursuant to Regulation 33 of SEBI (LODR), in respect of the above results has been placed before the Board of Directors.

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7 **Standalone Balance sheet as at**

(INR in Lakhs)

		As at September 30, 2020	As at March 31, 2020
		(Unaudited)	(Audited) (Revised) (Refer note 5)
I	**ASSETS**		
1)	**Non current assets**		
	a) Investment in subsidiary	2,174.07	2,174.07
	b) Income tax assets	151.95	151.87
	c) Other non-current assets	-	-
	Total Non-current assets	**2,326.02**	**2,325.94**
2)	**Current assets**		
	a) Financial assets		
	i) Investments	-	56.69
	ii) Trade receivables	28.65	28.65
	ii) Cash and cash equivalents	47.90	39.18
	iii) Loans	0.27	0.13
	b) Other current assets	14.86	9.25
	Total current assets	**91.68**	**133.90**
	TOTAL ASSETS	**2,417.70**	**2,459.84**
II	**EQUITY AND LIABILITIES**		
1)	**Equity**		
	a) Equity share capital	6,689.29	6,689.29
	b) Other equity	(6,129.48)	(6,036.09)
	Total equity	**559.81**	**653.20**
2)	**Liabilities**		
	Non-current liabilities		
	a) Financial Liabilities		
	i) Borrowings	1,271.30	1,227.29
	ii) Other financial liabilities	525.86	462.67
	b) Provisions	3.50	3.00
	Total non-current liabilities	**1,800.66**	**1,692.96**
	Current liabilities		
	a) Financial liabilities		
	i) Borrowings	-	25.00
	ii) Trade payables		
	(a)Total outstanding dues of micro enterprises and small enterprises		-
	(b)Total outstanding dues of creditors other than of micro enterprises and small enterprises	57.14	36.66
	iii) Other financial liabilities	-	49.17
	b) Provisions	0.07	0.09
	c) Other current liabilities	0.02	2.76
	Total current liabilities	**57.23**	**113.68**
	Total liabilities	**1,857.89**	**1,806.64**
	TOTAL EQUITY AND LIABILITIES	**2,417.70**	**2,459.84**

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8 **Standalone Cash Flow Statement for the period ended September 30, 2020 is given below :**

(INR In Lakhs)

Particulars	September 30, 2020 (Unaudited)	September 30, 2019 (Unaudited) (Revised) (Refer note 5)
Cash flows from operating activities:		
(Loss)/Profit before tax	**(93.37)**	**19.57**
Adjustments for :		
Interest cost on borrowings	68.46	91.96
Finance income from financial guarantee	(23.21)	(22.19)
Net gain on sale of property, plant and equipment		(179.58)
Liabilities no longer required written back	(1.47)	
Dividend Income	(0.80)	(1.27)
Cash flows from operating activities before changes in operation assets and liabilites	**(50.39)**	**(91.51)**
Changes in operating assets and liabilities:		
(Increase) in trade and other receivables	-	(21.94)
(Increase)/Decrease in Current and Non Current Financial Assets and Other Current and Non Current Assets	(5.61)	10.57
Increase/(Decrease) in trade payables, other current and non-current financial liabilities and current and non-current provisions	17.33	(6.12)
Cash generated from operations	**(38.67)**	**(109.00)**
Income tax paid	(0.09)	(2.00)
Net cash flows used in operating activities (A)	**(38.76)**	**(111.00)**
Cash flows from investing activities:		
Proceeds from sale of Investment properties	-	200.00
Proceeds from Sale of Investment	56.69	-
Net cash flows generated from investing activities (B)	**56.69**	**200.00**
Cash flows from financing activities:		
Proceeds from borrowings	19.02	755.47
Repayment of borrowings	-	(775.00)
Interest paid	(28.24)	(38.20)
Net cash flows used in financing activities (C)	**(9.21)**	**(57.73)**
Net increase/ (decrease) in cash and cash equivalents (D= A+B+C)	8.72	31.27
Cash and cash equivalents at the beginning of the period (E)	39.18	0.60
Cash and cash equivalents at period end (D+E)	**47.90**	**31.87**

Particulars	September 30, 2020 (Unaudited)	March 31, 2020 (Audited)
Components of cash & cash equivalents as at end of the period		
Balances with banks		
-in current accounts	47.90	31.87
Cash on hand*		-
Cash and cash equivalents as per Cash flow Statement	**47.90**	**31.87**

* represents value less than INR 1000

For and on behalf of the Board of Directors

Dinesh Mittal
Director
DIN : 00105769

Place: New Delhi
Date: November 27, 2020

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B S R and Associates

Chartered Accountants

Building No. 10, 12th Floor, Tower-B DLF Cyber City, Phase - II
Gurugram - 122 002, India

Telephone: +91 124 719 1000
Fax: +91 124 235 8613

To
Board of Directors of Next Mediaworks Limited

1. We have reviewed the accompanying statement of unaudited standalone financial results of Next Mediaworks Limited ('the Company') for the quarter ended 30 September 2020 and year to date results for the period from 1 April 2020 to 30 September 2020 ("the Statement").

2. This Statement, which is the responsibility of the Company's management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "*Interim Financial Reporting*" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India and in compliance with Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('Listing Regulations'). Our responsibility is to issue a report on the Statement based on our review.

3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "*Review of Interim Financial Information Performed by the Independent Auditor of the Entity*" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with applicable accounting standards and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of the Listing Regulations including the manner in which it is to be disclosed, or that it contains any material misstatement.

5. As mentioned in note 5 to the standalone financial results, during the quarter ended 30 September 2020 and year to date results for the period from 1 April 2020 to 30 September 2020, pursuant to a whistleblower complaint, an investigation was conducted, which brought out certain deficiencies in the Radio business and instances of reporting higher revenue, incorrect debtors, contract liabilities and trade payables in the Company's subsidiary, Next Radio Limited ('NRL'), which has consequently resulted in the impairment of the Company's investment in NRL. Accordingly, the Company has recognised relevant adjustments in the comparative period as disclosed in these standalone financial results. Further, the revised periods as reported in the Statement have also considered the impact of adjusting events occurring after the reporting period, which are significantly impacted by present economic and market conditions including COVID-19.

Our conclusion on the Statement is not modified in respect of the above matter.

For **B S R and Associates**
Chartered Accountants
Firm's Registration No.: 128901W

Rajesh Arora
Partner
Membership No. 07624
UDIN : 20076124AAAAEG6167

Place: Gurugram
Date: 27 November 2020

NEXT MEDIAWORKS LIMITED

Regd Office: Unit 701 A, 7th Floor, Tower-2, Indiabulls Finance Centre, Senapati Bapat Marg, Elphinstone Road, Mumbai – 400 013
Email ID : cs@nextmediaworks.com Website : www.nextmediaworks.com
CIN: L22100MH1981PLC024052 Tel No: 022-44104104

Statement of unaudited consolidated financial results for the three months and six months ended September 30, 2020

(INR in Lakhs except per share data)

Sr. No.	Particulars	Consolidated					
		Three months Ended			Six months ended		Year Ended
		September 30, 2020	June 30, 2020	September 30, 2019	September 30, 2020	September 30, 2019	March 31, 2020
		(Unaudited)	(Unaudited) (Revised) (Refer note 5)	(Unaudited) (Revised) (Refer note 5)	(Unaudited)	(Unaudited) (Revised) (Refer note 5)	(Audited) (Revised) (Refer note 5)
1	**Income**						
	a) Revenue from operations	414.16	204.70	1,485.31	618.86	2,727.89	5,188.59
	b) Other income	39.77	82.66	201.23	122.43	222.84	648.84
	Total income	**453.93**	**287.36**	**1,686.54**	**741.29**	**2,950.73**	**5,837.43**
2	**Expenses**						
	a) Radio license fees	347.43	347.48	352.22	694.91	704.58	1,392.97
	b) Employee benefit expenses	249.12	344.84	524.15	593.97	1,102.73	1,848.25
	c) Finance costs	310.35	278.32	282.02	588.67	503.16	1,075.32
	d) Depreciation and amortisation expense	239.26	239.25	319.50	478.51	632.61	1,261.35
	e) Other expenses	416.95	360.60	632.38	777.55	1,109.67	2,408.95
	Total Expenses	**1,563.11**	**1,570.49**	**2,110.27**	**3,133.61**	**4,052.75**	**7,986.84**
3	**Loss before exceptional items and tax (1-2)**	**(1,109.18)**	**(1,283.13)**	**(423.73)**	**(2,392.32)**	**(1,102.02)**	**(2,149.41)**
4	**(Loss) / Profit before finance cost, depreciation and amortisation expenses (EBITDA) and exceptional items (3+2c+2d)**	**(559.57)**	**(765.56)**	**177.79**	**(1,325.14)**	**33.75**	**187.26**
5	Exceptional Items (loss)	-	-	-			(2,996.00)
6	**Loss before tax (3+5)**	**(1,109.18)**	**(1,283.13)**	**(423.73)**	**(2,392.32)**	**(1,102.02)**	**(5,145.41)**
7	**Tax expense**						
	Current Tax	-	-	2.81	-	2.81	1.50
	Adjustment of current tax relating to earlier periods	-	-	-	-	-	2.56
	Deferred Tax	-	-	-	-	-	-
	Total tax expense	-	-	**2.81**	-	**2.81**	**4.06**
8	**Loss after tax for the period (6-7)**	**(1,109.18)**	**(1,283.13)**	**(426.54)**	**(2,392.32)**	**(1,104.83)**	**(5,149.47)**
	a) Attributable to owners of the equity	(600.70)	(685.00)	(227.85)	(1,285.70)	(627.58)	(2,703.07)
	b) Non- Controlling Interest	(508.48)	(598.13)	(198.70)	(1,106.62)	(477.25)	(2,446.41)
9	**Other Comprehensive Income (OCI) net of taxes**						
	Items that will not to be reclassified subsequently to profit or loss						
	(a) Remeasurement of defined benefit plans	**18.06**	**(5.74)**	**2.67**	**12.33**	**2.67**	**(22.96)**
	i) Attributable to owners of the equity	9.09	(2.75)	1.64	6.34	1.64	(11.01)
	ii) Non- Controlling Interest	8.98	(2.99)	1.03	5.99	1.03	(11.95)
10	**Total Comprehensive loss for the period (8+9)**	**(1,091.11)**	**(1,288.87)**	**(423.87)**	**(2,379.99)**	**(1,102.16)**	**(5,172.43)**
	a) Attributable to owners of the equity	(591.61)	(687.75)	(226.21)	(1,279.36)	(625.94)	(2,714.07)
	b) Non- Controlling Interest	(499.50)	(601.12)	(197.67)	(1,100.63)	(476.22)	(2,458.36)
11	**Paid up Equity Share Capital (Face value INR 10 per share)**	6,689.29	6,689.29	6,689.29	6,689.29	6,689.29	6,689.29
12	Other equity excluding Revaluation Reserve as per audited balance sheet						(8,001.65)
		Not Annualised	Not Annualised	Not Annualised	Not Annualised	Not Annualised	
13	**Loss Per Share (of INR 10 each)**						
	Basic and Diluted	(0.90)	(1.02)	(0.34)	(1.92)	(0.94)	(4.04)

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Notes:

1 Financial results of the following subsidiaries have been consolidated with the financial results of Next Media Works Limited ("the Company"), hereinafter referrred to as "The Group":

Next Radio Limited
Syngience Broadcast Ahmedabad Limited

2 The above un-audited consolidated financial results for the quarter and six months ended September 30, 2020 were reviewed and recommended by the Audit Committee and were approved by the Board of Directors at their respective meetings held on November 27, 2020. The Statutory Auditors of the Company have conducted "Limited Review" of these results in terms of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, "SEBI (LODR)" as amended and have issued an unmodified review opinion.

3 The consolidated financial results have been prepared in accordance with the Indian Accounting Standards ('Ind-AS') prescribed under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules as amended from time to time.

4 The Group is engaged mainly into the business of radio broadcast and entertainment and there are no other reportable segments as per Ind AS 108 on Operating Segments.

5 HT Media Limited (Holding Company), received a whistleblower complaint ("WB Complaint") in August 2020 from a named employee of the radio business on his last working day. The WB Complaint alleged anomalies resulting in deficiencies in certain financial reporting processes of the radio business of the Group. The Holding Company, in accordance with its whistleblower policy, and as confirmed by respective Audit Committees appointed an independent law firm which worked closely with two independent accounting firms for an in-depth comprehensive review. The said investigation brought out practices indicating the following deficiencies and lapses during financial years 2019-20 and 2020-21:

a. Practice of pre-billing (i.e. billing and booking revenue for services yet to be consumed/ delivered) resulting in reporting of higher revenue in financial statements. Such billing remained unconsumed/ undelivered.
b. Potential manipulation of debtor ageing by issuance of inappropriate credit notes and additional invoices to avoid higher provisioning for bad debts.
c. Circulating improper balance confirmation requests (by including invoices without delivery/ requests for advertisement) to customers (with such balances either remaining unconfirmed or disputed) resulting in reporting higher revenue.
d. Potentially improper credit approvals including forced/ credit approval under protest at the instructions of senior management of the Radio business.

Further, based on a very detailed investigation performed, the investigating team and the management concluded that the above mentioned findings were confined to a stream of revenue ('pure money') of radio business of the above mentioned subsidiary only and were not pervasive across other financial statement captions. The said investigation did not reveal existence of any personal profiteering or siphoning of funds or embezzlement or misappropriation of funds.
The final findings of the investigation have been presented to the Audit Committees and Board of Directors of the Company and the Holding Company, including multiple status update briefings in the interim. The Audit Committees have considered the report. The management has also placed before the Audit Committees an action plan for (a) strengthening internal financial controls and systems; (b) centralizing the revenue assurance function; (c) a plan for integration of IT systems used in the radio business; and (d) recommendations from Chief HR Officer to bring about changes in HR policies and practices with emphasis on adoption of better ethical codes and practices. The Audit Committees have also made their recommendations for action against the employees involved in the wrongdoings to the respective Board of Directors for their consideration. The Board of Directors have considered and accepted the said investigation report and are in the process of taking appropriate steps in the best interest of the Group and its various stakeholders.
As an outcome of said investigation, management has revised the comparative information as disclosed in the consolidated financial results.
The Group has made an assessment of and believes that it has provided for the financial impact arising from the this matter including non-compliances with laws and regulations, to the extent identified and believes that the additional financial impact, if any, arising from adjustments due to instances other than those identified is not expected to be material.
These deficiencies, along with their consequential impact, have led to identification that the Group needs to further strengthen its internal control environment, in order to minimize the instances of overriding of certain internal controls by senior management officials. The Group is taking necessary action to address these material weaknesses including tightening of internal controls.
The findings of the investigation have direct (as quantified in the investigation report) and consequential impact on certain other financial statement captions.

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6 The Group has incurred losses in current and previous period which has resulted in complete erosion of the net worth of the Group as at September 30, 2020. Further, the Group's current liabilities exceed its current assets as at September 30, 2020. The Group has obtained a letter of support from the Parent Company in order to meet the shortfall in its fund requirements over banks and other borrowings, to meet out the operations which are in progress and other liabilities including loans from other group companies, as they become due. Further, the Group believes that obligations falling due beyond one year from the reporting date can also be met from various internal and external sources, in the ordinary course of business. In view of the above, the use of going concern assumption has been considered appropriate in preparation of these consolidated financial statements

7 The standalone financial results of the Company for the quarter and six month ended September 30, 2020 have been filed with BSE and NSE and are also available on Company's website "www.nextmediaworks.com". The key standalone financial information for the quarter and six months ended September 30, 2020 are as under:

(INR in Lakhs)

Particulars	Standalone					
	Three months ended			Six months ended		Year Ended
	September 30, 2020	June 30, 2020	September 30, 2019	September 30, 2020	September 30, 2019	March 31, 2020
	(Unaudited)	(Unaudited) (Revised) (Refer note 5)	(Unaudited) (Revised) (Refer note 5)	(Unaudited)	(Unaudited) (Revised) (Refer note 5)	(Audited) (Revised) (Refer note 5)
Revenue from Operations	-	-	-	-	-	-
Profit / (loss) Before Tax	(47.86)	(45.50)	112.93	(93.36)	19.57	(2,094.20)
Profit / (loss) After Tax	(47.86)	(45.50)	112.93	(93.36)	19.57	(2,094.20)
Total Comprehensive Income / (loss)	(48.31)	(45.09)	113.48	(93.41)	20.12	(2,092.57)

8 Management has been continuously evaluating the possible effects that may result from the pandemic relating to COVID-19 on the operations and financial results of the Group for the quarter and six month ended September 30, 2020. The Group has considered and taken into account internal and external information and has performed sensitivity analysis based on current estimates in assessing the recoverability of financial and non financial assets. Given the uncertainties associated with nature, condition and duration of COVID-19, the impact assessment on the Group's financial information will be continuously made and provided for as required.

9 The subsidiary companies viz. Syngience Broadcast Ahmedabad Limited (SBAL) and Next Radio Limited (NRL) filed a joint application before Hon'ble National Company Law Tribunal, Mumbai Bench (NCLT) on 21st May, 2020 for recall of NCLT's earlier order dated October 5, 2017 sanctioning the Scheme of Arrangement between NRL & SBAL and their respective shareholders & creditors (Scheme) for transfer of Ahmedabad FM Radio Broadcasting business of NRL into SBAL; and reverse all actions that may have been taken on the basis of said NCLT's order including any corporate actions, changes to issued capital, filing with any regulatory authority etc. The said joint application was filed as NRL did not receive approval of Ministry of Information & Broadcasting (MIB) for transfer of Ahmedabad FM Radio license from NRL to SBAL pursuant to the Scheme, as a result of which the Scheme did not come into effect. The application was allowed by NCLT vide order passed on September 22, 2020. Accordingly, the allotment of 1,82,10,000 equity shares of Rs. 10/- each by SBAL to NRL on November 27, 2017 pursuant to the Scheme was void ab-initio, and the paid-up share capital of SBAL was reduced to Rs. 1,55,00,000 comprising of 15,50,000 equity shares of Rs. 10 each. The same has also been updated on MCA portal on November 6, 2020. Impact of the NCLT order has been considered in September 2020 results, being an adjusting event under the relevant Accounting Standards

10 The certificate of CEO and CFO pursuant to Regulation 33 of SEBI (LODR), in respect of the above results has been placed before the Board of Directors.

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11 **Consolidated Balance sheet**

(INR in Lakhs)

	Particulars	As at September 30, 2020 (Unaudited)	As at March 31, 2020 (Audited) (Revised) (Refer note 5)
I	**ASSETS**		
1)	**Non current assets**		
	a) Property, plant and equipment	396.83	456.55
	b) Capital work in progress	0.88	-
	c) Right-of- use assets	2,033.24	2,138.46
	d) Intangible assets	5,899.27	6,213.31
	e) Financial assets		
	i) Investments	-	-
	ii) Loans	141.95	136.27
	iii) Other financial assets	46.75	125.26
	f) Income tax assets (net)	416.57	484.97
	g) Other non-current assets	1.48	3.18
	Total Non-current assets	**8,936.97**	**9,558.00**
2)	**Current assets**		
	a) Financial assets		
	i) Investments	-	56.69
	ii) Trade receivables	533.68	1,458.41
	iii) Cash and cash equivalents	96.13	152.60
	iv) Bank balances other than (iii) above	48.37	46.23
	v) Loans	0.27	1.03
	vi) Other financial assets	38.80	177.82
	b) Contact Assets	13.63	-
	c) Other current assets	293.89	264.90
	Total current assets	**1,024.77**	**2,157.68**
	TOTAL ASSETS	**9,961.74**	**11,715.68**
II	**EQUITY AND LIABILITIES**		
1)	**Equity**		
	a) Equity share capital	6,689.29	6,689.29
	b) Other equity	(9,281.06)	(8,001.65)
	Equity atributable to equity holders of parent company	**(2,591.77)**	**(1,312.36)**
	c) Non controlling interest	(924.90)	175.71
	Total equity	**(3,516.67)**	**(1,136.65)**
2)	**Liabilities**		
	Non-current liabilities		
	a) Financial liabilities		
	i) Borrowings	8,750.00	6,863.71
	ii) Lease liabilities	1,756.22	1,816.75
	iii) Other financial liabilities	702.57	339.49
	b) Provisions	81.61	106.27
	Total non-current liabilities	**11,290.40**	**9,126.22**
	Current liabilities		
	a) Financial liabilities		
	i) Borrowings	-	575.47
	ii) Lease liabilities	379.59	288.51
	iii) Trade payables		
	(a)Total outstanding dues of micro enterprises and small enterprises	-	-
	(b)Total outstanding dues of creditors other than of micro enterprises and small enterprises	1,311.34	634.65
	iv) Other financial liabilities	337.41	2,063.82
	b) Contract liabilities	116.69	61.05
	c) Provisions	2.75	0.72
	d) Other current liabilities	40.23	101.89
	Total current liabilities	**2,188.01**	**3,726.11**
	Total liabilities	**13,478.41**	**12,852.33**
	TOTAL EQUITY AND LIABILITIES	**9,961.74**	**11,715.68**

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12. Consolidated Cash Flow Statement for the period ended September 30, 2020 is given below :

(INR in Lakhs)

Particulars	September 30, 2020 (Unaudited)	September 30, 2019 (Unaudited) (Revised) (Refer note 5)
Cash flows from operating activities:		
Loss before tax	**(2,392.32)**	**(1,102.02)**
Adjustments for :		
Depreciation and amortisation	478.51	632.61
Allowances for doubtful debts (Including write offs)	145.11	26.10
Finance costs	567.76	503.16
Gain on lease termination	(11.00)	
Interest income on bank deposit	(11.78)	(18.38)
Unwinding income	(4.77)	
Loss / (Profit) on property, plant and equipment sold/discarded (Net)	12.31	(142.04)
Dividend Income in investments designated at FVTPL	(0.80)	(1.27)
Liabilities no longer required written back	(12.33)	-
Cash flows from operating activities before changes in operating assets and liabilities	**(1,229.31)**	**(101.84)**
Changes in operating assets and liabilities:		
Decrease in trade and other receivables	779.61	722.47
(Increase) in Contract Assets	(13.63)	-
Decrease in Current and Non Current Financial Assets and Other Current and Non Current Assets	188.77	428.18
Increase/(Decrease) in trade payables, other current and non-current financial liabilities and current and non-current provisions	548.72	(2,204.19)
Increase/(Decrease) in contract liabilities	55.64	(639.71)
Cash generated from / (used in) operations	**329.80**	**(1,795.09)**
Income taxes (paid)/ refund	68.40	(13.62)
Net cash generated from / (used in) operating activities (A)	**398.20**	**(1,808.71)**
Cash flows from investing activities:		
Purchase of property, plant and equipment	(1.00)	(215.94)
Sale of property, plant and equipment	4.56	209.13
Proceeds from Sale of Investment	56.69	
Deposits matured (Net)	2.14	-
Interest received	11.17	18.38
Net cash from investing activities (B)	**73.57**	**11.57**
Cash flows from financing activities:		
Proceeds from borrowings	(3,016.58)	5,264.08
Repayment of borrowings	2,700.00	(2,657.53)
Repayment of lease liability	(234.66)	(416.70)
Interest paid	23.00	(148.06)
Net cash flows from / (used in) financing activities (C)	**(528.24)**	**2,041.79**
Net increase/ (decrease) in cash and cash equivalents (D= A+B+C)	(56.47)	244.65
Cash and cash equivalents at the beginning of the period (E)	152.60	151.63
Cash and cash equivalents at period end (D+E)	**96.13**	**396.28**

Particulars	September 30, 2020 (Unaudited)	September 30, 2019 (Unaudited) (Revised) (Refer note 5)
Components of cash & cash equivalents as at end of the period		
Balances with banks		
-in current accounts	95.81	396.26
Cheques in hand	0.32	-
Cash on hand	-	0.02
Cash and cash equivalents as per Cash Flow Statement	**96.13**	**396.28**

For and on behalf of the Board of Directors

Dinesh Mittal
Director
DIN: 00105769

Place: New Delhi
Date: November 27, 2020

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B S R and Associates

Chartered Accountants

Building No. 10, 12th Floor, Tower-B DLF Cyber City, Phase - II
Gurugram - 122 002, India

Telephone: +91 124 719 1000
Fax: +91 124 235 8613

To

Board of Directors of Next Mediaworks Limited

1. We have reviewed the accompanying statement of unaudited consolidated financial results of Next Mediaworks Limited ("the Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group") for the quarter ended 30 September 2020 and year to date results for the period from 1 April 2020 to 30 September 2020 ("the Statement"), being submitted by the Parent pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('Listing Regulations').

2. This Statement, which is the responsibility of the Parent's management and approved by the Parent's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "*Interim Financial Reporting*" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. Our responsibility is to issue a report on the Statement based on our review.

3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "*Review of Interim Financial Information Performed by the Independent Auditor of the Entity*", issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

   We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33 (8) of the Listing Regulations, to the extent applicable.

4. The Statement includes the results of the following entities:

   Parent Company:

   Next Mediaworks Limited

   Subsidiaries:

   i. Next Radio Limited

   ii. Syngience Broadcast Ahmedabad Limited

5. As mentioned in note 5 to the consolidated financial results, during the quarter ended 30 September 2020, pursuant to a whistleblower complaint, an investigation was conducted, which brought out certain deficiencies in the Radio business and instances of reporting higher revenue, incorrect debtors, contract liabilities with consequential impact on provision for doubtful debts and taxes etc. relating to a significant stream of revenue of the radio business in the subsidiary company, NRL. Consequently, the Company has recognised the adjustments in the consolidated financial results for the quarter ended 30 September 2020 and comparative periods to give effect to the outcome of the investigation. These deficiencies have consequential impact on other financial statement items. Further, the revised periods as reported in the Statement have also considered the impact of adjusting events occurring after the reporting period, which are significantly impacted by present economic and market conditions including COVID-19.

   Our conclusion on the Statement is not modified in respect of the above matter.

6. The Statement includes the interim financial information of one subsidiary which has not been reviewed/audited, whose interim financial statements reflect total assets *(before consolidation adjustments)* of Rs 191.01 lakhs as at 30 September 2020; total revenue *(before consolidation adjustments)* of Rs. 4.16 lakhs and Rs. 8.27 lakhs, total net profit after tax *(before consolidation adjustments)* of Rs. 2.95 lakhs and Rs. 6.32 lakhs and total comprehensive income *(before consolidation adjustments)* of Rs. 2.95 lakhs and Rs. 6.32 lakhs for the quarter ended 30 September 2020 and for the period from 1 April 2020 to 30 September 2020, respectively, and cash flows (net) of Rs. (0.36) lakhs for the period from 1 April 2020 to 30 September 2020, as considered in the Statement. According to the information and explanations given to us by the management, this interim financial information is not material to the Group.

   Our conclusion on the Statement is not modified in respect of the above matter.

For **B S R and Associates**
Chartered Accountants
Firm's Registration No.: 128901W

Rajesh Arora
Partner
Membership No. 076124
UDIN: 20076124AAAAEH9728

Place: Gurugram
Date: 27 November 2020

NEXT MEDIAWORKS LIMITED

Ref: NMW/CS/03/2020 6th December, 2020

National Stock Exchange of India Limited
Exchange Plaza, C-1
Block G. Bandra Kurla Complex, Bandra East
Mumbai- 400051

BSE Limited
25th Floor, P J Towers
Dalal Street
Mumbai - 400001

Trading Symbol: NEXTMEDIA

Security Code: 532416

Dear Sirs,

Sub: Notice of Annual General Meeting (AGM) and Annual Report for FY-20

This is to inform you that 39th AGM of the Company will be held on Tuesday, 29th December, 2020 at 11:00 A.M. (IST) through Video Conferencing/ Other Audio Visual Means.

In the above connection, please find enclosed the following:

(i) Notice convening 39th AGM ('**Annexure-A**'); and
(ii) Annual Report of the Company for FY-20 ('**Annexure-B**')

The aforesaid documents are also available on the website of the Company viz. **www.nextmediaworks.com**, and are being dispatched via e-mail to all eligible shareholders whose email ID are registered with the Company/ Depository Participant(s).

Further, please find enclosed the Secretarial Audit Report (along with addendum to the said report) of Next Radio Limited, a material unlisted Indian subsidiary of the Company, for the financial year ended 31st March, 2020 carried out pursuant to Section 204 of the Companies Act, 2013 and Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('**Annexure-C**'). The said report does not contain any qualification, reservation or adverse remark.

This is for your information and records.

Thanking you,
Yours faithfully,
For **Next Mediaworks Limited**

(Diksha Singh)
Company Secretary

Encl.: *As above*

Unit 701 A, 7th Floor, Tower-2, Indiabulls Finance Centre, Senapati Bapat Marg,
Elphinstone Road, Mumbai – 400 013, Ph.:+91 22 44104104
Website: www.nextmediaworks.com. CIN: L22100MH1981PLC024052
E-mail: investor.communication@radioone.in

Annexure-A

NEXT MEDIAWORKS LIMITED

CIN: *L22100MH1981PLC024052*
Registered Office: *Unit 701 A, 7th Floor, Tower – 2, Indiabulls Finance Centre, Senapati Bapat Marg, Elphinstone Road, Mumbai – 400 013*
Tel: *+91-22-44104104* ***E-mail:*** *investor.communication@radioone.in*
Website: *www.nextmediaworks.com*

NOTICE OF 39TH ANNUAL GENERAL MEETING

NOTICE is hereby given that the **39TH ANNUAL GENERAL MEETING** of Members of **NEXT MEDIAWORKS LIMITED** will be held on Tuesday, December 29, 2020 at 11:00 AM (IST) through Video-conferencing ("VC")/ Other Audio Visual Means ("OAVM"), to transact the following business:

ORDINARY BUSINESS

ITEM NO. 1

To receive, consider and adopt:

a. revised audited standalone financial statements of the Company for the financial year ended March 31, 2020 and the report of Auditors thereon and the revised report of the Board of Directors; and
b. revised audited consolidated financial statements of the Company for the financial year ended March 31, 2020 and the report of the Auditors thereon.

ITEM NO. 2

To appoint Mr. Praveen Someshwar (DIN: 01802656) as a Director, who retires by rotation and, being eligible, offers himself for re-appointment.

SPECIAL BUSINESS

ITEM NO. 3

To appoint Mr. Sameer Singh as an Independent Director and in this regard, pass the following resolutions as **ORDINARY RESOLUTION**:

*"**RESOLVED THAT** pursuant to the provisions of Sections 149, 150 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and Rules made thereunder and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modifications or amendments thereof), Mr. Sameer Singh (DIN: 08138465), who was appointed as an Additional Director by the Board of Directors w.e.f. January 13, 2020 on recommendation of Nomination and Remuneration Committee, and who holds office up to the date of this Annual General Meeting, and in respect of whom the Company has received a notice in writing from a member signifying his intention to propose the candidature of Mr. Sameer Singh for the office of Director of the Company, be and is hereby appointed as an*

Independent Director of the Company to hold office for five consecutive years for a term upto March 31, 2024, and not liable to retire by rotation.

RESOLVED FURTHER THAT *for the purpose of giving effect to the foregoing resolution, the Board of Directors (which term shall be deemed to include any Committee of the Board authorised in the said behalf) be and is hereby authorised to do all such acts, deeds and things, as it may in its absolute discretion deem necessary, proper or desirable, and to settle any question, difficulty or doubt that may arise in respect of aforesaid, without being required to seek any further consent or approval of Members of the Company, or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution."*

By Order of the Board of Directors
For **Next Mediaworks Limited**

(Diksha Singh)
Company Secretary

Date: November 27, 2020

NOTES:

1. This notice is in continuation to the earlier notice dated June 23, 2020 convening the 39th AGM of Members of the Company on September 17, 2020. The said AGM was deferred by way of withdrawal of the earlier notice. In this regard, intimation was given to the stock exchanges viz. BSE & NSE vide letter dated September 15, 2020 and published in the newspapers ["Navshakti" (Marathi) and "Mint" (English)] on September 16, 2020.
2. In view of the COVID-19 pandemic, social distancing norms to be followed and pursuant to circulars dated April 8, 2020, April 13, 2020 and May 5, 2020 issued by the Ministry of Corporate Affairs ("MCA Circulars") and circular dated May 12, 2020 issued by the Securities and Exchange Board of India ("SEBI Circular") and in compliance with the provisions of the Companies Act, 2013 ("the Act") and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR"), the 39th AGM of the Company is being conducted through VC/OAVM facility, which does not require physical presence of members at the venue of the Annual General Meeting (AGM). Accordingly, Registered Office of the Company i.e. Unit 701A, 7th Floor, Tower-2, Indiabulls Finance Centre, Senapati Bapat Marg, Elphinstone Road, Mumbai – 400 013, shall be deemed to be the venue of this AGM.
3. Since the ensuing AGM is being held pursuant to the MCA Circulars through VC/OAVM which does not require physical attendance of Members at the AGM, the facility to appoint proxy by Members will not be available for this AGM and therefore, Proxy Form and Attendance Slip are not annexed to this Notice.
4. A whistleblower complaint was received by holding company viz. HT Media Limited (HT Media) in August, 2020 from a named employee of the radio business on his last working day (WB Complaint). The WB Complaint alleged anomalies resulting in deficiencies in certain financial reporting processes of the radio business of HT Media and subsidiary company viz. Next Radio Limited (NRL). HT Media, in accordance with its whistleblower policy, and as confirmed by the Audit Committee appointed an

independent law firm which worked closely with two independent accounting firms for an in-depth comprehensive review. The said investigation brought out practices indicating certain deficiencies and lapses during financial years 2019-20 and 2020-21. As a result of the same, the Standalone and Consolidated Financial Statements of the Company for the financial year ended March 31, 2020, which were earlier circulated to the Members, have been revised. The Statutory Auditor viz. B S R and Associates, Chartered Accountants have issued their audit report on the said revised Financial Statements. Further, Secretarial Auditor viz. GHV & Co., Practicing Company Secretaries have issued an addendum to its earlier report dated June 8, 2020. Consequently, the Board's Report for the financial year ended March 31, 2020 has also been revised. The Annual Report of FY 2019-20 comprising, *inter-alia*, the revised financial statements and revised Board's Report along with annexures thereto, is being re-circulated herewith to the Members.

5. Mr. Praveen Someshwar may be deemed to be interested in the resolution set out at Item No. 2 of the Notice. Save and except the above, none of the other Directors/ Key Managerial Personnel of the Company/ their relatives are, in any way, concerned or interested, financially or otherwise, in the Ordinary Business set out under Item Nos. 1 & 2 of the Notice.

6. The Statement pursuant to Section 102 of the Act relating to the business to be transacted under Item No. 3 of the Notice, is annexed hereto. Pursuant to the provisions of Regulation 36 of SEBI LODR and Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India, details of Directors seeking who are seeking appointment/ re-appointment at this AGM, is annexed herewith.

7. Since AGM will be held through VC/OAVM, the Route Map is not required and hence, not annexed to this Notice.

8. Members attending the AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.

9. Only those members, who are present in the meeting through VC/OAVM facility and have not casted their vote on resolutions through remote e-voting and are otherwise not barred from doing so, will be allowed to vote through e-voting system at the AGM ("**InstaPoll**").

10. Institutional/Corporate Shareholders (i.e. other than individuals/HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/Authorization etc., authorizing its representative to attend the AGM through VC/OAVM on its behalf and to vote through remote e-voting. The said resolution/authorization should be sent via email to KFin Technologies Private Limited ("**KFin/RTA**") at evoting@Kfintech.com from the registered email address and to the Company at investor.communication@radioone.in.

11. All investor related communications may be addressed to KFin at the following address:
    KFin Technologies Priavte Limited
    Unit: Next Mediaworks Limited
    Selenium Tower B
    Plot No. 31 & 32
    Financial District, Nanakramguda Serilingampally Mandal
    Hyderabad – 500 032
    Tel : + 91-40-67162222
    Fax : + 91-40-23001153
    E-mail: einward.ris@Kfintech.com

12. In compliance with above mentioned the MCA Circulars and SEBI Circular, the Notice calling this AGM along with the Annual Report for FY-20 is being sent by electronic mode only, to those Members whose e-mail address are registered with the Depository Participant or the Company's RTA. The Notice of AGM and Annual Report for FY-20 will also be available on the Company's website viz. **www.nextmediaworks.com** and website of the stock exchanges i.e. BSE Limited and National Stock Exchange of India Limited (**www.bseindia.com** and **www.nseindia.com**).

13. In order to enable the Company to comply with the MCA circulars regarding holding AGM via VC/OAVM, and to participate in the green initiative in Corporate Governance, members are requested to register their email address in respect of shares held in electronic form with their Depository Participant and in respect of shares held in physical form by clicking at https://ris.kfintech.com/clientservices/mobilereg/mobileemailreg.aspx or by writing to RTA with details of folio number and self-attested copy of PAN card at KFin Technologies Private Limited, Selenium Tower B, Plot Nos. 31-32, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad – 500032 or by sending email to einward.ris@kfintech.com. Members are advised to receive the Notice convening the AGM and Annual Report for FY-20 via e-mail, by updating their email ID by accessing the link https://ris.kfintech.com/clientservices/mobilereg/mobileemailreg.aspx. Alternatively, Notice of AGM can be downloaded through https://evoting.kfintech.com/public/Downloads.aspx

14. Pursuant to the provisions of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, details of shares transferred to Investor Education and Protection Fund Authority ("**IEPF Authority**") are available on the website of the Company (www.nextmediaworks.com) and also on the website of the Ministry of Corporate Affairs (MCA).

    Members may note that shares as well as unclaimed dividend transferred to IEPF Authority can be claimed back. Concerned members/investors are advised to visit the weblink: http://iepf.gov.in/IEPF/refund.html or contact KFin to lodge claim for refund of shares and/or dividend from the IEPF Authority.

15. Members holding shares in physical form can avail the facility of nomination pursuant to the provisions of Section 72 of the Act, and for the same, they are advised to send their nomination in the prescribed Form No. SH-13 to KFin at the above mentioned address. Members holding shares in electronic form may contact their respective Depository Participant for availing this facility.

16. **In terms of SEBI's circular dated April 20, 2018, members holding shares in physical form and whose PAN and Bank details are not updated in the records of KFin, are requested to submit their PAN and Bank Account details, along with self-attested copy of PAN Card and original cancelled cheque/attested copy of bank passbook bearing name of the Member to the Company/KFin.**

17. SEBI has mandated submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic mode are, therefore, requested to submit their PAN to their Depository Participant with whom they are maintaining the demat account. Members holding shares in physical mode can submit their PAN to the Company/KFin.

18. In terms of SEBI (Listing Obligations and Disclosure Requirements) (Fourth Amendment) Regulations, 2018, with effect from April 1, 2019, securities of listed companies can be transferred only in dematerialised form (except for transmission or transposition of securities). Accordingly, the

Company will not accept any fresh lodgement of transfer of shares in physical form. In view of the same, Members are advised, in their own interest, to dematerialize the shares held by them in physical form.

19. Members holding shares in physical form in identical order of names in more than one folio are requested to send to the Company or Company's RTA, details of such folios together with the share certificates and KYC proof(s) viz. PAN, Aadhar etc. for consolidating their holding in one folio. The share certificates will be returned to the members after making requisite changes, thereon.

20. Members are requested to send their queries, if any, on the financial statements/operations of the Company, via email to the Company Secretary at investor.communication@radioone.in atleast 7 days before the AGM, so that the information can be compiled in advance.

21. Relevant documents referred to in this Notice are available for inspection electronically without any fee by the Members on all business days (except Saturday, Sunday and Public Holidays) upto the date of AGM. The Register of Directors, Key Managerial Personnel and their shareholding maintained under Section 170 of the Act and Register of Contracts & Arrangements, in which Directors are interested, maintained under Section 189 of the Act, will be available for inspection electronically by the members during the AGM. Members desirous to inspect such documents may send request from their registered email id to the Company at investor.communication@radioone.in.

22. Pursuant to the provisions of Section 108 and other applicable provisions, if any, of the Act read with the Companies (Management and Administration) Rules, 2014, as amended, and Regulation 44 of SEBI LODR, the Company is providing to its members the facility to exercise their right to vote on resolutions set out in notice of AGM, by electronic means ("**e-voting**"). Members may cast their vote remotely, using an electronic voting system during the period mentioned hereinbelow ("remote e-voting''). The facility of voting through electronic voting system will also be available at the AGM ("InstaPoll") and members attending the Meeting who have not cast their vote(s) by remote e-voting, will be able to vote at the Meeting, through InstaPoll. The Company has engaged the services of KFin as the agency to provide e-voting facility at the AGM.

23. **The remote e-voting facility will be available during following period:**

Commencement of remote e-voting	**From 9.00 a.m. (Server time) on December 25, 2020 (Friday)**
End of remote e-voting	**Up to 5.00 p.m. (Server time) on December 28, 2020 (Monday)**

Remote e-voting will not be allowed beyond the aforesaid date and time and the e-voting module shall be disabled by KFinTech upon expiry of aforesaid period.

24. Persons whose name appear in the Register of Member/list of Beneficial Owners as on Tuesday, December 22, 2020 ('**Cut-off date**') shall be entitled to cast their vote by remote e-voting on the resolutions set forth in this Notice or participating at the AGM and vote through InstaPoll. Any person who is not a Member as on the Cut-off date should treat this Notice for information purpose only.

25. The Board of Directors has appointed Mr. Sanket Jain, Company Secretary-in-Practice (C.P. No. 12583), as Scrutinizer to scrutinize the remote e-voting and InstaPoll process in a fair and transparent manner and he has communicated his willingness to get appointed and will be available for the said purpose.

26. After conclusion of e-voting at the AGM, the Scrutinizer shall scrutinize the votes cast via InstaPoll and votes cast through remote e-voting, and will make a consolidated Scrutinizer's Report for onward submission to the Chairman/Director/Company Secretary.

27. The result of e-voting (remote e-voting and InstaPoll) will be declared within 48 hours of conclusion of AGM, and the same along with the consolidated Scrutinizer's Report, will be placed on Company's website viz. **www.nextmediaworks.com** and on the website of KFin viz. **https://evoting.kfintech.com/**. The result will be simultaneously communicated to NSE and BSE.

28. The resolutions set out in the notice of AGM shall be deemed to be passed on the date of AGM, subject to receipt of requisite number of votes in favour of the resolution(s).

29. For effecting change in address/bank details/NECS (National Electronic Clearing Services) mandate; members are requested to notify:
    (i) Kfin, if shares are held in physical form; and
    (ii) their respective Depository Participant (DP), if shares are held in electronic form.

30. Members are requested to carefully read the "Procedure and Instructions for remote e-voting and e-voting at the AGM (InstaPoll)" and "Procedure for joining the AGM through VC/OAVM" given hereunder.

PROCEDURE AND INSTRUCTIONS FOR REMOTE E-VOTING AND E-VOTING AT THE AGM (INSTAPOLL)

The procedure and instructions for remote e-voting are as under:

I.(A) In case a Member receives an email from Company/KFin [whose email address is registered with the Company/ Depository Participant(s)]:

(a) Launch internet browser by typing the URL: **https://evoting.kfintech.com/**

(b) Enter the login credentials (User ID and password given in the e-mail). The E-Voting Event Number + Folio No. or DP ID Client ID will be your User ID. However, if you are already registered with KFin for e-voting, you can use the existing password for logging in. If required, please visit **https://evoting.kfintech.com/** or contact at **040- 67162222/1800-345-4001** (from 9:00 a.m. to 6:00 p.m.) for your existing password.

(c) After entering these details appropriately, click on "**LOGIN**".

(d) You will now reach Password Change Menu wherein you are required to mandatorily change your password upon logging in for the first time. The new password shall comprise of minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric (0-9) and a special character (@,#,$,etc.). The system will prompt you to change your password and update your contact details like mobile number, e-mail address, etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.

(e) You need to login again with the new credentials.

(f) On successful login, the system will prompt you to select the E-Voting Event Number (EVEN) for Name of the Company viz. Next Mediaworks Limited.

(g) On the voting page, enter the number of shares held by you as on the Cut-off date under either "FOR" or "AGAINST" or alternatively, you may partially enter any number under

"FOR"/"AGAINST", but the total number under "FOR"/"AGAINST" taken together should not exceed your total shareholding as on the cut-off date. You may also choose to "ABSTAIN" and vote will not be counted under either head.

(h) Members holding shares under multiple folios/demat accounts shall choose the voting process separately for each of the folios/demat accounts.

(i) Voting has to be done for each item of the Notice separately. In case you do not desire to cast your vote on any specific item, it will be treated as "ABSTAINED".

(j) You may then cast your vote by selecting an appropriate option and click on "SUBMIT".

(k) A confirmation box will be displayed. Click "OK" to confirm, else "CANCEL" to modify.

(l) Once you confirm, you will not be allowed to modify your vote.

(m) Corporate/Institutional Members (i.e., other than Individuals, HUFs, NRIs, etc.) are also required to send legible scanned certified true copy (in PDF Format) of the Board Resolution/Power of Attorney/Authority Letter, etc., together with attested specimen signature(s) of the duly authorized representative(s), to the Scrutinizer at e-mail id: **sanketjaincs@gmail.com** with a copy marked to **evoting@Kfintech.com**. It is also requested to upload the same in the e-voting module in their login. The naming format of the aforesaid legible scanned document shall be "Corporate Name EVENT NO."

(B) In case of a member whose e-mail address is not registered/updated with the Company/KFin/Depository Participant(s), please follow the following steps to generate your login credentials:

(a) Members holding shares in physical mode, who have not registered/updated their email addresses with the Company, are requested to register/update the same by clicking on https://ris.kfintech.com/clientservices/mobilereg/mobileemailreg.aspx or by writing to the Company with details of folio number and attaching a self-attested copy of PAN card at investor.communication@radioone.in or to KFin at einward.ris@Kfintech.com.

(b) Members holding shares in dematerialized mode who have not registered their e-mail addresses with their Depository Participant(s) are requested to register/update their email addresses with the Depository Participant(s) with whom they maintain their demat accounts.

(c) After due verification, the Company/KFin will forward your login credentials to your registered email address.

(d) Follow the instructions at I.(A) (a) to (m) to cast your vote.

II. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending further communication(s).

III. Once the vote on a resolution is casted by a member, whether partially or otherwise, the member shall not be allowed to change it subsequently or cast the vote again.

IV. **Information and instructions for InstaPoll**: Facility to cast vote through InstaPoll will be made available on Video Conferencing screen and will be activated once the InstaPoll is announced at the AGM. Member can opt for only single mode of voting per EVEN, i.e., through remote e-voting or voting at the AGM (InstaPoll). If a member casts vote(s) by both modes, then voting done through remote e-voting shall prevail and vote(s) cast at the Meeting shall be treated as "INVALID".

V. Any person who becomes a member of the Company after dispatch of the Notice of the AGM and holding shares as on the cut-off date may obtain the User ID and password from KFin in the manner as mentioned below:

(a) If the mobile number of the member is registered against Folio No./DP ID Client ID, the member may send SMS: MYEPWD <space> E-Voting Event Number + Folio No. or DP ID Client ID to +91-9212993399
Example for NSDL: MYEPWD
<SPACE>IN12345612345678 Example for CDSL:
MYEPWD <SPACE> 1402345612345678
Example for Physical: MYEPWD <SPACE> XXXX1234567890

(b) If e-mail address or mobile number of the member is registered against Folio No./DPID Client ID, then on the home page of https://evoting.kfintech.com/, the member may click "Forgot Password" and enter Folio No. or DPID Client ID and PAN to generate a new password.

(c) Member may send an e-mail to evoting@kfintech.com requesting User ID and Password. However, KFin shall endeavor to send User ID and Password to those new Members whose mail ids are available.

VI. In case of any query/grievance, in respect of e-voting, Members may refer to the Help & FAQs section/E-voting user manual available at the "Downloads" section of KFin's website: https://evoting.kfintech.com/ or contact Mr. Rajkumar Kale, Senior Manager, KFin Technologies Private Limited, Selenium Tower B, Plot 31-32, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad 500 032 | Phone No.: +91-040-67162222 | Tollfree No.: 1800-345-4001 | E-mail: evoting@Kfintech.com.

PROCEDURE FOR JOINING THE AGM THROUGH VC/OAVM:

1. The Company is providing VC/OAVM facility to its Members for participating at the AGM.

   i. Members will be able to attend the AGM through VC at https://emeetings.Kfintech.com by using their e-voting login credentials.
   Members are requested to follow the procedure given below:
   (a) Launch internet browser (chrome/firefox/safari) by typing the URL: **https://emeetings.Kfintech.com**
   (b) Enter the login credentials (i.e., User ID and password for e-voting).
   (c) After logging in, click on "Video Conference" option.
   (d) Then click on camera icon appearing against AGM event of Next Mediaworks Limited, to attend the AGM.

   ii. Members who do not have User ID and Password for e-voting or have forgotten the User ID and Password may retrieve the same by following the procedure given in the e-voting instructions.

   iii. Members will be allowed to attend the AGM through VC/OAVM on first come, first served basis.

   iv. Members who wish to ask questions during the AGM may register themselves on https://emeetings.Kfintech.com and clicking on the 'Speaker Registration' option available on the screen after login. The Speaker Registration will be open from December 24, 2020 (09:00 a.m. IST) till December 26, 2020 (5:00 p.m. IST). Only those members who have registered themselves as speaker will be allowed to ask questions at the AGM. The Company reserves the right to restrict the number of questions and speakers, depending upon availability of time as appropriate for smooth conduct of the AGM. Members are requested to wait for their turn to be called during the Question and Answer Session. Due to inherent limitation of transmission and coordination during the AGM, the Company may have to dispense with or curtail the Question and Answer Session. Hence, Members are encouraged to get themselves registered in advance to ask questions/queries etc. at the AGM.

v. Link to join the meeting shall be opened 15 minutes before the scheduled time of the AGM and shall be kept open throughout the proceedings of the AGM.

vi. Members who need assistance before or during the AGM can contact KFin at evoting@KFintech.com or call at 040- 6716 2222/1800-345-4001. Kindly quote your name, DP ID-Client ID/Folio no. and E-voting Event Number in all your communications.

2. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote at the AGM.

STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

ITEM NO 3:

On recommendation of Nomination and Remuneration Committee, the Board of Directors has appointed Mr. Sameer Singh as an Additional Director of the Company w.e.f. January 13, 2020. In accordance with the provisions of Section 161 of the Act, Mr. Sameer Singh shall hold office up to the date of this AGM. The Board of Directors has also recommended appointment of Mr. Sameer Singh as an Independent Director for a term upto March 31, 2024 for approval by the Members of the Company.

Mr. Sameer Singh, an alumnus of IIM Calcutta, is the Vice-President - Monetization at ByteDance, responsible for leading the Advertising, Sales and Marketing strategies across all products in India. In his career spanning over 25 years, Mr. Sameer Singh has been at the forefront of innovative marketing and advertising solutions. Recently, he headed the operations at GroupM as the Chief Executive Officer - South Asia providing competitive advantage with digital leadership and content to clients. Prior to GroupM, he has worked at Google, GSK, Procter & Gamble and IPG across geographies including Palo Alto, Boston, London, Dubai and Guangzhou.

The Company has received a declaration of independence from Mr. Sameer Singh. In the opinion of the Board, Mr. Sameer Singh possesses appropriate skills, experience & knowledge and fulfills the conditions specified in the Act, the Companies (Appointment and Qualification of Directors) Rules, 2014 and SEBI LODR, for his appointment as an Independent Director of the Company. Mr. Sameer Singh is independent of the management and is not related to any Director or Key Managerial Personnel of the Company. As a Non-executive Director, Mr. Sameer Singh will be entitled to receive sitting fee for attending Board/Committee meeting(s) as approved by the Board of Directors from time to time. Draft Letter of Appointment of Independent Director(s), setting out terms and conditions of appointment of Independent Director(s) is available for inspection electronically and the same is also available on the Company's website viz. **www.nextmediaworks.com**.

Mr. Sameer Singh is interested in the resolutions set out at Item no. 3 with regard to his appointment as Independent Director. Save and except the above, none of the Directors or Key Managerial Personnel and their relatives are, in any way, concerned or interested, financially or otherwise, in this resolution.

The Board commends the Ordinary Resolutions set out at Item no. 3 of the Notice for approval by the Members.

By Order of the Board of Directors
For **Next Mediaworks Limited**

(Diksha Singh)
Company Secretary

Date: November 27, 2020

Details of the Directors pursuant to Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meeting (SS-2) issued by the Institute of Company Secretaries of India, as applicable

Name of Director	Shri Praveen Someshwar	Shri Sameer Singh
Age (years)	53	55
Relationship with other Directors *inter-se* and Key Managerial Personnel	None	None
Date of Appointment	April 18, 2019	January 13, 2020
Expertise in specific functional areas	Strategic leadership, business and finance	Advertisement, Sales & Marketing
Qualification	Chartered Accountant and Cost Accountant	MBA (IIM, Calcutta)
Terms and conditions of appointment/ re-appointment	Non-executive Director, liable to retire by rotation	Independent Director, not liable to retire by rotation
No. of equity shares of Rs. 10/- each held in the Company	0	0
Remuneration last drawn (during FY-20)	None	Rs. 1,00,000/- *(Director's sitting fee)*
Directorship held in other companies *(excluding foreign companies)*#	i. HT Media Limited *(Listed Entity)* ii. Hindustan Media Ventures Limited *(Listed Entity)* iii. Digicontent Limited *(Listed Entity)* iv. Next Radio Limited v. Shine HR Tech Limited *(under process of strike-off)* vi. Media Research Users Council India vii. The Press Trust of India Limited viii. Audit Bureau of Circulations ix. The Indian Newspaper Society	i. Next Radio Limited
List of the Committees of Board of Directors *(across all companies)* in which Chairmanship/Membership is held*#	**Next Mediaworks Limited** i. Audit Committee - Member ii. Stakeholders' Relationship Committee - Chairperson	**Next Mediaworks Limited** i. Audit Committee - Member **Next Radio Limited** i. Audit Committee - Member

	HT Media Limited i. Audit Committee - Member ii. Stakeholders' Relationship Committee - Member **Hindustan Media Ventures Limited** i. Stakeholders' Relationship Committee - Member **Digicontent Limited** i. Audit Committee - Member ii. Stakeholders' Relationship Committee - Member **Next Radio Limited** i. Audit Committee - Member	
No. of Board Meetings attended during FY 20	5	1

 # As per latest disclosure(s) received from the Director(s)

**Pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, only two Committees viz. Audit Committee and Stakeholders' Relationship Committee, have been considered*

Annexure-B

NEXT MEDIAWORKS LIMITED

RADIO ONE

Annual Report 2019-2020

CORPORATE INFORMATION

Board of Directors

Mr. Ajay Relan

Ms. Suchitra Rajendra

Mr. Sameer Singh

Mr. Praveen Someshwar

Mr. Dinesh Mittal

Chief Executive Officer

Mr. Ramesh Menon

Chief Financial Officer

Mr. Anup Sharma

Company Secretary

Ms. Diksha Singh

Statutory Auditor

B S R and Associates
Chartered Accountants

Registered Office

Unit 701A, 7th Floor
Tower-2, Indiabulls Finance Centre
Senapati Bapat Marg, Elphinstone Road
Mumbai – 400013

Tel: +91-22-44104104

E-mail: investor.communication@radioone.in

Website: www.nextmediaworks.com

Registrar and Share Transfer Agent

KFin Technologies Private Limited
Selenium Tower-B, Plot No 31-32
Financial District Nanakramguda
Serilingampally Mandal
Hyderabad - 500 032

Tel: +91-40-67162222

Fax: +91-40-23001153

Toll Free No.: 18003454001

Email: einward.ris@kfintech.com

Website: www.kfintech.com

To view the report online,
please log on to:
www.nextmediaworks.com

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Cautionary Statements

Certain statements in the MDA section concerning future prospects may be forward-looking statements which involve a number of underlying identified / non identified risks and uncertainties that could cause actual results to differ materially. In addition to the changes in the macro-environment, the CoVID-19 pandemic may pose unforeseen, unprecedented, unascertainable and constantly evolving risk(s), inter-alia, to the Company and the environment in which it operates. The results of these assumptions, relying on available internal and external information, constitute the basis for determining certain facts and figures stated in the report. Since the factors underlying these assumptions are subject to change over time, the estimates on which they are based, are also subject to change accordingly. These forward-looking statements represent only the Company's current intentions, beliefs or expectations, and any forward- looking statement speaks only as of the date on which it was made. The Company assumes no obligation to revise or update any forward-looking statements, whether as a result of new information, future events, or otherwise.

Disclaimer: *All data used in the MD&A have been primarily based on publicly available sources, and discrepancies, if any, are incidental and unintentional.*

MANAGEMENT DISCUSSION & ANALYSIS

Indian Economy

According to the International Monetary Fund (IMF), the Indian economy has grown by 4.2% in FY 2019-20 as compared to 6.1% in FY 2018-19, owing to a slower recovery, largely on account of domestic factors. The credit crisis on account of liquidity issues of non-banking financial institutions throughout CY 2019, deceleration in consumption and investment, contraction in exports, and reduced demand for imports are all factors which contributed to this muted growth. The fiscal ended with added pressures from the COVID-19 pandemic.

Outlook

The Indian economy is expected to contract by 4.5% in FY 2020-21, as per IMF WEO June 2020. This was primarily on account of weak global environment and continued efforts to contain the novel coronavirus (COVID-19) outbreak in the country, which include nationwide restrictions and a complete lockdown of states. This has resulted in a material slowdown in economic activity and has the potential to impact both consumption and investment. In addition, the overall financial system remains burdened with weak balance sheets, which will limit any upside to credit and growth despite policymakers' efforts in recent months to ease stresses. However, the government of India and the RBI are working in tandem to revive the economy by addressing the demand side contraction, supporting MSME and enhancing rural incomes.

(Source: BCG, Asian Development Bank, RBI, IMF WEO)

Indian GDP Growth

(Source: IMF WEO)

Industry Overview

Indian Media & Entertainment (M&E) Industry

The Indian M&E industry grew by 9% to reach ₹1.8 trillion in CY 2019, compared to ₹1.7 trillion in CY 2018. Advertising growth was muted due to overall macroeconomic slowdown in the second half of the year, which also impacted advertisement spending during the festive season.

Outlook

The industry is projected to grow at a faster rate than the global average. However, with the recent outbreak of coronavirus, various segments of the M&E industry are likely to be impacted. Some of the plausible scenarios affecting the M&E industry due to the pandemic are postponement and cancellation of events, impact on theatrical revenues, stoppage and delay of content production and post-production, among other things. Although, pandemic led lockdowns have increased the time spent with media at home.

(Source: EY M&E Report)

Indian Radio Sector

As per the FICCI EY M&E Report (March 2020), the size of the Indian radio sector stands at ₹31.1 billion in CY 2019. It has a vast reach with 33 private FM broadcasters operating 367 radio stations in 104 cities, in addition to the public broadcast network. The radio sector witnessed a year of softness, largely driven by economic slowdown resulting on account of macroeconomic uncertainties. Due to this, radio revenues of private FM players saw a growth in the first half of CY 2019, but faced a decline in the second half.

(Source: EY M&E Report)

Advertising Volumes

The advertising volume of Indian radio sector fell by 11% in CY 2019. Consumer driven sectors, such as auto and retail (clothing, textiles and fashion), contributed to this fall in volume.

About 69% of the total advertising volumes were contributed by the top 10 cities – led by New Delhi, Bengaluru and Kolkata.

The share in advertising volumes of local advertisers grew by 2% to reach 26% in CY 2019, as compared to 24% in CY 2018. While, national advertisers contributed 74% of advertising volumes.

The growth in internet penetration and smartphone usage has increased the demand for short and snackable content. In order to cater to this demand, radio players are looking at meeting this demand by offering content led marketing solutions.

(Source: EY M&E Report, TAM)

Outlook

The radio sector continues to attract a large number of new advertisers from different markets. It continues to be a favoured medium where advertisers are able to successfully harness the reach of the medium to create a big impact on targeted audiences. The players in the industry continue to experiment with alternate monetization avenues to augment Free Commercial Time (FCT) based revenue. However, the radio industry was witnessing a phase of muted advertising revenues on account of consumer slowdown. The outbreak of COVID-19 would additionally impact the advertising spends directed towards the sector. The industry body for private FM channels in the country - The Association for Radio Operators for India – has sought relief measures from the government to tide over this unprecedented crisis.

(Source: Pitch Madison Report, EY M&E Report)

Company Overview

Next Mediaworks Limited (Next Mediaworks) is one of the leading companies operating in the private radio broadcasting space in India. During the year, HT Media Limited has acquired a majority shareholding in the Company, and is now classified as the promoter of Next Mediaworks. This has enabled the Company to leverage the organizational presence and strengths of HT Media Group.

Radio One

'Radio One' is one of India's most differentiated radio broadcast network indulging listeners through various formats. The premium FM Brand operates in 7 cities of the country including Delhi, Mumbai, Chennai, Kolkata, Bengaluru, Pune, and Ahmedabad. Radio One has the distinction of being the largest international radio network in India, through its specialized network in Delhi, Mumbai and Bengaluru. It caters to an upscale audience and has a listenership base of over 7.8 million in top 4 markets of Delhi, Kolkata, Mumbai and Bengaluru, as per RAM data for the week ended March 14 2020. Through various associations and partnerships, the brand is working towards increasing listener touch points to improve its market share.

Financial Performance Overview

Revenue Performance

Company reported revenue of ₹58 Crore for FY 2019-20, which declined by 18% from ₹71 Crore in the previous year. This was primarily on account of muted advertising spends in key categories owing to the slowing macroeconomic growth.

Profitability

Though the Company had softness in revenue, it has mitigated most of the impact on performance through cost rationalisation initiatives. The Company's EBITDA Margin for FY 2019-20 was 3%. The Company reported loss after tax for FY 2019-20 because of the softness in EBITDA along with impairment of assets. PAT Margin declined to -88% in FY 2019-20 from -20% in FY 2018-19 due to the above mentioned reasons. Return on Net Worth could not be ascertained due to PAT loss, and negative shareholders' equity.

Current Ratio

Current Ratio improved by 49%, increasing from 0.4 times as on March 31 2019 to 0.6 times as on March 31 2020. This was led by a decrease in short term borrowings and other financial liabilities.

Gearing Ratio

Gearing Ratio was 117% as on March 31 2020, as compared to 79% as on March 31 2019. During FY 2019-20, there was an increase in debt and decrease in shareholders' equity.

Interest Coverage Ratio

Interest Coverage Ratio has decreased from -0.6 times as on March 31 2019 to -1.0 times as on March 31 2020, due to the cumulative impact of decline in operating profits and increase in finance cost.

Marketing Initiatives

The Company has been working across regions to make Radio One the most advanced brand in the industry. It strives to differentiate itself from the others with its innovative ideas and brilliant execution. The Company's mission is to drive listener engagement through trendy, youthful and quality content. To achieve this objective, Next Mediaworks is

constantly working to improve its brand value through various partnerships and associations with other media partners. Next Mediaworks is also actively engaged in promoting and developing new initiatives that engage listeners. Some of the key marketing initiatives undertaken during the year are highlighted below.

New Tagline

The international formats unveiled a new tagline - 'One World. Your Station'.

Radio One Chennai

To make the station more relatable to the audience, Radio One Chennai was converted into a regional station with Tamil as the station language, playing trendy Tamil songs with the tagline 'Style-a, Mass-a, Geth-a'.

Radio One Kolkata

This station was turned into a 'Cool Retro' station, to bring back bollywood nostalgia of the 70s, 80s and 90s.

Radio One Ahmedabad and Pune

These stations were re-established as Contemporary Hit Radio (CHR) formats and as a quintessential entertainment hotspot playing bollywood contemporary music.

Partnership with international music artists

Radio One had an exclusive partnership with international music artists concert 'U2-The Joshua Tree Tour'. The brand has also built various path breaking properties and associations with Zomaland and VH1 Supersonic which have emerged as the country's most valued multi-genre music and experiential festivals.

Partnership with Summits

Radio One has also formed exclusive partnerships with world-class summits such as TiE Global Summit where thought leaders, entrepreneurs, investors, mentors, academicians from the Indian & global start-up ecosystem, come together. In the sports arena, Radio One had also partnered with the ICC World Cup.

Human Resource

Next Mediaworks considers its people as a core strength, driving competencies and helping to maintain an edge over the others in the industry. The Company provides employees with numerous opportunities to improve their knowledge, skills and abilities and ensures professional growth through various initiatives. The Company has undertaken employee engagement initiatives like Rewards & Recognition (R&R) programmes, job enrichment strategies for high performers and Learning & Development (L&D) initiatives for competency enhancement. The Company trained more than 800 participants during the year through online and classroom trainings. The Company, along with its subsidiaries, had an employee base of 84 as on March 31 2020.

The Company also provides a safe working environment to all women employees across locations and abides by the Sexual Harassment of Women at Workplace (Prevention Prohibition and Redressal) Act, 2013. The Company also has a redressal committee. The workforce of the Company has been trained on the nuances and implications of the act. There have been no reported cases of sexual harassment in FY 2019-20.

Risk Management

The Company has established a risk management framework to identify & manage risks and mitigate risks arising from external and internal factors. A risk identification exercise is carried out periodically to identify various strategic, operational, financial and compliance related risks. These are evaluated for their likelihood and potential impact. Few risks and uncertainties that can affect the business include heightened competitive intensity within the industry, changing regulatory landscape and uncertain macro-economic factors that might adversely impact corporate spending on media.

Potential risks are reviewed on an ongoing basis and mitigating controls are deliberated upon as an integral part of decision-making. To stay ahead of the competition and minimise exposure to risk, the Company has taken various initiatives like continuously introducing innovative programming content with appropriate blend of music and non-music components and effective use of in-house and other digital platforms for listener and client engagement. Further, a greater focus on unique content creation and sharpening of product propositions reduce risks to a great extent. Concentration on local retail markets having lower correlation to macroeconomic factors and usage of an automated compliance tool to monitor status of statutory compliances across all locations/functions also helps the Company to minimise its exposure to such risks.

Further, in light of the COVID-19 scenario, the Company is continuously evaluating the evolving situation and taking the necessary steps to mitigate its impact, while ensuring business continuity. The Company is also taking cost optimization efforts across businesses and functions.

Internal Control

The Company has an effective system of internal controls corresponding with its size, nature of business and complexity of operations. The internal control mechanism comprises of a well-defined organizational structure with clearly defined authority and responsibility levels and comprehensive documented policies, guidelines and procedures governing the operations of respective business areas and functions. These controls have been designed to safeguard the assets and interests of the Company and its stakeholders and also ensure compliance with Company's policies, procedures and applicable regulations. Owing to continuously evolving business practices, these controls are regularly updated by the management. However, there have been some weaknesses identified in the internal controls in specific revenue stream, including override of certain internal controls by senior management officials, which too have since been addressed and appropriate actions have been/ are being undertaken to tighten controls. A robust ERP system is used for accounting across locations. The Company also has Shared Service Centre (SSC) and CRM application supporting centralized and standardized procurement, payment and approval processes. These systems enhance the reliability of financial and operational information by facilitating system driven control activities, segregation of duties and enabling stricter controls. The Company is continuously exploring systemic improvements to its current processes, including integration of systems/applications, minimisation of manual intervention with high focus on centralisation of activities, wherever possible.

The internal control system is supplemented by an extensive program of internal audits and their reviews by the management. The in-house internal audit function supported by professional external audit firms conducts comprehensive risk focused audits and evaluates the effectiveness of the internal control structure across locations and functions on a regular basis. In addition to internal audit activities, the Company has also developed an internal financial control framework to periodically review the effectiveness of controls laid down across all critical processes. In addition, the Company uses an online compliance management tool, and has established concurrent audit mechanism for ensuring effective compliance oversight. Further, the Company has an Audit Committee of Directors which meets at least once in every quarter to review internal control systems, accounting processes, financial information and other related areas.

Outlook

The upcoming year is expected to be a challenging period for the Company. The outbreak of Coronavirus and the restrictions imposed in an effort to contain its spread, are likely to result in a demand and supply shock for industries across spectrum, affecting the advertising spends in the near term. However, the Company is hopeful that once the immediate crisis subsides, there would be a recovery in advertising, as businesses look to meet the pent up demand. In the testing times of the crises, we continue to focus on providing engaging content to our listeners and innovative solutions to our advertisers.

BOARD'S REPORT

Dear Members,

Your Directors are pleased to present their report, together with the revised Audited Financial Statements (Standalone & Consolidated) for the financial year ended on March 31, 2020.

FINANCIAL RESULTS

A whistleblower complaint was received by holding company viz. HT Media Limited (HT Media) in August, 2020 from a named employee of its radio business on his last working day (WB Complaint). The WB Complaint alleged anomalies resulting in deficiencies in certain financial reporting processes of the radio business of HT Media and subsidiary company viz. Next Radio Limited (NRL). HT Media, in accordance with its whistleblower policy, and as confirmed by the Audit Committee, appointed an independent law firm which worked closely with two independent accounting firms, for an in-depth comprehensive review. The said investigation brought out practices indicating the following deficiencies and lapses during financial years 2019-20 and 2020-21:

1. Practice of pre-billing (i.e. billing and booking revenue for services yet to be consumed/ delivered) resulting in reporting of higher revenue in financial statements. Such billing remained unconsumed/ undelivered.

2. Potential manipulation of debtor ageing by issuance of inappropriate credit notes and additional invoices to avoid higher provisioning for bad debts.

3. Circulating improper balance confirmation requests (by including invoices without delivery/ requests for advertisement) to customers (with such balances either remaining unconfirmed or disputed) resulting in reporting higher revenue.

4. Potentially improper credit approvals including forced/ credit approval under protest at the instructions of senior management of the Radio business.

Further, based on a very detailed investigation performed, the investigating team and the management concluded that the above mentioned findings were confined to a particular stream of revenue ('pure money') of radio business of NRL only and were not pervasive across other financial statement captions. The said investigation did not reveal existence of any personal profiteering or siphoning of funds or embezzlement or misappropriation of funds.

The final findings of the investigation were presented to the Audit Committee and Board of Directors of the Company, including multiple status update briefings in the interim.

Your Company has accordingly undertaken certain actions – remedial and otherwise, with special focus on the radio business of subsidiary company, to improve and augment internal control mechanism that can detect and prevent occurrence of any anomalous practices. Further, special initiatives have been taken to strengthen the governance mechanism. All the initiatives being undertaken by your Company are listed below:

- Revision of financial statements (Standalone and Consolidated) for the financial year ended on March 31, 2020.
- Actions against the personnel identified as responsible for the misdemeanor.
- Further strengthening internal control framework and centralized revenue assurance function.
- Strengthening governance and communication around Whistleblower and Code of Conduct process.
- Redefine values and culture for the organisation and digitize the program.
- Automation/ system integration between business systems and SAP.

In view of the above, your Company's performance during the financial year ended on March 31, 2020, along with previous year's figures is summarized below:

(Rs. in Lac)

Particulars	Standalone		Consolidated	
	2019-20 (Revised)	2018-19	2019-20 (Revised)	2018-19
Total Revenue	**229.47**	**228.66**	**5,837.42**	**7,102.26**
Earnings before interest, tax, depreciation and amortization (EBITDA) from continuing operations	**62.47**	**(49.43)**	**187.25**	**488.03**
Add: Exceptional items	(2,018.00)	0.41	(2,996.00)	34.09
Less: Depreciation	-	0.51	1,261.35	1,054.85
Less: Finance Cost	138.94	143.53	1,075.32	896.88
Profit/(Loss) before tax from continuing operations	**(76.20)**	**(193.06)**	**(5,145.43)**	**(1,429.61)**
Less: Tax Expense				
• Current Tax	-	-	1.50	-
• Adjustment of current tax related to earlier period	-	-	2.56	-
• Deferred tax charges / (credit)	-	-	-	-
Total tax expense	-	-	4.06	-
Profit for the year	**(2,094.20)**	**(193.06)**	**(5,149.49)**	**(1,429.61)**
Add: Other Comprehensive Income (net of Tax)	1.63	3.02	(22.96)	0.64
Total Comprehensive Income for the year (net of tax)	**(2,092.57)**	**(190.04)**	**(5,172.44)**	**(1,428.97)**
Opening balance in Retained Earnings	**(12,584.89)**	**(12,358.85)**	**(13,892.52)**	**(12,968.77)**
Add: Profit/ (Loss) for the year	(2,094.20)	(193.06)	(2,793.08)	(840.99)
Less: Items of other Comprehensive Income recognized directly in Retained Earnings	-	-	-	-
• Re-measurements of post-employment benefit obligation (net of tax)	1.63	3.02	(11.01)	0.33
Less: Dividend Paid	-	-		-
Less: Tax on Dividend	-	-		-
Add: Adjustment of any accumulated surplus	-	-	-	(83.09)
Total Retained Earnings	**(14,641.46)**	**(12,548.89)**	**(16,606.61)**	**(13,892.52)**

DIVIDEND

Due to inadequacy of profits, no dividend is recommended by the Board of Directors for the financial year ended on March 31, 2020.

COMPANY PERFORMANCE AND FUTURE OUTLOOK

Your Company is the holding company of NRL. NRL is engaged in the business of FM Radio broadcasting. It was among the first private players to venture into private FM broadcasting and has established "Radio One" in top 7 cities of the Country viz. Delhi, Mumbai, Chennai, Kolkata, Bengaluru, Pune, and Ahmedabad. NRL operates under frequency 94.3 MHz in all the cities, except Ahmedabad where it operates under the frequency 95 MHz.

A detailed analysis and insight into the financial performance and operations of your Company and NRL for the year under review and future outlook, is appearing in Management Discussion and Analysis, which forms part of this Annual Report.

RISK MANAGEMENT

Your Company has a risk management framework to identify, evaluate and mitigate business risks. The key enterprise risks along with mitigation measures undertaken by the Management are reviewed periodically by the Audit Committee. A detailed statement indicating development and implementation of a risk management policy for the Company, including identification of various elements of risk, is appearing in the Management Discussion and Analysis.

SUBSIDIARY COMPANIES

As on March 31, 2020, the Company had following subsidiary companies:

(a) Next Radio Limited; and

(b) Syngience Broadcast Ahmedabad Limited (wholly owned subsidiary of Next Radio Limited)

The subsidiary companies viz. Syngience Broadcast Ahmedabad Limited (SBAL) and NRL filed a joint application before Hon'ble National Company Law Tribunal, Mumbai Bench (NCLT) on May 21, 2020 for recall of NCLT's earlier order dated October 5, 2017 sanctioning the Scheme of Arrangement between NRL & SBAL and their respective shareholders & creditors (Scheme) for transfer of Ahmedabad FM Radio Broadcasting business of NRL into SBAL; and reverse all actions that may have been taken on the basis of said NCLT's order including any corporate actions, changes to issued capital, filing with any regulatory authority etc. The said joint application was filed as NRL did not receive approval of Ministry of Information & Broadcasting (MIB) for transfer of Ahmedabad FM Radio license from NRL to SBAL pursuant to the Scheme and as a result of which the Scheme did not come into effect. The joint application was allowed by NCLT vide order passed on September 22, 2020. Accordingly, the allotment of 1,82,10,000 equity shares of Rs. 10/- each by SBAL to NRL on November 27, 2017 pursuant to the Scheme was void ab-initio, and the paid-up share capital of SBAL was reduced to Rs. 1,55,00,000 comprising of 15,50,000 equity shares of Rs. 10 each, which has also been updated on MCA portal on November 6, 2020.

In terms of the applicable provisions of Section 136 of the Companies Act, 2013, the Financial Statements of subsidiary companies for the financial year ended on March 31, 2020 are available for inspection at Company's website viz. www.nextmediaworks.com.

A report on the performance and financial position of both the subsidiary companies in prescribed Form AOC-1 is annexed to the Consolidated Financial Statements and hence, not reproduced here. The 'Policy for determining Material Subsidiary(ies)', is available on the Company's website viz. www.nextmediaworks.com.

The contribution of subsidiary companies to the overall performance of your Company is outlined in Note No. 36C of the Consolidated Financial Statements for the financial year ended March 31, 2020.

DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP)

Directors

On the recommendation of Nomination & Remuneration Committee, the Board of Directors accorded its approval to the following, after considering integrity, expertise and experience of the Directors:

a) Appointment of Mr. Ajay Relan (DIN: 00002632) and Ms. Suchitra Rajendra (DIN: 07962214) as Non-executive Independent Directors, w.e.f. April 18, 2019, for a period of five consecutive years, for a term upto March 31, 2024, which was approved by the Members at the Annual General Meeting ('AGM') held on September 12, 2019;

b) Appointment of Mr. Praveen Someshwar (DIN: 01802656) and Mr. Dinesh Mittal (DIN: 00105769) as Non-executive Non-Independent Directors w.e.f. April 18, 2019, which was approved by the Members at the AGM held on September 12, 2019;

c) Appointment of Mr. Harshad Jain (DIN: 08191390) as Additional Director w.e.f. April 18, 2019 and Chief Executive Officer (designated as Managing Director under the Companies Act, 2013) (KMP) w.e.f. April 22, 2019 for a period of three years, which was approved by the Members at the AGM held on September 12, 2019;

   Subsequently, Mr. Harshad Jain tendered resignation from the Board of Directors of the Company w.e.f. November 26, 2020.

d) Appointment of Mr. Sameer Singh (DIN: 08138465) as Non-executive Independent Director w.e.f. January 13, 2020, for a period of five consecutive years, for a term upto March 31, 2024, subject to the approval of members.

   Further, following Directors tendered their resignation, from the Board of Directors, w.e.f. April 18, 2019

   i) Mr. Tarique Ansari (DIN: 00101820);
   ii) Mr. Chetan Desai (DIN: 03595319);
   iii) Mr. Adille Sumariwalla (DIN: 00045855);
   iv) Mr. I. Venkat (DIN: 00089679);
   v) Mr. Sunil Dalal (DIN: 00021019);
   vi) Mr. Rajbir Singh Bhandal (DIN: 01962971); and
   vii) Ms. Monisha Shah (DIN: 00542228)

Mr. Dilip Cherian (DIN: 00322763) ceased to be Director of Company upon completion of his term on January 22, 2020. On his request, the Board did not consider his re-appointment for second term.

The Board commends the appointment of Mr. Sameer Singh as Non-executive Independent Director for approval of Members at the ensuing AGM.

In accordance with the provisions of the Companies Act, 2013, Mr. Praveen Someshwar (DIN: 01802656) retires by rotation at ensuing AGM and being eligible, offers himself for re-appointment. The Board commends re-appointment of Mr. Praveen Someshwar, for approval of the Members at the ensuing AGM.

All the Independent Directors of the Company have confirmed that they meet criteria of independence as prescribed under both, the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), along with declaration of compliance with Rules 6(1) and 6(2) of the Companies (Appointment and Qualification of Directors) Rules, 2014 with respect to their registration on the databank of Independent Directors maintained by Indian Institute of Corporate Affairs. The Independent Directors have also confirmed that they have complied with the 'Code of Conduct' of the Company.

Brief resume, nature of expertise, details of directorship held in other companies of the Directors proposed to be appointed/re-appointed at the ensuing AGM, along with their shareholding in the Company as stipulated under Secretarial Standard-2 and Regulation 36 of the SEBI Listing Regulations, is provided in the Notice of the ensuing AGM.

Key Managerial Personnel (KMP)

During the year under review, following KMPs stepped down from their respective office:

a) Mr. Tarique Ansari as Chairman and Managing Director w.e.f. April 18, 2019;
b) Mr. Ismail Dabhoya as Chief Financial Officer w.e.f. April 18, 2019; and
c) Mr. Gaurav Sharma as Company Secretary and Compliance Officer w.e.f. March 15, 2020.

The Board places on record its sincere appreciation for the dedicated efforts put in by them during their tenure.

On the recommendation of the Nomination & Remuneration Committee, the Board of Directors accorded its approval to the appointment of;

a) Mr. Harshad Jain as Chief Executive Officer (designated as Managing Director under the Companies Act, 2013) (KMP u/s 203 of the Companies Act, 2013) w.e.f. April 22, 2019;
b) Mr. Abhishek Kapoor as Chief Financial Officer, w.e.f. April 22, 2019; and
c) Ms. Diksha Singh as Company Secretary & Compliance Officer, w.e.f. March 16, 2020.

Further, Mr. Harshad Jain, Chief Executive Officer & Managing Director and Mr. Abhishek Kapoor, Chief Financial Officer tendered resignation w.e.f. November 26, 2020.

On the recommendation of Nomination and Remuneration Committee and Audit Committee (as applicable), the Board of Directors accorded its approval for the appointment of Mr. Ramesh Menon as Chief Executive Officer and Mr. Anup Sharma as Chief Financial Officer (KMPs u/s 203 of the Companies Act, 2013) w.e.f. November 27, 2020.

PERFORMANCE EVALUATION

In line with the requirements under the Companies Act, 2013 and the SEBI Listing Regulations, the Board undertook a formal annual evaluation of its own performance and that of its Committees and Directors.

The Nomination & Remuneration Committee framed questionnaires for evaluation of performance of the Board as a whole, Board Committees (viz. Audit Committee, Stakeholders' Relationship Committee and Nomination & Remuneration Committee); Directors and the Chairperson, on various criteria outlined in the 'Guidance Note on Board Evaluation' issued by SEBI on January 5, 2017.

The Directors were evaluated on various parameters such as, value addition to discussions, level of preparedness, willingness to appreciate the views of fellow directors, commitment to processes which include risk management, compliance and control, commitment to all stakeholders (shareholders, employees, vendors, customers etc.), familiarization with relevant aspects of company's business / activities amongst other matters. Similarly, the Board as a whole was evaluated on parameters which included its composition, strategic direction, focus on governance, risk management and financial controls.

A summary report of the feedback of Directors on the questionnaire(s) was considered by the Nomination & Remuneration Committee and the Board of Directors. The Board would endeavour to use the outcome of the evaluation process constructively, to improve its own effectiveness and deliver superior performance.

AUDITORS

Statutory Auditor

M/s. Walker Chandiok & Co. LLP, Chartered Accountants ("**WCC**") tendered resignation as Statutory Auditor of the Company vide their letter dated July 5, 2019.

To fill the casual vacancy caused by resignation of WCC, on the recommendation of Audit Committee, the Board of Directors on July 11, 2019 appointed B S R and Associates, Chartered Accountants [Firm Registration No. 128901W] ("BSR") as Statutory Auditor of the Company, to hold office as such upto the conclusion of AGM held on September 12, 2019. In accordance with the provisions of Section 139 and other applicable provisions of the Companies Act, 2013, the members of the Company, at their AGM held on September 12, 2019, appointed BSR as Statutory Auditor of the Company to hold office from the conclusion of the said AGM till the conclusion of AGM to be held in the calendar year 2024.

The Auditors' Report on Annual Financial Statements (Standalone & Consolidated) for the financial year ended on March 31, 2020, is an unmodified report i.e. it does not contain any qualification, reservation or adverse remark.

However, the reports of BSR on revised Annual Financial Statements (Standalone and Consolidated) for the financial year ended on March 31, 2020, contains adverse opinion on Internal financial control (refer Annexure A to the Independent Auditor's report).

Adverse opinion on Internal Financial Control by Statutory Auditor

Refer adverse opinion given by Statutory Auditor on Internal financial control (refer Annexure A to the Independent Auditor's report)

Management comments

The investigation findings concluded that the anomalous practices were limited only to the pure money segment of the radio business. The Management has accordingly undertaken certain actions – remedial and otherwise, with special focus on the radio business, to improve and augment internal control mechanism that can detect and prevent occurrence of any anomalous practices in radio and / or other business. Actions against the personnel identified as responsible for the misdemeanor have been taken as recommended by the Audit Committee. The Company has also taken steps to strengthen the governance and communication around whistle blower and code of conduct process.

Secretarial Auditor

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and rules made thereunder, the Board of Directors had appointed M/s. GHV & Co., Practicing Company Secretaries as Secretarial Auditor, to conduct the Secretarial Audit for the financial year ended on March 31, 2020. The Secretarial Auditor issued the audit report dated June 8, 2020, which was followed by an addendum dated November 27, 2020 in reference to the WB Complaint. The Secretarial Audit Report and said addendum are annexed herewith as "**Annexure - A**". Your Directors have to state the following in relation to the observations in the Secretarial Audit Report -

(i) In view of the new requirement to provide details of Significant Beneficial Owner in the quarterly shareholding pattern filed with stock exchanges, there was a delay of seven days in submission of the shareholding pattern for the quarter ended on June 30, 2019. The slight delay in filing was attributable to certain internal constraints. The Company has promptly paid the penalty levied by NSE and BSE in this regard.

(ii) Chairperson of Audit Committee could not attend the Annual General Meeting of the Company held on September 12, 2019 due to certain limitations at his end to travel to Mumbai.

The Secretarial Audit of material unlisted subsidiary viz. NRL, as required under Regulation 24A of SEBI Listing Regulations, was conducted by M/s. GHV & Co., Practicing Company Secretaries for FY-20. The Secretarial Auditor issued the audit report dated June 8, 2020, which was followed by an addendum dated November 27, 2020 in reference to the WB Complaint. The Secretarial Audit Report read with said addendum does not contain any qualification, reservation or adverse remarks.

During the year under review, Statutory Auditor and Secretarial Auditor have not reported any instance of fraud to the Audit Committee pursuant to Section 143(12) of the Companies Act, 2013 and rules made thereunder, therefore, no details are required to be disclosed under Section 134(3)(ca) of the Companies Act, 2013. However, they have, in their respective reports, referred to the WB Complaint alleging anomalies resulting in deficiencies in certain financial reporting processes of the radio business.

RELATED PARTY TRANSACTIONS

All contracts /arrangements /transactions entered into by the Company with related parties during the year under review, were in ordinary course of business of the Company and on arms' length terms. The related party transactions were placed before the Audit Committee for review and

approval. During the year, the Company did not enter into any contract / arrangement /transaction with related party, which could be considered material in accordance with the Company's 'Policy on Materiality of and dealing with Related Party Transactions' and accordingly, the disclosure of related party transactions in Form AOC-2 is not applicable. The aforesaid Policy is available on the Company's website viz. www.nextmediaworks.com.

Reference of the Members is invited to Note nos. 31 & 31A of the Standalone Annual Financial Statements, which set out the related party disclosures as per Ind AS-24.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134 of the Companies Act, 2013, your Directors state that:

i. in the preparation of the annual accounts for the financial year ended on March 31, 2020, the applicable Accounting Standards have been followed and there were no material departures;

ii. such accounting policies have been selected and applied consistently and judgments and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as on March 31, 2020; and of the loss of the Company for the year ended on March 31, 2020;

iii. proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

iv. the annual accounts have been prepared on a 'going concern' basis;

v. proper internal financial controls were in place and such internal financial controls were adequate and operating effectively except certain weaknesses which were identified relating to a particular stream of revenue of the radio business (being 'pure money'), These weaknesses have since been addressed and appropriate actions are being undertaken to strengthen the internal financial controls; and

vi. proper systems have been devised to ensure compliance with the provisions of all applicable laws and such systems were adequate and operating effectively.

DISCLOSURES UNDER COMPANIES ACT, 2013

Borrowing and Debt Servicing: During the year under review, your Company has met all its obligations towards repayment of principal and interest on loans availed.

Particulars of loans given, investments made, guarantees /securities given: Details of investments made and loans/ guarantees/securities given, as applicable, are given in Note no. 34 to the Annual Standalone Financial Statements.

Board Meetings: Yearly calendar of board meetings is prepared and circulated in advance to the Directors. During the financial year ended on March 31, 2020, the Board met seven times on April 18, 2019, May 27, 2019, July 16, 2019, August 23, 2019, October 31, 2019, January 13, 2020 and March 12, 2020. For further details of these meetings, Members may please refer 'Report on Corporate Governance' which forms part of the Annual Report.

Committees of the Board: At present, four standing committees of the Board of Directors are in place viz. Audit Committee, Nomination & Remuneration Committee, Stakeholders' Relationship Committee and Banking & Finance Committee. During the year under review, recommendations of the aforesaid Committees were accepted by the Board. Risk Management Committee was dissolved by the Board of Directors at its meeting held on April 18, 2019. For further details of the committees of the Board, Members may please refer 'Report on Corporate Governance' which forms part of the Annual Report.

Remuneration Policy: Remuneration Policy of the Company on appointment and remuneration of Directors, KMPs & Senior Management, as prescribed under Section 178(3) of the Companies Act, 2013 and SEBI Listing Regulations, is available on the Company's website viz. www.nextmediaworks.com. The Remuneration Policy includes, *inter-alia*, the criteria for appointment of Directors, KMPs, Senior Management Personnel and other covered employees, their remuneration structure and disclosure(s) in relation thereto. The said policy has been revised by the Board of Directors on June 23, 2020.

Vigil Mechanism: The Vigil Mechanism, as envisaged in the Companies Act, 2013 & rules made thereunder, and the SEBI Listing Regulations, is addressed in the Company's "Whistle Blower Policy". In terms of the Policy, directors/ employees/ stakeholders of the Company may report concerns about unethical behavior, actual or suspected fraud or any violation of the Company's Code of Conduct and any incident of leak or suspected leak of Unpublished Price Sensitive Information (UPSI). The Policy provides for adequate safeguards against victimization of the Whistle Blower. The said policy is available on the Company's website viz. www.nextmediaworks.com.

Particulars of employees and related disclosures: In accordance with the provisions of Section 197(12) of the Companies Act, 2013 read with Rule 5(2) & (3) of the

Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, details of employees remuneration are set out in the "**Annexure - B**" to this Report.

In terms of the provisions of Section 136(1) of the Companies Act, 2013, the Board's Report is being sent to the Members without this annexure. Members interested in obtaining such information, may write to the Company Secretary.

Disclosures under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is annexed herewith as "**Annexure - C**"

Extract of Annual Return: Extract of the Annual Return for the financial year ended on March 31, 2020 in Form MGT-9, is annexed herewith as "**Annexure - D**" and is also available on the Company's website viz. www.nextmediaworks.com. The Annual Return will be hosted on Company's website after certification by Company Secretary-in-Practice and filing thereof with Registrar of Companies.

Corporate Governance: The report on Corporate Governance in terms of SEBI Listing Regulations, forms part of the Annual Report. The certificate issued by Company Secretary-in-Practice confirming the compliance of conditions of corporate governance, is annexed herewith as "**Annexure - E**".

Conservation of energy, technology absorption and foreign exchange earnings & outgo: Nil

SECRETARIAL STANDARDS

Applicable provisions of Secretarial Standards i.e. SS-1 and SS-2, relating to 'Meetings of the Board of Directors' and 'General Meetings', respectively have been duly followed by the Company.

PREVENTION OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE

Your Company adheres to a strict policy to ensure the safety of women employees at workplace. The Company is fully compliant with the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, as applicable. No complaint was reported during the year under review.

GENERAL

Your Directors state that no disclosure is required in respect of the following matters as there were no transactions/events in relation thereto, during the year under review:

1. Details relating to deposits covered under Chapter V of the Companies Act, 2013.
2. Issue of equity shares with differential rights as to dividend, voting or otherwise.
3. Issue of shares (including sweat equity shares) to employees of the Company under any scheme of the Company.

There was no change in the share capital of the Company during the year under review.

The Company has not transferred any amount to the General Reserve during the year under review.

During the year under review HT Media Limited (HTML) made an open offer under SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 to the public shareholders of the Company to acquire 1,73,92,157 equity shares constituting 26% of the paid-up share capital of the Company. In terms of of the said offer, 94,86,823 equity shares, constituting 14.18% of paid-up share capital of the Company, were tendered by the public shareholders. Thereafter, HTML acquired 2,46,28,563 equity shares (i.e 36.82% of paid-up share capital) from the existing promoters of the Company, taking HTML's shareholding to 51% of paid-up share capital in the Company. HTML's obligation of making payment to the public shareholders of Company was completed on April 15, 2019.

No material changes/commitments of the Company have occurred after the end of the financial year 2019-20 and till the date of this report, which affect the financial position of your Company, other than those already mentioned in this report.

During the period under review, Company received a show-cause notice from Investor Education and Protection Fund ("IEPF") Authority on December 19, 2019 for non-transfer of eligible shares, although the unclaimed dividend in respect of these eligible shares was duly transferred to IEPF in the year 2009. Upon receipt of the show cause notice, the Company promptly transferred the eligible shares to IEPF Authority, in due compliance of the relevant provisions of the Act and rules made thereunder. In the reply to the show-cause notice, it was submitted that the delay in non-transfer of eligible shares to IEPF was merely on account of different reading of the relevant rules at Company's end.

No significant or material orders were passed by Regulators or Courts or Tribunals which impact the 'going concern' status and Company's operations in future.

INTERNAL FINANCIAL CONTROL

Your Company has adequate internal financial controls in place with reference to the financial statements. The internal control system is supplemented by an extensive program of internal audits and their reviews by the management. The in-house internal audit function supported by professional external audit firms conduct comprehensive risk focused audits and evaluate the effectiveness of the internal control structure across locations and functions on a regular basis. In addition to internal audit activities, Company has also developed an internal financial control framework to periodically review the effectiveness of controls laid down across all critical processes. The Company has instituted an online compliance management tool with a centralized repository, to cater to its statutory compliance requirements.

However, in view of a whistleblower complaint received in August, 2020 from a named employee of the radio business of HT Media on his last working day, alleging anomalies resulting in deficiencies in certain financial reporting processes of the radio business, an independent law firm was appointed which worked closely with two independent accounting firms for an in-depth comprehensive review. The investigation findings concluded that the anomalous practices were limited only to the pure money segment of the radio business. The Management has accordingly undertaken certain actions – remedial and otherwise, with special focus on the radio business, to improve and augment internal control mechanism that can detect and prevent occurrence of any anomalous practices in radio and / or other business. Further, the Company has taken special initiatives to strengthen governance mechanism.

During the year, Statutory Auditors have given adverse opinion on Internal Financial Control (refer Annexure A to the Independent Auditor's report).

ACKNOWLEDGEMENT

Your Directors place on record their sincere appreciation for the co-operation and support extended by Ministry of Information & Broadcasting and all listeners, advertisers, stakeholders, including various government authorities, shareholders, investors, banks, etc. Your Directors also place on record their deep appreciation of the committed services of the executives and employees of the Company.

For and on behalf of the Board

(Dinesh Mittal)
Director
DIN: 00105769

(Praveen Someshwar)
Director
DIN: 01802656

Date: November 27, 2020
Place: New Delhi

ANNEXURE - A TO THE BOARD'S REPORT

SECRETARIAL AUDIT REPORT

FOR THE YEAR ENDED ON 31st March, 2020

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Next Mediaworks Limited
(CIN: L22100MH1981PLC024052)
Unit 701 A, 7th Floor, Tower 2, Indiabulls Finance Centre
Senapati Bapat Marg, Elphinstone Road, Mumbai – 400 013

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Next Mediaworks Limited** (hereinafter called the "Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

Based on our verification, *to the extent possible due to our inability to verify certain documents physically as a result of the country-wide lockdown announced by Government of India on account of COVID-19 pandemic*, of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information, confirmation and representation provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on **March 31, 2020** (hereinafter called "Audit Period"), complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the Audit Period according to the provisions of:

(i) The Companies Act, 2013 (the "Act") and the rules made thereunder;

(ii) The Securities Contact (Regulation) Act, 1956 ("SCRA") and rules made thereunder;

(iii) The Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("SEBI Act") which includes the following:-

a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;

c) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

(iv) Further, it has been informed and verified that there is no other specific law applicable to the Company

We have also examined compliance with the applicable clauses of the Secretarial Standards issued by the Institute of Company Secretaries of India.

During the period under review the Company has complied with all the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

During the Audit Period, following have been observed :

a) Consequent upon introduction of the new requirement to provide details of Significant Beneficial Owner in the quarterly shareholding pattern filed with stock exchanges (in the format prescribed by SEBI), due to certain internal constraints the Company submitted the shareholding pattern for the quarter ended on June 30, 2019 to the stock exchanges viz. NSE and BSE, with a delay of 7 (Seven) days beyond the specified time limit. Thereafter, Company paid the penalty levied by NSE and BSE in this regard within the given timeline.

b) The Chairperson of Audit Committee could not attend the Annual General Meeting of the Company held on September 12, 2019, as required under sub-regulation 1(d) of Regulation 18 of the SEBI Listing Regulations.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors (including Independent Woman Director). The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act and SEBI Listing Regulations.

Adequate notices were given to all directors to schedule the Board & Committee meetings and agenda & detailed notes on agenda were sent in accordance with the relevant provisions of the Act. Further, a system is in place for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Decisions at the meetings of the Board and Committee were taken unanimously.

We further report that based on limited verification and representation, there are adequate systems and processes in the company commensurate with its size and operations to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the Audit Period, there is no secured charge as per records of the Company, although two secured charges are reflecting on the portal of Ministry of Corporate Affairs ("MCA"), which have been satisfied in the past. In this regard, the Company is in the process of obtaining relevant data/ documents for filing necessary form(s)/ document(s) with MCA for appropriate disposal.

We further report that during the Audit Period, Company received a show cause notice from Investor Education and Protection Fund Authority ("IEPF") on December 19, 2019 for non-transfer of eligible shares, although the unclaimed dividend in respect of these eligible shares was duly transferred to IEPF in the year 2009. Accordingly, the Company has transferred the eligible shares to IEPF Authority, in due compliance of the relevant provisions of the Act and rules made thereunder. Further, it has been clarified by the Company that the delay in non-transfer of eligible shares to IEPF was merely on account of different reading of the relevant rules at Company's end.

Gopika Shah - Partner
GHV & Co., Practising Company Secretaries
C.P. No.: 11663 **FCS No.**: 10416
UDIN: F010416B000325093

Place: Mumbai
Date: June 8, 2020

This report is to be read with our letter of even date which is annexed as 'Annexure A' and forms an integral part of this report.

ANNEXURE - A TO THE SECRETARIAL AUDIT REPORT

To,
The Members,
Next Mediaworks Limited

Our Secretarial Audit Report for the financial year ended on March 31, 2020 of even date is to be read along with this letter:

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on reasonable basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices followed, provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.

5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedures to the extent possible.

6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

7. We were unable to physically verify the statutory records of the Company due to lockdown announced by Government of India on account of COVID- 19 pandemic. However, reliance was placed on records available at MCA portal/ shown to us electronically for verification of compliances.

Gopika Shah - Partner
GHV & Co., Practising Company Secretaries
C.P. No.: 11663 **FCS No**.: 10416
UDIN: F010416B000325093

Place: Mumbai
Date: June 8, 2020

ADDENDUM TO FORM NO. MR-3

THE SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON MARCH 31, 2020

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Next Mediaworks Limited

In furtherance to the secretarial audit report issued by us dated June 8, 2020 (bearing UDIN: F010416B000325093), we hereby report that we were informed by the management of the Company about postponement of Annual General Meeting scheduled to be held on September 17, 2020 due complaint received by the Company from an employee regarding anomalies in certain practices adopted in the radio business of the subsidiary i.e. Next Radio Limited which may have financial implications.

As informed to us, the Company had in accordance with the whistle blower policy taken up matter in audit committee and initiated the process of investigation by appointment of a law firm namely Khaithan and Co. A detailed investigation by the law firm along with the renowned Chartered Accountant firms was carried out.

As per the investigation report by the said law firm, the following anomalies were affirmed by the investigation:

- Practice of pre-billing (i.e. billing and booking revenue for services yet to be consumed/ delivered or burnt) for reporting higher revenue. Such billing remaining unconsumed/ undelivered
- Debtor ageing management by issuance of credit notes and new invoices to avoid higher provisioning for bad debts.
- Improper balance confirmation processes to establish audit trails, which largely remained unconfirmed during the confirmation process.
- Internal tracking of pre-billing amounts not reflecting in the system software like SAP.
- Potentially improper credit approvals including forced/ credit approval under protest at the instructions of leadership of the radio business.

Since the allegations contained in the Complaint were established in the affirmative, a financial impact analysis was also carried out. The analysis of financial impact was therefore undertaken on radio business during the fact-finding investigation itself. The Investigation did not reveal existence of personal profiteering or siphoning of funds or embezzlement or misappropriation of funds or corruption or similar financial indiscipline. Further, the alleged practices are restricted to pure money segment of the radio business and thus, is restricted only to the radio business of the Company and the personnel working in the said business division. Some of the members of the senior management of the radio business were found to be aware of and were monitoring the said trackers, containing the details of the invoices being burned or adjusted against future orders. As per the same the entries regarding overstated revenues in the financials were identified and rectified. Accordingly, the Board of Directors at its meeting held on November 27, 2020 has approved the revised financial statements for the financial year ended on March 31, 2020.

This report is to be read along with our aforementioned audit report issued by us earlier and no matters referred in the earlier report are changed or negated as a result of this addendum report.

Gopika Shah - Partner
GHV & Co., Practising Company Secretaries
C.P. No.: 11663 **FCS No**.: 10416
UDIN: F010416B001331318

Place: Mumbai
Date: November 27, 2020

ANNEXURE – C TO THE BOARD'S REPORT

Details pertaining to remuneration as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

(i) The ratio of remuneration of each Director to the median remuneration of the employees and percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer and Company Secretary during the financial year ended on March 31, 2020, is as under –

Name of Director/KMP & designation	Remuneration for FY-20 (Rs./Lacs)	% increase in remuneration in FY-20	Ratio of remuneration of each Director to median remuneration of employees in FY-20[@]
Mr. Tarique Ansari* *Chairman & Managing Director*	2.93	Not comparable[@@]	0.15
Mr. Adille Sumariwalla* *Independent Director*	0.10[++]	Not comparable[@@]	0.01
Mr. I. Venkat* *Independent Director*	0.10[++]	Not comparable[@@]	0.01
Mr. Rajbir Singh Bhandal* *Independent Director*	0.00	Not comparable[@@]	Nil
Ms. Monisha Shah* *Independent Director*	0.10[++]	Not comparable[@@]	0.01
Mr. Sunil Dalal* *Independent Director*	0.00	Not comparable[@@]	Nil
Mr. Chetan Desai* *Non-executive Director*	0.10[++]	Not comparable[@@]	0.01
Mr. Dilip Cherian[%] *Independent Director*	7.50[++]	Not comparable[@@]	0.38
Mr. Ajay Relan[#] *Independent Director*	9.50[++]	Not comparable[@@]	0.48
Ms. Suchitra Rajendra[#] *Independent Director*	8.50[++]	Not comparable[@@]	0.43
Mr. Sameer Singh[+] *Independent Director*	1.00[++]	Not comparable[@@]	0.50
Mr. Ismail Dabhoya[&] *Chief Financial Officer*	5.08	Not comparable[@@]	Not applicable
Mr. Gaurav Sharma[^] *Company Secretary*	19.18	Not comparable[@@]	Not applicable
Ms. Diksha Singh[$] *Company Secretary*	0.75	Not comparable[@@]	Not applicable

[@]Median remuneration of employees during FY-20 was Rs.20 Lac

**ceased to be Director w.e.f. April 18, 2019*

[%]ceased to be Director w.e.f. January 23, 2020 upon completion of tenure on January 22, 2020

[#]appointed as Independent Director w.e.f. April 18, 2019

[+]appointed as Independent Director w.e.f. January 13, 2020

[&]ceased to be CFO w.e.f. April 18, 2019

^ceased to be CS w.e.f. March 15, 2020

[$]appointed as CS w.e.f. March 16, 2020

[++]comprise of sitting fee for attending Board/Committee meetings, as applicable

[@@]remuneration not comparable owning to appointment/ cessation during FY-20, as the case may be

Note:

1. Perquisites have been valued as per the Income Tax Act, 1961.
2. Sitting fee payable to Non-executive Directors for attending Board/ Committee meetings was revised from Rs.10,000 per meeting to Rs.1,00,000 and Rs.50,000 per Board and Committee meeting respectively, w.e.f. April 19, 2019.
3. Mr. Harshad Jain, CEO and Mr. Abhishek Kapoor, CFO, draw remuneration from the subsidiary company viz. Next Radio Limited (NRL). They have ceased to be CEO and CFO of the Company as well as NRL w.e.f. November 26, 2020.

(ii) There was a decrease of 67% in the median remuneration of employees of the Company in FY-20.

(iii) As on March 31, 2020, there were 2 permanent employees on the rolls of the Company.

(iv) During FY-20, there was no change in the remuneration of employees, other than managerial personnel. During the same period, the average percentage change in remuneration of Mr. Tarique Ansari (Managerial Personnel) is not comparable as he ceased to hold office during FY-20.

(v) It is hereby affirmed that the remuneration is as per the Remuneration Policy of the Company.

For and on behalf of the Board

(Dinesh Mittal)
Director
DIN: 00105769

(Praveen Someshwar)
Director
DIN: 01802656

Date: November 27, 2020
Place: New Delhi

ANNEXURE – D TO THE BOARD'S REPORT

EXTRACT OF ANNUAL RETURN

Form No. MGT-9

(For the financial year ended March 31, 2020)

[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION & OTHER DETAILS

Sl. No.	Particulars	Details
i	Corporate Idenitification Number (CIN)	L22100MH1981PLC024052
ii	Registration Date	March 12, 1981
iii	Name of the Company	Next Mediaworks Limited
iv	Category / Sub-category of the Company	Public Company/Limited by shares
v	Address of the Registered Office and contact details	Unit 701A, 7th Floor, Tower-2, Indiabulls Finance Centre, Senapati Bapat Marg, Elphinstone Road, Mumbai – 400 013 Tel: +91 – 22 - 44104104 E-mail: investor.communication@radioone.in
vi	Whether listed company	Yes
vii	Name, Address and contact details of Registrar & Transfer Agent	KFin Technologies Private Limited Selenium Tower B, Plot No. 31 & 32 Financial District, Nanakramguda, Serilingampally Mandal Hyderabad – 500 032 Tel : +91 - 40 - 67162222 Fax : +91 - 40 - 23001153 E-mail : einward.ris@kfintech.com Website : www.kfintech.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY: NIL

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No.	Name and address of the Company	CIN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	HT Media Limited* *18-20, Kasturba Gandhi Marg New Delhi - 110 001*	L22121DL2002PLC117874	Holding	51.00	2(46)
2	Next Radio Limited *Unit 701A, 7th Floor, Tower-2, Indiabulls Finance Centre, Senapati Bapat Marg, Elphinstone Road, Mumbai – 400 013*	U32201MH1999PLC122233	Subsidiary	51.40	2(87)
3	Syngience Broadcast Ahmedabad Limited# *I-18, Floor - 10th Plot - 156, Everest Apt, Pandit Madan Mohan Malviya Marg, Tardeo Mumbai - 400 034*	U93090MH2017PLC293674	Subsidiary	00.00	2(87)

** HT Media Limited is a subsidiary of The Hindustan Times Limited*

 # step-down subsidiary of Next Mediaworks Limited (shares held through Next Radio Limited)

IV. SHAREHOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY)

(i) Category-wise Shareholding

Sl. No.	Category of Shareholders	No. of shares held at the beginning of the year (as at 01.04.2019)				No. of shares held at the end of the year (as at 31.03.2020)				% change during the year
		Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
(A)	**Promoters**									
(1)	**Indian**									
(a)	Individual / HUF	2,19,65,024	0	2,19,65,024	32.84	1,07,15,043	0	1,07,15,043	16.02	(16.82)
(b)	Central Govt.	0	0	0	0.00	0	0	0	0.00	0.00
(c)	State Govt.(s)	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Banks/Financial Institution	0	0	0	0.00	0	0	0	0.00	0.00
(f)	Any Other									
	Body Corporate	1,94,31,460	0	1,94,31,460	29.05	3,94,46,264	0	3,94,46,264	58.97	29.92
	Sub-Total A(1)	**4,13,96,484**	**0**	**4,13,96,484**	**61.88**	**5,01,61,307**	**0**	**5,01,61,307**	**74.99**	**13.10**
(2)	**Foreign**									
(a)	NRI – Individuals	0	0	0	0.00	0	0	0	0.00	0.00
(b)	Other – Individuals	0	0	0	0.00	0	0	0	0.00	0.00
(c)	Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Banks/FIs	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Any Other	0	0	0	0.00	0	0	0	0.00	0.00
	Sub-Total A(2)	**0**	**0**	**0**	**0.00**	**0**	**0**	**0**	**0.00**	**0.00**
	Total shareholding of Promoters (A) = A(1) + A(2)	**4,13,96,484**	**0**	**4,13,96,484**	**61.88**	**5,01,61,307**	**0**	**5,01,61,307**	**74.99**	**13.10**
(B)	**Public Shareholding**									
(1)	**Institutions**									
(a)	Mutual Funds	27,47,548	0	27,47,548	4.11	0	0	0	0.00	(4.11)
(b)	Banks/Financial Institutions	0	0	0	0.00	0	0	0	0.00	0.00
(c)	Alternate Investment Fund	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Central Govt.	0	0	0	0.00	0	0	0	0.00	0.00
(e)	State Govt.(s)	0	0	0	0.00	0	0	0	0.00	0.00
(f)	Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
(g)	Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00

Sl. No.	Category of Shareholders	No. of shares held at the beginning of the year (as at 01.04.2019)				No. of shares held at the end of the year (as at 31.03.2020)				% change during the year
		Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
(h)	Foreign Institutional Investors / Foreign Portfolio Investors	18,22,664	0	18,22,664	2.72	18,22,664	0	18,22,664	2.72	0.00
(i)	Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
(j)	Others(specify)	0	0	0	0.00	0	0	0	0.00	0.00
	Sub-Total B(1)	**45,70,212**	**0**	**45,70,212**	**6.83**	**18,22,664**	**0**	**18,22,664**	**2.72**	**(4.11)**
(2)	**Non-Institutions**									
(a)	**Bodies Corporate**									
	(i) Indian	1,02,85,669	1	1,02,85,670	15.38	46,62,677	1	46,62,678	6.97	(8.41)
	(ii) Overseas	0	0	0	0.00	0	0	0	0.00	0.00
(b)	**Individuals**									
	(i) Individual shareholders holding nominal share capital upto ₹1 lakh	58,05,270	1,888	58,07,158	8.68	55,85,639	1,888	55,87,527	8.35	(0.33)
	(ii) Individual shareholders holding nominal share capital in excess of ₹1 lakh	38,88,458	0	38,88,458	5.81	44,99,810	0	44,99,810	6.73	0.91
(c)	**Others**									
	(i) Trust#	90,916*	0	90,916*	0.14	13,500	0	13,500	0.02	(0.12)
	(ii) Hindu Undivided Family	0	0	0	0.00	0	0	0	0.00	0.00
	(iii) Non Resident Indians (Repat)	66,653	0	66,653	0.10	51,339	0	51,339	0.08	(0.02)
	(iv) Non Resident Indians (Non Repat)	45,287	0	45,287	0.07	43,062	0	43,062	0.06	0.00
	(v) Clearing Member	7,42,070	0	7,42,070	1.11	50,669	0	50,669	0.08	(1.03)
	(vi) IEPF	0	0	0	0.00	352	0	352	0.00	0.00
	Sub-total (B)(2)	**2,09,24,323**	**1,889**	**2,09,26,212**	**31.28**	**1,49,07,048**	**1,889**	**1,49,08,937**	**22.29**	**(9.00)**
	Total public shareholding (B) = B(1) + B(2)	**2,54,94,535**	**1,889**	**2,54,96,424**	**38.12**	**1,67,29,712**	**1,889**	**1,67,31,601**	**25.01**	**(13.10)**
(C)	**Shares held by custodian for GDRs & ADRs**	0	0	0	0.00	0	0	0	0.00	0.00
	Grand Total (A+B+C)	**6,68,91,019**	**1,889**	**6,68,92,908**	**100.00**	**6,68,91,019**	**1,889**	**6,68,92,908**	**100.00**	**0.00**

** includes 77,416 shares held by Mid-day Exports Private Limited out of which 36,500 shares were held as Employee Stock Option Trust.*

 # In terms of SEBI (Share Based Employee Benefits) Regulations, 2014, shareholding of Employees Stock Option Trust had been categorised under 'Non-Promoter Non-Public' category in the stock exchange filings. However, to conform to the format of Form MGT-9, the same has been categorized under 'Public' category.

(ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year (as at 01.04.2019)			Shareholding at the end of the year (as at 31.03.2020)			% change in shareholding during the year
		No. of shares	% of total shares of the Company	% of shares pledged / encumbered to total shares	No. of shares	% of total shares of the Company	% of shares pledged / encumbered to total shares	
1.	HT Media Limited	0	0.00	0.00	341,15,386	51.00	0.00	51.00
2.	Meridian Holding & Leasing Company Private Limited	74,69,856	11.17	0.00	37,73,246	5.64	0.00	(5.53)
3.	Ferrari Investments and Trading Company Private Limited	1,12,16,858	16.77	0.00	15,57,632	2.33	0.00	(14.44)
4.	Inquilab Offset Printers Limited	7,44,746	1.11	0.00	0	0.00	0.00	(1.11)
5.	Tarique Ansari	43,37,298	6.48	100.00	20,37,298	3.05	0.00	(3.43)
6.	Rukya Khalid Ansari	46,15,075	6.90	71.98	23,03,149	3.44	0.00	(3.46)
7.	Tehzeeb Ansari Grossman	43,37,298	6.48	0.00	43,37,298	6.48	0.00	0.00
8.	Sharique Ansari	43,37,298	6.48	100.00	20,37,298	3.05	0.00	(3.43)
9.	Khalid A H Ansari	43,38,055	6.49	0.00	0	0.00	0.00	(6.49)
	TOTAL	**4,13,96,484**	**61.88**	**28.98**	**5,01,61,307**	**74.99**	**0.00**	**13.11**

(iii) Change in Promoters' Shareholding

Sl. No.	Name	Shareholding at the beginning of the year		Change in shareholding			Cumulative shareholding during the year	
		No. of shares	% of total shares of the Company	Date	Increase/ (Decrease) in shareholding	Reason	No. of shares	% of total shares of the Company
1.	HT Media Limited	0	0.00	19.04.2019	3,41,15,386	Acquisition of shares pursuant to open offer under SEBI (SAST) Regulations and Share Purchase Agreement dated 20.12.2018	341,15,386	51.00
2.	Ferrari Investments and Trading Company Private Limited	1,12,16,858	16.77	19.04.2019	(96,59,226)	Sale of shares pursuant to Share Purchase Agreement dated 20.12.2018	15,57,632	2.33
3.	Meridian Holding & Leasing Company Private Limited	74,69,856	11.17	19.04.2019	(29,74,610)	Sale of shares pursuant to Share Purchase Agreement dated 20.12.2018	37,73,246	5.64
				28.02.2020	(7,22,000)	Market Sale		
4.	Rukya Khalid Ansari	46,15,075	6.90	19.04.2019	(23,11,926)	Sale of shares pursuant to Share Purchase Agreement dated 20.12.2018	23,03,149	3.44
5.	Khalid A H Ansari	43,38,055	6.49	19.04.2019	(43,38,055)	Sale of shares pursuant to Share Purchase Agreement dated 20.12.2018	0	0.00
6.	Tarique Ansari	43,37,298	6.48	19.04.2019	(23,00,000)	Sale of shares pursuant to Share Purchase Agreement dated 20.12.2018	20,37,298	3.05
7.	Sharique Ansari	43,37,298	6.48	19.04.2019	(23,00,000)	Sale of shares pursuant to Share Purchase Agreement dated 20.12.2018	20,37,298	3.05
8.	Inquilab Offset Printers Limited	7,44,746	1.11	19.04.2019	(7,44,746)	Sale of shares pursuant to Share Purchase Agreement dated 20.12.2018	0	0.00

(iv) Shareholding Pattern of top ten shareholders (other than Directors, Promoters and holders of GDRs and ADRs)

Sl. No.	Name of the Shareholder	Shareholding at the beginning of the year		Cumulative shareholding during the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
1.	BENNETT, COLEMAN AND COMPANY LIMITED				
	At the beginning of the year	36,49,391	5.46	36,49,391	5.46
	Bought during the year	0	0.00	36,49,391	5.46
	Sold during the year	0	0.00	36,49,391	5.46
	At the end of the year	36,49,391	5.46	36,49,391	5.46
2.	ACACIA PARTNERS, LP				
	At the beginning of the year	9,07,065	1.36	9,07,065	1.36
	Bought during the year	0	0.00	9,07,065	1.36
	Sold during the year	0	0.00	9,07,065	1.36
	At the end of the year	9,07,065	1.36	9,07,065	1.36
3.	ALTAF YUSUF WAHEDNA*				
	At the beginning of the year	0	0.00	0	0.00
	Bought during the year	7,16,000	1.07	7,16,000	1.07
	Sold during the year	0	0.00	7,16,000	1.07
	At the end of the year	7,16,000	1.07	7,16,000	1.07
4.	LINCOLN P COELHO				
	At the beginning of the year	5,00,000	0.75	5,00,000	0.75
	Bought during the year	0	0.00	5,00,000	0.75
	Sold during the year	0	0.00	5,00,000	0.75
	At the end of the year	5,00,000	0.75	5,00,000	0.75
5.	ACACIA INSTITUTIONAL PARTNERS, LP				
	At the beginning of the year	4,73,893	0.71	4,73,893	0.71
	Bought during the year	0	0.00	4,73,893	0.71
	Sold during the year	0	0.00	4,73,893	0.71
	At the end of the year	4,73,893	0.71	4,73,893	0.71
6.	ACACIA BANYAN PARTNERS				
	At the beginning of the year	3,68,800	0.55	3,68,800	0.55
	Bought during the year	0	0.00	3,68,800	0.55
	Sold during the year	0	0.00	3,68,800	0.55
	At the end of the year	3,68,800	0.55	3,68,800	0.55
7.	THE INDIAN EXPRESS PRIVATE LIMITED				
	At the beginning of the year	2,45,011	0.37	2,45,011	0.37
	Bought during the year	0	0.00	2,45,011	0.37
	Sold during the year	0	0.00	2,45,011	0.37
	At the end of the year	2,45,011	0.37	2,45,011	0.37
8.	YAZDI NARIMAN BATLIWALA				
	At the beginning of the year	2,24,922	0.34	2,24,922	0.34
	Bought during the year	0	0.00	2,24,922	0.34
	Sold during the year	0	0.00	2,24,922	0.34
	At the end of the year	2,24,922	0.34	2,24,922	0.34
9.	KIRAN SUZANNE COELHO*				
	At the beginning of the year	2,00,000	0.30	2,00,000	0.30
	Bought during the year	0	0.00	2,00,000	0.30
	Sold during the year	0	0.00	2,00,000	0.30
	At the end of the year	2,00,000	0.30	2,00,000	0.30
10.	NEELAMBEN KIRITKUMAR PATEL				
	At the beginning of the year	1,50,000	0.22	1,50,000	0.22
	Bought during the year	0	0.00	1,50,000	0.22
	Sold during the year	27,117	0.04	1,22,883	0.18
	At the end of the year	1,22,883	0.18	1,22,883	0.18

Sl. No.	Name of the Shareholder	Shareholding at the beginning of the year		Cumulative shareholding during the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
11.	RAJASTHAN GLOBAL SECURITIES PRIVATE LIMITED#				
	At the beginning of the year	39,95,406	5.97	39,95,406	5.97
	Bought during the year	0	0.00	39,95,406	5.97
	Sold during the year	39,95,406	5.97	0	0.00
	At the end of the year	0	0.00	0	0.00
12.	EDELWEISS MULTI STRATEGY INVESTMENT TRUST- EDELWEISS CATALYST OPPORTUNITIES FUND#				
	At the beginning of the year	20,02,548	2.99	20,02,548	2.99
	Bought during the year	0	0.00	20,02,548	2.99
	Sold during the year	20,02,548	2.99	0	0.00
	At the end of the year	0	0.00	0	0.00
13.	RATNABALI SECURITIES PRIVATE LIMITED#				
	At the beginning of the year	9,96,778	1.49	9,96,778	1.49
	Bought during the year	0	0.00	9,96,778	1.49
	Sold during the year	9,96,778	1.49	0	0.00
	At the end of the year	0	0.00	0	0.00
14.	ALPHA ALTERNATIVES MULTISTRATEGY ABSOLUTE RETURN SCHEME#				
	At the beginning of the year	7,45,000	1.11	7,45,000	1.11
	Bought during the year	0	0.00	7,45,000	1.11
	Sold during the year	7,45,000	1.11	0	0.00
	At the end of the year	0	0.00	0	0.00

** Not in the list of top 10 shareholders as on April 1, 2019. The same has been reflected above as the shareholder was one of the top 10 shareholders as on March 31, 2020.*

 # Ceased to be in the list of top 10 shareholders as on March 31, 2020. The same is reflected above as the shareholder was one of the top 10 shareholders as on April 1, 2019.

Notes:

1. Year in the above table denotes the period from April 1, 2019 to March 31, 2020
2. Any member desirous of obtaining date-wise particulars of sale/purchase of shares by above shareholders may write to the Company Secretary

(v) Shareholding of Directors and Key Managerial Personnel (KMP)

Sl. No.	Name of Director/KMP	Shareholding at the beginning of the year		Cumulative shareholding during the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
1.	Mr. Tarique Ansari (Chairman & MD)*				
	At the beginning of the year	43,37,298	6.48	43,37,298	6.48
	Bought during the year	0	0.00	43,37,298	6.48
	Sold during the year	23,00,000	3.44	20,37,298	3.05
	At the end of the year	20,37,298	3.05	20,37,298	3.05
2.	Mr. Adille Sumariwalla (Director)*				
	At the beginning of the year	5,875	0.01	5,875	0.01
	Bought during the year	0	0.00	5,875	0.01
	Sold during the year	0	0.00	5,875	0.01
	At the end of the year	5,875	0.01	5,875	0.01

Sl. No.	Name of Director/KMP	Shareholding at the beginning of the year		Cumulative shareholding during the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
3.	Mr. Abhishek Kapoor (Chief Financial Officer)#				
	At the beginning of the year	18,500	0.03	18,500	0.03
	Bought during the year	0	0.00	18,500	0.03
	Sold during the year	0	0.00	18,500	0.03
	At the end of the year	18,500	0.03	18,500	0.03

** ceased to be Director w.e.f. April 18, 2019*

 # appointed as Chief Financial Officer w.e.f. April 22, 2019 and resigned w.e.f. November 26, 2020

Notes:

1. Year in the above table denotes the period from April 1, 2019 to March 31, 2020
2. Any member desirous of obtaining date-wise particulars of sale/purchase of shares by above shareholders may write to the Company Secretary

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

(Rs. in Lac)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
(i) Principal Amount	-	1,213.98	-	1,213.98
(ii) Interest due but not paid	-	-	-	-
(iii) Interest accrued but not due	-	385.08	-	385.08
Total (i) + (ii) + (iii)	**-**	**1,599.06**	**-**	**1,599.06**
Change in indebtedness during the financial year				
Addition	-	1,313.86	-	1,313.86
Reduction	-	(1,175.00)	-	(1,175.00)
Net Change	**-**	**138.86**	**-**	**138.86**
Indebtedness at the end of the financial year				
(i) Principal Amount	-	1,252.29	-	1,252.29
(ii) Interest due but not paid	-	-	-	-
(iii) Interest accrued but not due	-	485.63	-	485.63
Total (i) + (ii) + (iii)	**-**	**1,737.92**	**-**	**1,737.92**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager

(Rs. in Lac)

Sl. No.	Particulars of Remuneration	Name of MD/ WTD/Manager Mr. Tarique Ansari* *(Managing Director)*
1	Gross salary	2.93
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-
2	Stock Option	-
3	Sweat Equity	-
4	Commission	-
5	Others	-
	Total (A)	**2.93**
Ceiling as per the Act#		**3.00**

** ceased to be MD w.e.f. April 18, 2019*

 # computed in terms of the provisions of Section II of Part II of Schedule V to the Companies Act, 2013 for the period Mr. Tarique Ansari held office as MD.

Note:

1) The net profit for FY-20 computed as per Section 198 of the Companies Act, 2013 was inadequate for the purpose of payment of Managerial Remuneration in FY-20. In terms of the provisions of Section 197 read with Schedule V of the Companies Act, 2013, the Company has paid remuneration to Mr. Tarique Ansari within as per Section II of Schedule V of the Companies Act, 2013.

2) During the year, Mr. Tarique Ansari was paid gratuity of Rs. 45.20 Lac upon cessation of office as MD.

3) Mr. Harshad Jain, CEO, draw remuneration from the subsidiary company viz. Next Radio Limited.

B. Remuneration to other directors

(Rs. in Lac)

Sl. No.	Particulars of Remuneration	Non-executive Directors								
		Mr. Adille Sumariwalla*	Mr. I. Venkat*	Ms. Monisha Shah*	Mr. Chetan Desai*	Mr. Dilip Cherian#	Mr. Ajay Relen@	Ms. Suchitra Rajendra@	Mr. Sameer Singh^	Total
1	Fee for attending Board / Committee Meeting	0.10	0.10	0.10	0.10	7.50	9.50	8.50	1.00	**26.90**
2	Commision	0	0	0	0	0	0	0	0	**0**
3	Others	0	0	0	0	0	0	0	0	**0**
	Total (B)	**0.10**	**0.10**	**0.10**	**0.10**	**7.50**	**9.50**	**8.50**	**1.00**	**26.90**
Total managerial remuneration										**2.93**
Overall ceiling as per the Act										**3.00$**

** ceased to be director w.e.f. April 18, 2019*

 # ceased to be director w.e.f. January 23, 2020

@ appointed as director w.e.f. April 18, 2019

^ appointed as director w.e.f. January 13, 2020

& does not include fee paid to Non-executive Directors for attending Board/ Committee meetings held during FY-20 in terms of the provisions of Section 197(5) of the Companies Act, 2013

$ computed in terms of the provisions of Section II of Part II of Schedule V to the Companies Act, 2013 for the period Mr. Tarique Ansari held office as MD.

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

(Rs. in Lac)

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			
		Mr. Ismail Dabhoya* (Chief Financial Officer)	Mr. Gaurav Sharma@ (Company Secretary)	Ms. Diksha Singh^ (Company Secretary)	Total
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	5.08	19.18	0.75	**25.01**
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	**-**
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	**-**
2	Stock Option	-	-	-	**-**
3	Sweat Equity	-	-	-	**-**
4	Commission	-	-	-	**-**
5	Others	-	-	-	**-**
	Total	**5.08**	**19.18**	**0.75**	**25.01**

** ceased to be CFO w.e.f. April 18, 2019*

@ ceased to be CS w.e.f. March 15, 2020

^ appointed as CS w.e.f. March 16, 2020

Note:

1) During the year, Mr. Ismail Dabhoya was paid gratuity of Rs. 8.67 Lac upon cessation of office as CFO

2) Mr. Abhishek Kapoor, CFO, draw remuneration from the subsidiary company viz. Next Radio Limited

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES: NIL

For and on behalf of the Board

(Dinesh Mittal)
Director
DIN: 00105769

(Praveen Someshwar)
Director
DIN: 01802656

Date: November 27, 2020
Place: New Delhi

ANNEXURE – E TO THE BOARD'S REPORT

CERTIFICATE ON COMPLIANCE OF CORPORATE GOVERNANCE

To
The Members of
Next Mediaworks Limited

We, GHV and Co., Practising Company Secretaries have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on March 31, 2020, as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations).

The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control system and procedures to ensure the compliance with the conditions of Corporate Governance stipulated in the Listing Regulations. Our examination was limited to the review of the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of the Corporate Governance as stipulated in the Listing Regulations except that *the Chairperson of Audit Committee could not attend the Annual General Meeting of the Company held on September 12, 2019, as required under sub-regulation 1(d) of regulation 18 of the Listing Regulations.*

We further state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Gopika Shah - Partner
GHV & Co.
Practising Company Secretary
FCS No.: 10416 **C P No.**: 11663
UDIN: F010416B000325258

Date: June 8, 2020
Place: Mumbai

REPORT ON CORPORATE GOVERNANCE

In your Company, Corporate Governance embraces the tenets of Trusteeship, Accountability and Transparency. Adherence to each of these principles has set a culture in the Company, wherein good Corporate Governance underlines interface with all stakeholders. With this belief, the Company has initiated and implemented significant measures for compliance with good Corporate Governance.

A report on Corporate Governance in accordance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), is outlined below.

BOARD OF DIRECTORS

Composition of the Board

As on March 31, 2020, the Board comprised of six Directors, including five Non-executive Directors. In accordance with SEBI Listing Regulations, more than one-half of the Board of Directors comprises of Non-executive Directors. Your Company also complies with the requirement of at least one-half of the Board to comprise Independent Directors. The Company has one Woman Director (Independent) on the Board in terms of applicable provisions of the Companies Act, 2013 (the "Act").

The composition of the Board of Directors as on March 31, 2020 was as follows:

Name of the Director	Date of appointment	Relationship between Directors, *inter-se*	Director Identification Number (DIN)
Non-Executive Independent Director(s)			
Mr. Ajay Relan	April 18, 2019	None	00002632
Ms. Suchitra Rajendra	April 18, 2019	None	07962214
Mr. Sameer Singh	January 13, 2020	None	08138465
Non-Executive Non-Independent Director(s)			
Mr. Praveen Someshwar	April 18, 2019	None	01802656
Mr. Dinesh Mittal	April 18, 2019	None	00105769
Managing Director			
Mr. Harshad Jain*	April 18, 2019	None	08191390

** appointed as CEO (designated as MD) w.e.f. April 22, 2019 and ceased to hold office w.e.f. November 26, 2020.*

During the year under review, upon closure of the Open Offer made by HT Media Limited (HTML) to the shareholders of the Company and in order to give an opportunity to HTML to re-constitute the Board of Directors, following Independent Directors tendered resignation, from the Board of Directors, w.e.f. April 18, 2019, before expiry of their term of appointment:

i) Mr. Adille Sumariwalla (DIN: 00045855);

ii) Mr. I. Venkat (DIN: 00089679);

iii) Mr. Sunil Dalal (DIN: 00021019);

iv) Mr. Rajbir Singh Bhandal (DIN: 01962971); and

v) Ms. Monisha Shah (DIN: 00542228)

Further, the aforesaid then directors confirmed that there was no other material reason for their resignation other than stated above.

None of the Directors serve as Independent Director in more than seven listed companies or three listed companies, in case he/she serves as Managing Director/ Whole-time Director in any listed company, as the case may be. None of the Non-executive Directors hold any equity shares in the Company.

Further, none of the Directors on the Board have been debarred or disqualified from being appointed or continuing as directors by SEBI/ Ministry of Corporate Affairs or any other statutory authority. A certificate of M/s GHV & Co., Practising Company Secretaries, certifying the same, is appearing in this report as "**Annexure - A**".

The Directors hold qualifications, and possess requisite skills, expertise, competence and experience in general corporate management, finance, legal, banking, economics and other allied fields, which enable them to contribute effectively to the Company. Detailed profile of each of the Directors is available on the Company's website viz. www.nextmediaworks.com.

Matrix setting out the core Skills/ expertise/ competence of the Board

The matrix setting out the skills/expertise/competence of the Individual Directors is given below:

Area of skill/ expertise	Board of Directors as on March 31, 2020					
	Mr. Ajay Relan	Ms. Suchitra Rajendra	Mr. Sameer Singh	Mr. Praveen Someshwar	Mr. Dinesh Mittal	Mr. Harshad Jain
Part A - Industry knowledge/experience						
Knowledge of Media & Entertainment Industry	√	√	√	√	√	√
Understanding of laws, rules, regulations and policies applicable to Media & Entertainment Industry	√	-	√	√	√	√
Part B - Technical skills/experience						
General management	√	√	√	√	√	√
Accounting and finance	√	-	√	√	√	√
Strategic planning/ business development	√	√	√	√	√	√
Information technology	-	√	√	√	√	√
Talent management	√	√	√	√	√	√
Part C - Behavioural Competencies						
Integrity and ethical standards	√	√	√	√	√	√
Decision making	√	√	√	√	√	√
Problem solving skills	√	√	√	√	√	√

Directors' attendance and Directorships held

Seven Board meetings were held during the financial year ended on March 31, 2020, details whereof are as follows:

Date of Board Meeting	Board Strength	Number of Directors present	Number of Independent Directors present
April 18, 2019	8	5	3 out of 6
May 27, 2019	6	6	3 out of 3
July 16, 2019	6	4	2 out of 3
August 23, 2019	6	6	3 out of 3
October 31, 2019	6	6	3 out of 3
January 13, 2020	6	6	3 out of 3
March 12, 2020	6	6	3 out of 3

Attendance records of the Directors at the Board Meetings held during FY-20, and details of other Directorships/ Committee positions held by them as on March 31, 2020 in Indian public limited companies, are as follows:

Name of the Director	No. of Board Meetings attended during FY-20	No. of other directorship held	Committee positions held in other companies*		Directorships held in other listed companies and category
			Chairperson	Member#	
Mr. Tarique Ansari@	1	-	-	-	-
Mr. Adille Sumariwalla@	1	-	-	-	-
Mr. I. Venkat@	1	-	-	-	-
Mr. Rajbir Singh Bhandal@	0	-	-	-	-
Ms. Monisha Shah@	1	-	-	-	-
Mr. Sunil Dalal@	0	-	-	-	-
Mr. Chetan Desai@	1	-	-	-	-
Mr. Dilip Cherian$	5	-	-	-	-
Mr. Ajay Relan^	6	6	4	4	i. Hindustan Media Ventures Limited *Independent Director* ii. HT Media Limited *Independent Director* iii. Digicontent Limited *Independent Director* iv. Capri Global Capital Limited *Independent Director*
Ms. Suchitra Rajendra^	5	2	0	2	i. Digicontent Limited *Independent Director*
Mr. Praveen Someshwar^	5	9	0	6	i. Hindustan Media Ventures Limited *Executive Director (MD)* ii. HT Media Limited *Executive Director (MD & CEO)* iii. Digicontent Limited *Non-Executive Director*
Mr. Dinesh Mittal^	6	8	0	1	i. Digicontent Limited *Non-Executive Director*
Mr. Harshad Jain^	6	2	0	0	-
Mr. Sameer Singh%	1	1	0	1	-

** only Audit Committee and Stakeholders' Relationship Committee have been considered*

 # does not include chairmanships

@ ceased to be Director w.e.f. April 18, 2019

$ ceased to be Director w.e.f. January 23, 2020

^ appointed as Director w.e.f. April 18, 2019 and ceased to hold office w.e.f. November 26, 2020

% appointed as Additional Director w.e.f. January 13, 2020

The Directors are not members of more than ten board committees or chair more than five such committees. The number of Directorships, Committee Membership(s)/ Chairpersonship(s) of all Directors is within the respective limits prescribed under the Act and SEBI Listing Regulations.

Mr. Dinesh Mittal, Director and Mr. Harshad Jain, CEO attended the last Annual General Meeting of the Company held on September 12, 2019.

Board Procedure

Detailed agenda notes, setting out the business(es) to be transacted at Board/Committee meeting(s) are provided in advance, and decisions are taken after due deliberations. In case where it is not practicable to forward the relevant document(s) with the agenda papers, the same are circulated before the meeting or placed at the meeting. The Directors are provided with video-conferencing facility, as and when desired by them, to enable them to attend/ participate in Board/ Committee meeting(s).

Quality debates and participation by all Directors and invitees are encouraged at Board/ Committee meetings. The Board engages with the management during business reviews, and provides constructive suggestions and guidance on various issues, including strategy, as required from time to time.

In order to meet business exigencies, matters which require board / committee approval, are approved by way of resolution(s) passed by circulation, only if the proposed resolution is permissible by law to be passed as such.

The Board gives due attention to governance and compliance related issues, including the efficacy of systems of internal financial controls, risk management, avoidance of conflict of interest, and redressal of employee/ stakeholders' grievances, among others.

The information provided to the Board from time to time, *inter-alia*, include the item(s) mentioned under Regulation 17(7) of the SEBI Listing Regulations.

REMUNERATION PAID TO DIRECTORS

During the financial year ended on March 31, 2020, the sitting fee payable to Non-executive Independent Directors for attending Board/Committee meetings was revised from Rs.10,000 per meeting to Rs.1,00,000 and Rs.50,000 per Board and Committee meeting respectively, w.e.f. April 19, 2019. No profit related commission was paid to the Non-executive Directors of the Company during FY-20. The details of sitting fee paid to the Directors for FY-20, are as under:

(Rs. in Lac)

Name of Director	Sitting fee paid
Mr. Adille Sumariwalla	0.10
Mr. I. Venkat	0.10
Ms. Monisha Shah	0.10
Mr. Chetan Desai	0.10
Mr. Dilip Cherian	7.50
Mr. Ajay Relan	9.50
Ms.Suchitra Rajendra	8.50
Mr. Sameer Singh	1.00

During the year, Mr. Harshad Jain, was appointed as CEO & MD (KMP) w.e.f April 22, 2019 for a period of three years on nil remuneration. The details of remuneration paid to Mr. Tarique Ansari (Ex-Chairman & MD) during the financial year ended on March 31, 2020 are as under:

(Rs. in Lac)

Name of the Director	Salary & allowances	Perquisites	Retirement Benefits	Total
Mr. Tarique Ansari[@]	2.93	-	-	2.93

[@]ceased to be MD w.e.f April 18, 2019

Notes:

1) Retirement benefits include contribution to Provident Fund and Gratuity

2) There was no separate provision for payment of severance fees.

3) Salary & allowances paid to Mr. Tarique Ansari during FY-20 does not include any performance linked incentives.

4) Mr. Harshad Jain, CEO, draws remuneration from the subsidiary company viz. Next Radio Limited

5) During the year, Mr. Tarique Ansari was paid gratuity of Rs. 45.20 Lac upon cessation of office as MD

During the year under review, none of the Non-executive Director had any material pecuniary relationship or transaction vis-a-vis the Company other than payment of sitting fee , as mentioned above.

BOARD COMMITTEES

As at year end, there were four standing committees of the Board of Directors, which were delegated requisite powers to discharge their functions.

These committees are as follows –

a) Audit Committee

b) Stakeholders' Relationship Committee

c) Nomination & Remuneration Committee

d) Banking & Finance Committee

During the year, the Risk Management Committee of Directors was dissolved.

The role and composition of the committees, particulars of meetings held during the financial year ended on March 31, 2020 and attendance of Directors thereat, are given hereunder.

(a) Audit Committee

Audit Committee of the Board of Directors comprises of four members, including three Independent Directors. The Audit Committee acts as a link between the Statutory & Internal Auditors and the Board of Directors of the Company.

The terms of reference of the Audit Committee are in accordance with the Act, and SEBI Listing Regulations which, *inter-alia*, include oversight of Company's financial reporting process and disclosure of financial information to ensure that the financial statements are correct, sufficient and credible; recommending the appointment, re-appointment, remuneration and terms of appointment of auditors and approval of payment for other services rendered by statutory auditors; reviewing with the management quarterly results and annual financial statements before submission to the Board for approval; approval or subsequent modification of transactions with related parties; review and monitor the auditor's independence and performance and effectiveness of audit process; scrutiny of inter corporate loans and investments; valuation of undertakings or assets of the Company, whenever it is necessary; evaluation of internal financial controls and risk management system; reviewing with the management, performance of statutory and internal auditors and adequacy of the internal control systems; and reviewing the functioning of the whistle blower mechanism.

During the financial year ended on March 31, 2020, five meetings of the Audit Committee were held. The composition of Audit Committee, date on which the meetings were held and attendance of Directors at the said meetings, are as follows:

Name of the Director	Category	Meeting attended				
		May 27, 2019	July 16, 2019	August 23, 2019	October 31, 2019	January 13, 2020
Mr. Ajay Relan* *(Chairman)*	Non-executive Independent Director	√	√	√	√	√
Mr. Praveen Someshwar*	Non-executive Non-Independent Director	√	-	√	√	√
Ms. Suchitra Rajendra*	Non-executive Independent Director	√	-	√	√	√
Mr. Dilip Cherian#	Non-executive Independent Director	√	√	√	√	√
Mr. Sameer Singh@	Non-executive Independent Director	Not Applicable				

** inducted as member of the Audit Committee w.e.f. April 18, 2019*

 # ceased to be a Director and member of the Audit Committee w.e.f. January 23, 2020

@ inducted as member of the Audit Committee w.e.f. January 13, 2020

Chairman of Audit Committee is a Non-executive Independent Director who has accounting and related financial management expertise.

All the members of Audit Committee are financially literate. The Audit Committee satisfies the criteria of two-third of its members being Independent Directors.

Managing Director & Chief Excutive Officer, Chief Financial Officer and Internal Auditor also attended the meetings of Audit Committee. Representatives of Statutory Auditors are permanent invitees to the meetings of Audit Committee.

Company Secretary acts as Secretary to the Committee.

(b) Stakeholders' Relationship Committee (SRC)

SRC of the Board of Directors comprises of three Directors including one Independent Director. Chairman of the Committee is a Non-executive Independent Director.

The terms of reference of SRC are in accordance with the Act and SEBI Listing Regulations, as amended. The role of SRC includes, *inter-alia*, resolving the grievances of the security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc; review of measures taken for effective exercise of voting rights by shareholders; review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent; and review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/ annual reports/statutory notices by the shareholders of the Company.

The Committee discharges such other function(s) as may be delegated by the Board from time to time.

During the financial year ended on March 31, 2020, one meeting of SRC was held. The composition of SRC and attendance of the Directors at the said meeting was as follows:

Name of the Director	Category	Attendance at the meeting held on January 13, 2020
Mr. Praveen Someshwar *(Chairman)*	Non-executive Non-Independent Director	√
Ms. Suchitra Rajendra	Non-executive Independent Director	√
Mr. Dinesh Mittal	Non-executive Non-Independent Director	√

Company Secretary is the Compliance Officer of the Company.

During the financial year ended on March 31, 2020, the status of investor complaint(s) was as follows:

Opening balance	Received	Resolved	Closing balance
Nil	Nil	Nil	Nil

(c) Nomination & Remuneration Committee (NRC)

NRC comprises of three Non-executive Directors. Chairman of NRC is a Non-executive Independent Director.

The terms of reference of NRC are in accordance with the requirements of the Act, and SEBI Listing Regulations, which, *inter-alia*, include identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board their appointment and removal; carry out evaluation of every director's performance; formulate the criteria for determining qualifications, positive attributes and independence of a director; and

recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees; and recommend to the Board, all remuneration, in whatever form, payable to senior management.

The Board of Directors have adopted the Remuneration Policy for Directors, Senior Management Personnel including Key Managerial Personnel and other employees. The Remuneration Policy has been framed to attract, motivate and retain talent by offering an appropriate remuneration package, and also by way of providing a congenial & healthy work environment. This Policy is hosted on Company's website viz. www.nextmediaworks.com.

During the financial year ended on March 31, 2020, three meetings of NRC were held. The composition of NRC, date on which meetings were held and attendance of the Directors at the meetings, was as follows:

Name of the Director	Category	Meeting attended		
		April 18, 2019	January 13, 2020	March 12 , 2020
Mr. Dilip Cherian* *(Ex-Chairman)*	Non-executive Independent Director	-	Not Applicable	Not Applicable
Mr. I. Venkat*	Non-executive Independent Director	√		
Mr. Rajbir Singh Bhandal*	Non-executive Independent Director	-		
Mr. Adille Sumariwalla*	Non-executive Independent Director	√		
Mr. Ajay Relan# *(Chairman)*	Non-executive Independent Director	Not Applicable	√	√
Ms. Suchitra Rajendra#	Non-executive Independent Director		√	√
Mr. Praveen Someshwar#	Non-executive Non-Independent Director		√	√

** ceased to be Director and member of NRC w.e.f. April 18, 2019*

 # Inducted as member of NRC w.e.f. April 18, 2019

(d) Banking & Finance Committee (BFC)

The Board of Directors at its meeting held on April 18, 2019, constituted the BFC of the Directors. BFC has been entrusted with functions/ powers relating to banking and finance matters.

During the financial year ended on March 31, 2020, BFC met once. The composition of the Committee, date on which the meeting were held and attendance of Directors at the said meeting, are as follows:

Name of the Director	Category	Attendance at the meeting held on April 18, 2019
Mr. Praveen Someshwar *(Chairman)*	Non-executive Non-Independent Director	√
Mr. Harshad Jain*	Executive Director	-
Mr. Dinesh Mittal	Non-executive Non-Independent Director	√

** ceased to be Director and member of BFC w.e.f. November 26, 2020*

GENERAL BODY MEETINGS

Details of the last three Annual General Meetings ('AGM') are as under:

Date, Time	September 12, 2019 at 11.30 AM	September 20, 2018 at 3.00 PM	September 11, 2017 at 3.00 PM
Venue	Sunville Banquet, 9 Dr. Annie Besant Road, Near Poonam Chambers, Worli, Mumbai- 400 018	Hall of Harmony, Nehru Centre, Dr. Annie Besant Road, Worli, Mumbai – 400 018	
Special resolution(s) passed	None	Approval of transfer of assets of the Company to Inquilab Offset Printers Limited	None

No Extra-ordinary General Meeting was held during last 3 years. There was no Postal Ballot activity during the financial year ended on March 31, 2020. At present, no Special Resolution is proposed to be passed through Postal Ballot.

DISCLOSURES

During the financial year ended on March 31, 2020, all transactions entered into with related parties covered under the Act, and Regulation 23 of the SEBI Listing Regulations, were in the ordinary course of business and on arm's length terms, and they do not attract the provisions of Section 188 of the Act. There were no materially significant related party transactions that may have a potential conflict with the interests of the Company at large. The Audit Committee reviews the statement containing details of transactions with the related parties, on quarterly basis.

The required disclosures on related parties and transactions with them, are appearing in Note nos. 31 and 31A of Standalone Financial Statements. The Company has formulated the 'Policy on Materiality of and dealing with Related Party Transactions', which is hosted on the Company's website viz. www.nextmediaworks.com.

No penalty or stricture was imposed on the Company by SEBI or other statutory authority for non-compliance during last three years on any matter, related to capital markets except a fine imposed by NSE and BSE for delay in filing of the Shareholding Pattern of the Company for the quarter ended on June 30, 2019, under Regulation 31 of SEBI Listing Regulations, on account of delay in receipt of requisite disclosures with respect to Significant Beneficial Ownership.

The Company has prepared the financial statements to comply in all material respects with the Accounting Standards notified under Section 133 of the Act, read with Companies (Accounts) Rules, 2014. The CEO & CFO certificate in terms of Regulation 17 (8) of SEBI Listing Regulations has been placed before the Board.

The Independent Directors have the requisite qualifications and experience which enable them to contribute effectively. Terms and conditions of appointment of Independent Directors are hosted on Company's website viz. www.nextmediaworks.com.

All the Independent Directors meet the criteria of independence specified in Section 149(6) of the Act, and Regulation 16 of the SEBI Listing Regulations, and are independent of the management.

The Company has complied with some of the non-mandatory requirements of SEBI Listing Regulations on Corporate Governance. The Auditors have submitted their Report with unmodified opinion on the revised financial statements for the financial year ended on March 31, 2020.

The Whistle Blower Policy provides opportunity to the directors/ employees/ stakeholders of the Company to report concerns about unethical behavior, actual or suspected fraud by any Director and/or employee of the Company or any violation of the Company's Code of Conduct and any incident of leak or suspected leak of Unpublished Price Sensitive Information (UPSI). The policy provides for adequate safeguards against victimization of the Whistle Blower. The Policy is posted on the Company's website viz. www.nextmediaworks.com. During FY-20, no person was denied access to the Audit Committee. A whistleblower complaint was received in August, 2020 from a named employee of radio business of the holding company, details whereof are provided in note no. 42 and note no. 49 of standalone and consolidated financial statements, respectively.

The Company did not raise any funds through preferential allotment or qualified institutions placement as specified under Regulation 32(7A) of the SEBI Listing Regulations during the year under review.

During the year under review, all the recommendations made by the committee(s) of directors have been duly accepted by the Board of Directors.

During the financial year ended on March 31, 2020, Company did not issue any debt instrument or fixed deposit programme, and thus, there was no requirement of obtaining credit rating.

During the year under review, the Company has complied with all mandatory requirements specified in Regulations 17 to 27 and clause (b) to (i) of Regulation 46(2) of the SEBI Listing Regulations, as applicable.

FEES PAID TO STATUTORY AUDITORS

Details of total fee paid by the Company and its subsidiary, during FY 2019-20, to B S R and Associates, Chartered Accountants (BSR), Statutory Auditor, and to all entities in the network firm / network entity of which the statutory auditor is a part, are as follows:

Particulars	*Amount (Rs. in Lac)*
Audit Fee	25.50
Other Services	6.00
Reimbursement of expenses	0.46
Total	**31.96**

PREVENTION OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE

During the year under review, no complaint was filed/ disposed of/pending, under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

PERFORMANCE EVALUATION

The process followed for evaluation of performance of the Board, its Committees, individual Directors and the Chairperson for the financial year ended on March 31, 2020 along with criteria for the same, is outlined in the Board's Report.

FAMILIARIZATION PROGRAMME

Your Company conducts an induction and familiarization programme for Independent Directors. The Company, through such programme, familiarizes the Independent Directors with the background of the Company, nature of the industry in which it operates, business model, business operations, etc. The programme also includes interactive sessions with leadership team for better understanding of business strategy, operational performance, product offerings, marketing initiatives etc. Details of the familiarization programme for Independent Directors are hosted on the Company's website viz. www.nextmediaworks.com.

MEETING OF INDEPENDENT DIRECTORS

During the year, a separate meeting of Independent Directors was held on January 13, 2020 without the presence of Non-Independent Directors and members of the management, wherein performance of Non-Independent Directors and the Board as a whole was evaluated, taking into account the views of Executive Directors, and Non-executive Directors.

CODE OF CONDUCT

The Company has adopted a "Code of Conduct" governing the conduct of Directors and Senior Management Personnel which is available on the website of the Company viz. www.nextmediaworks.com.

The Board Members and Senior Management Personnel are expected to adhere to the Code, and have accordingly, affirmed compliance of the same during FY-20. The declaration given by CEO affirming compliance of the Code by the Board Members and Senior Management Personnel of the Company during FY-20, is appearing at the end of this report as "**Annexure - B**".

PROHIBITION OF INSIDER TRADING OF SHARES

In compliance of the SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company has adopted the 'Code of Conduct to Regulate, Monitor and Report Trading by Designated Persons' and the "Code for Fair disclosure of Unpublished Price Sensitive Information".

POLICY ON MATERIAL SUBSIDIARY

The subsidiary companies are managed by their Board which are entrusted with the responsibility to manage the affairs in the best interest of all stakeholders. The Company has formulated 'Policy for determining Material Subsidiary(ies)' which is hosted on the Company's website viz. www.nextmediaworks.com.

MEANS OF COMMUNICATION

- **Financial Results**

  The quarterly, half yearly and annual financial results of the Company are published in 'Mint' (English newspaper) and 'Navshakti' (Marathi newspaper). The financial results are also forwarded to the investors via e-mail, where e-mail address is available. Investors are encouraged to avail this service / facility by providing their e-mail address to the Depository Participant (DP)/ Company.

- **Company's Website**

  Important shareholders' information such as Annual Report, financial results etc. are displayed on the website of the Company viz. www.nextmediaworks.com.

- **Official News Releases, Presentations etc.**

  Official news releases shareholding pattern, detailed presentations made to media, analysts, institutional investors etc. if any, are displayed on the Company's website viz. www.nextmediaworks.com.

- **Stock Exchange filings**

  All disclosures are filed electronically on the portal/ web based application of BSE and NSE.

- **Management Discussion and Analysis**

  Management Discussion and Analysis (MD&A), covering the operations of the Company, forms part of this Annual Report.

- **Designated E-mail Id**

  The Company has designated an E-mail id viz. investor.commincation@radioone.in, for sending investor requests/ complaints.

GENERAL SHAREHOLDER INFORMATION

Forthcoming Annual General Meeting

Day, Date & Time	Tuesday, December 29, 2020 at 11.00 A.M.
Venue	AGM will be conducted through video-conferencing/ OAVM due to CoVID-19 outbreak, in compliance with the circulars issued by Ministry of Corporate Affairs, and therefore, there is no requirement to have a venue to hold the AGM. For details please refer to Notice of AGM.

Financial Year

April 1 of each year to March 31 of next year.

Financial Calendar (Tentative)

Results for quarter ended June 30, 2020	July 23, 2020
Results for quarter and half year ended September 30, 2020	November 27, 2020
Results for quarter and nine months period ending December 31, 2020	Mid January, 2021
Results for year ending March 31, 2021	Mid May, 2021
Annual General Meeting for financial year ending March 31, 2021	Mid September, 2021

REGISTRAR & SHARE TRANSFER AGENT

KFin Technologies Private Limited
Selenium Tower B, Plot No. 31 & 32
Financial District, Nanakramguda,
Serilingampally Mandal
Hyderabad – 500 032

Tel : +91 - 40 - 67162222
Fax : +91 - 40 - 23001153
Toll Free No. : 1800 345 4001
E-mail : einward.ris@kfintech.com
Website : www.kfintech.com

SHARE TRANSFER SYSTEM

The equity shares of the Company are compulsorily traded in demat form. In terms of Regulation 40(1) of SEBI Listing Regulations, as amended, equity shares can be transferred only in dematerialized form w.e.f. April 1, 2019, except in case of request received for transmission or transposition of shares. Members are advised, in their own interest, to dematerialise the shares held by them in physical form. Transfer of equity shares in electronic form is effected through the depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services India Limited (CDSL).

The Board has authorized the Stakeholders' Relationship Committee to sub-delegate its powers to the Officers of the Company for prompt redressal of investor requests/ complaints.

As required under Regulation 40(9) of SEBI Listing Regulations, the Company obtains a certificate on half-yearly basis from a Company Secretary-in-Practice, regarding share transfer formalities, which is filed with the stock exchanges.

Listing of Equity Shares on Stock Exchanges and Stock Codes

The Equity Shares of the Company are listed on the following Stock Exchanges:

Name of the Stock Exchange	Scrip Code / Trading Symbol
BSE Limited (BSE) Phiroze Jeejeebhoy Tower, Dalal Street Mumbai - 400 001	532416
National Stock Exchange of India Limited (NSE) Exchange Plaza, Plot No. C-1, G-Block, Bandra-Kurla Complex, Bandra (East) Mumbai - 400 051	NEXTMEDIA

Annual listing fee for the financial year 2020-21 has been paid to both BSE and NSE.

ISIN of the Equity Shares of the Company is '**INE747B01016**'.

STOCK PRICE DATA

Month	BSE				NSE			
	NEXTMEDIA		SENSEX		NEXTMEDIA		NIFTY 50	
	High (in Rs.)	Low (in Rs.)	High	Low	High (in Rs.)	Low (in Rs.)	High	Low
April, 2019	26.00	20.45	39,487.45	38,460.25	24.80	16.05	11,856.15	11,549.10
May, 2019	20.00	18.05	40,124.96	36,956.10	17.90	14.25	12,041.15	11,108.30
June, 2019	17.15	12.25	40,312.07	38,870.96	16.65	12.70	12,103.05	11,625.10
July, 2019	14.98	10.98	40,032.41	37,128.26	15.35	10.40	11,981.75	10,999.40
August, 2019	16.00	10.90	37,807.55	36,102.35	15.95	10.40	11,181.45	10,637.15
September, 2019	12.80	10.80	39,441.12	35,987.80	13.40	11.00	11,694.85	10,670.25
October, 2019	11.99	7.35	40,392.22	37,415.83	11.55	8.05	11,945.00	11,090.15
November, 2019	13.03	9.20	41,163.79	40,014.23	13.25	8.85	12,158.80	11,802.65
December, 2019	12.40	8.11	41,809.96	40,135.37	10.60	8.65	12,293.90	11,832.30
January, 2020	10.80	8.75	42,273.87	40,476.55	10.65	7.80	12,430.50	11,929.60
February, 2020	8.56	8.56	41,709.30	38,219.97	8.50	6.55	12,246.70	11,175.05
March, 2020	8.98	8.85	39,083.17	25,638.90	6.45	3.25	11,433.00	7,511.10

PERFORMANCE IN COMPARISON TO BROAD-BASED INDICES (MONTH-END CLOSING)

Movement of NMW Share at NSE during FY 20

Movement of NMW Share at BSE during FY 20

Distribution of Shareholding by size as on March 31, 2020

No. of Equity Shares held	No. of shareholders[@]	% of total shareholders	No. of Equity Shares held	% to total Equity Shares
Upto 500	11,422	83.44	17,58,470	2.63
501 – 1,000	1140	8.33	9,64,480	1.44
1,001 – 5,000	855	6.24	19,99,987	2.99
5,001 – 10,000	137	1.00	10,44,508	1.56
10,001 & above	135	0.99	6,11,25,463	91.38
TOTAL	**13,689**	**100.00**	**6,68,92,908**	**100.00**

[@] Pursuant to SEBI's circular, shareholding is consolidated on the basis of PAN and accordingly, number of shareholders stands reduced from 13,884 to 13,689.

Category of Shareholders as on March 31, 2020

Category	No. of Equity Shares held	% to total Equity Shares
Promoters & Promoter Group (A)	5,01,61,307	74.99*
Public Shareholding (B)		
Foreign Institutional Investors	18,22,664	2.72
Bodies Corporate	46,62,678	6.97
Public	96,89,884	14.49
Non-Resident Indians	94,401	0.14
Clearing Members	50,669	0.08
HUF	3,97,453	0.59
IEPF	352	0.00
Trust	13,500	0.02
Total Public Shareholding	1,67,31,601	25.01
Non-Promoter Non-Public (C)		
Employee Welfare Trust/ ESOP Trust	0	0.00
TOTAL (A+B+C)	**6,68,92,908**	**100.00**

** Consists of HT Media Limited and other promoters holding 51.00% and 23.99%, respectively.*

Dematerialisation of shares and liquidity as on March 31, 2020

Category	No. of Shareholders	% of total shareholders
Shares held in Demat form	6,68,91,019	99.9999
Shares held in Physical form	1,889	0.0001
Total	**6,68,92,908**	**100.0000**

Number of outstanding GDRs/ADRs/Warrants or any convertible instruments

No GDRs/ADRs/warrants or any convertible instruments have been issued by the Company during FY-20.

Commodity price risk or foreign exchange risk and hedging activities

The Company had no exposure to commodity or foreign exchange risk and there was no hedging activity during the period under review.

Address for correspondence

Company Secretary & Compliance Officer Next Mediaworks Limited	Hindustan Times House (2nd Floor) 18-20, Kasturba Gandhi Marg New Delhi – 110 001 Tel: +91-11-66561608 Fax: +91-11-66561445 E-mail: investor.communication@radioone.in Website: www.nextmediaworks.com

Compliance Officer

Ms. Diksha Singh, Company Secretary
Tel. +91-11-66561608

Company Registration Details

Your Company is registered with the office of Registrar of Companies, Mumbai. The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs is **L22100MH1981PLC024052**.

Compliance certificate

A certificate dated June 8, 2020 of GHV & Co., Practising Company Secretaries, regarding compliance of conditions of 'Corporate Governance' as stipulated under Schedule V of SEBI Listing Regulations, is annexed to the Board's Report.

ANNEXURE – A TO THE REPORT ON CORPORATE GOVERNANCE

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C Clause (10)(i)of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members of
Next Mediaworks Limited

We have examined the relevant registers, records, forms, returns and disclosures received in respect of the Directors of **Next Mediaworks Limited** having CIN: L22100MH1981PLC024052 and having registered office at Unit 701 A, 7th Floor, Tower 2, Indiabulls Finance Centre, Senapati Bapat Marg, Elphinstone Road, Mumbai - 400 013, (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Sub-clause 10(i) of Para-C of Schedule-V to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our belief, information and according to the verifications [including status of Directors Identification Numbers (DIN) of the respective Directors at the portal www.mca.gov.in] as considered necessary and explanation furnished to us by the Company and its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the financial year ended on March 31, 2020 have been debarred or disqualified from being appointed or continuing as Director of Companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority

Sr. No.	Name of Director	DIN	Date of appointment in the Company
1	Shri Ajay Relan	00002632	18.04.2019
2	Ms. Suchitra Rajendra	07962214	18.04.2019
3	Shri Sameer Singh	08138465	13.01.2020
4	Shri Praveen Someshwar	01802656	18.04.2019
5	Shri Dinesh Mittal	00105769	18.04.2019
6	Shri Harshad Jain*	08191390	18.04.2019

** appointed as CEO & MD w.e.f. April 22, 2019*

Ensuring the eligibility for the appointment/ continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion based on our verification and explanation furnished to us by the Company and its officers.

For **GHV & Co.**
Practising Company Secretaries
Sd/-
Gopika Shah - Partner
FCS No: 10416, **C P No**: 11663
UDIN: F010416B000325071

Place: Mumbai
Date: June 8, 2020

ANNEXURE – B TO THE REPORT ON CORPORATE GOVERNANCE

Declaration of Compliance with 'Code of Conduct' of the Company

I, Ramesh Menon, Chief Executive Officer of the Company, do hereby confirm that all the Board members and Senior Management Personnel of the Company have complied with the 'Code of Conduct' during the financial year 2019-20, save and except an instance of involvement in anomalies in certain practices adopted in the radio business of subsidiary company, having financial implication, reported by a whistleblower in August, 2020.

This declaration is based on and is in pursuance of the individual affirmations received in writing from the Board members and the Senior Management Personnel of the Company.

For **Next Mediaworks Limited**

(Ramesh Menon)
Chief Executive Officer

Date: November 27, 2020

Revised Standalone Financial Statements

INDEPENDENT AUDITOR'S REPORT

To the Members of Next Mediaworks Limited

Report on the Audit of the Revised Standalone Financial Statements

Opinion

We have audited the revised standalone financial statements of Next Mediaworks Limited ("the Company"), which comprise the revised standalone balance sheet as at 31 March 2020, and the revised standalone statement of profit and loss (including other comprehensive income), revised standalone statement of changes in equity and revised standalone statement of cash flows for the year then ended, and notes to the revised standalone financial statements, including a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid revised standalone financial statements, give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2020, and loss and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Standalone Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the revised standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the revised standalone financial statements.

Emphasis of Matter

The Board of Directors had earlier adopted the standalone financial statements of the Company for the year ended 31 March 2020 in their meeting held on 23 June 2020 (referred to as "original standalone financial statements") on which we had issued our Audit Report dated 23 June 2020. As explained in detail in note 42, subsequent to this, pursuant to a whistleblower complaint, the Company conducted an investigation, which brought out certain deficiencies in the radio business and instances of reporting higher revenue from operations, incorrect debtors, contract liabilities and trade payables in the Company's subsidiary, Next Radio Limited ('NRL'), which has consequently resulted in the impairment of the Company's investment in NRL. Accordingly, the Company has recognised relevant adjustments in the revised standalone financial statements for the year ended 31 March 2020 to give effect to the outcome of the investigation to the extent identified including non-compliances with laws and regulations.

The Company believes that additional financial impact, if any, arising from adjustments due to instances other than those identified is not expected to be material. In addition, the revised standalone financial statements recognise the impact of other adjusting events occurring subsequently to the date of approval of original standalone financial statements (23 June 2020) till the date of approval of these revised standalone financial statements (27 November 2020) by the Board of the Company arising from present economic and market conditions including COVID-19.

Our audit report dated 23 June 2020 on the original standalone financial statements is superseded by this audit report dated 27 November 2020 on the revised standalone financial statements.

Our opinion is not modified in respect of this matter.

Key Audit Matter

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the revised standalone financial statements of the current period. These matters were addressed in the context of our audit of the revised standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Description of Key Audit Matter

Impairment of investment in subsidiary
See note 2 to the revised standalone financial statements

The key audit matter	How the matter was addressed in our audit

The Company has identified investment in its subsidiary company ('NRL') having gross carrying value of ₹ 4,192.07 lakhs as a separate cash generating unit ('CGU'). The Company has performed an impairment assessment on its investment in subsidiary as at 31 March 2020.
 	
The impairment testing of the above investment is considered as a key audit matter as it involves significant judgements and estimates in assessing the recoverable value. The recoverable value is considered to be the higher of the Company's assessment of the value in use (VIU) and fair value less cost of disposal (FVLCD). The economic slowdown owing to the Covid-19 pandemic and other economic factors may impact the future cash flows of NRL and the key assumptions taken while computing VIU.
	Our audit procedures included:
	
	- We assessed the recoverable value as the higher of the Company's assessment of VIU or FVLCD.
	
	- We assessed the FVLCD as determined by the Company using the market price of the equity shares of the Company.
	
	- We assessed the VIU as determined by the Company as under:
	
	  - Assessed the method of determining VIU and key assumptions used therein through historical information, budgets / projections, externally derived data and other relevant information. Challenged the key assumptions and judgements within the build up and methodologies used by the Company.
	
	  - Tested the mathematical accuracy of the impairment models
	
	  - Assessed the sensitivity of the outcome of impairment assessment to changes in key assumptions.
	
	  - Compared the implied multiple arising from the VIU to the market multiples.
	
	Involved our internal specialists to assist us in performing above mentioned procedures.
	
	- Tested the adequacy of the disclosures made in the revised standalone financial statements, as required by the relevant accounting standards.

Other Information

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the revised financial statements and our auditor's report thereon.

Our opinion on the revised standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the revised standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the revised standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's and Board of Directors' Responsibility for the Revised Standalone Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these revised standalone financial statements that give a true and fair view of the state of affairs, profit/loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the revised standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the revised standalone financial statements, the Management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Revised Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the revised standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these revised standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the revised standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to revised financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the revised standalone financial statements made by the Management and Board of Directors.

- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the revised standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the revised standalone financial statements, including the disclosures, and whether the revised standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the revised standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

We draw your attention to the fact that corresponding figures for the year ended 31 March 2019 are based on previously issued standalone financial statements of the Company that were audited by the predecessor auditor who expressed an unmodified opinion on those standalone financial statements dated 27 May 2019.

Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of section 143 (11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. (A) As required by Section 143(3) of the Act, we report that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

   c) The revised standalone balance sheet, the revised standalone statement of profit and loss (including other comprehensive income), the revised standalone statement of changes in equity and the revised standalone statement of cash flows dealt with by this Report are in agreement with the books of account.

   d) In our opinion, the aforesaid revised standalone financial statements comply with the Ind AS specified under section 133 of the Act.

   e) The observations on the achievement of the objectives of the internal control criteria as explained in our separate Report in 'Annexure B', may have an adverse effect on the functioning of the Company.

   f) On the basis of the written representations received from the directors as on 31 March 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2020 from being appointed as a director in terms of Section 164(2) of the Act.

   g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

   (B) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

   i. The Company has disclosed the impact of pending litigations on its financial position in its revised standalone financial statements- Refer Note 28(ii) to the revised standalone financial statements

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

iv. The disclosures in the revised standalone financial statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made in these revised standalone financial statements since they do not pertain to the financial year ended 31 March 2020.

(C) With respect to the matter to be included in the Auditor's Report under section 197(16):

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director by the Company is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

For **B S R and Associates**
Chartered Accountants
Firm's Registration No.: 128901W

Rajesh Arora
Partner
Membership No. : 076124
UDIN: 20076124AAAADV5738

Place: Gurugram
Date: 27 November 2020

ANNEXURE A

referred to in our Independent Auditor's Report to the members of Next Mediaworks Limited on the revised standalone financial statements for the year ended 31 March 2020

(i) The Company did not have any fixed asset (i.e. property, plant and equipment) during the year ended 31 March 2020. Therefore, provisions of paragraph 3(i) of the Order is not applicable.

(ii) The Company does not hold inventories. Accordingly, paragraph 3(ii) of the Order is not applicable to the Company.

(iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Accordingly, the provisions of paragraph 3 (iii) of the Order are not applicable to the Company.

(iv) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no guarantees given or investments made by the Company which are not in compliance with Section 185 and 186 of the Companies Act, 2013. Further, there are no loans given or securities provided by the Company as specified under Section 185 and 186 of the Companies Act, 2013.

(v) As per the information and explanations given to us, the Company has not accepted any deposits as mentioned in the directives issued by the Reserve Bank of India and the provisions of Section 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under. Accordingly, paragraph 3(v) of the Order is not applicable.

(vi) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Sub-section (1) of Section 148 of the Companies Act, 2013, for any of the services rendered by the Company. Accordingly, paragraph 3(vi) of the Order is not applicable.

(vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, employees' state insurance, income tax, duty of customs, goods and services tax, professional tax, cess and other statutory dues have been regularly deposited during the year by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of duty of excise, sales tax, service tax and value added taxes.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income tax, duty of customs, goods and services tax, professional tax, cess and other statutory dues were in arrears as at 31 March 2020 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no dues of income tax, service tax, goods and services tax, sales tax, value added tax and duty of customs which have not been deposited by the Company with the appropriate authorities on account of any dispute as at 31 March 2020, other than those mentioned as follows

Statement of Disputed Tax Dues

Particulars	Nature of the dues	Amount (₹ in lakhs)	Amount paid under protest (₹ in lakhs)	Period to which amount relates	Forum where dispute is pending
Income Tax Act, 1961	Disallowance of certain expenses / adjustments	193.11	98.41	A.Y. 2009-10	Bombay High Court

(viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not taken any loan or borrowing from financial institutions, banks and government and has not issued any debentures. Accordingly, paragraph 3 (viii) of the Order is not applicable to the Company.

(ix) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has applied the money raised by way of term loans for the purpose for which they were obtained. Further, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments).

(x) As described in the Emphasis of Matter paragraph of our main audit report and in Note 42 to the revised standalone financial statements, subsequent to the year end, pursuant to a whistleblower complaint, the Company conducted an investigation, which brought out certain deficiencies in a stream of the radio business in the Company's subsidiary, Next Radio Limited ('NRL'), which has consequently resulted in the impairment of the Company's investment in NRL. According to the information and explanations given to us, no other material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

(xi) According to information and explanations given to us, the remuneration paid during the current year by the Company to its director is in accordance with the provisions of Section 197 read with Schedule V to the Companies Act, 2013.

(xii) According to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.

(xiii) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, the transactions with the related parties are in compliance with Sections 177 and 188 of the Companies Act, 2013 where applicable and the details have been disclosed in the revised standalone financial statements as required by the applicable accounting standards.

(xiv) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the current year. Accordingly, paragraph 3(xiv) of the Order is not applicable.

(xv) According to information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with them. Accordingly, paragraph 3(xv) of the Order is not applicable.

(xvi) According to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, paragraph 3(xvi) of the Order is not applicable.

For **B S R and Associates**
Chartered Accountants
Firm's Registration No.: 128901W

Rajesh Arora
Partner
Membership No. : 076124
UDIN: 20076124AAAADV5738

Place: Gurugram
Date: 27 November 2020

ANNEXURE B

to the Independent Auditor's report on the revised standalone financial statements of Next Mediaworks Limited for the year ended 31 March 2020.

Report on the internal financial controls with reference to the aforesaid revised standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013

(Referred to in paragraph 1(A)(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Adverse Opinion

We have audited the internal financial controls with reference to revised standalone financial statements of Next Mediaworks Limited ("the Company") as of 31 March 2020 in conjunction with our audit of the revised standalone financial statements of the Company for the year ended on that date.

Material deficiencies in the financial reporting processes have been identified in a stream of revenue of the radio business ('pure money') of the subsidiary company, Next Radio Limited ('NRL') as described below. In our opinion, because of the effects / possible effects of these material weaknesses on the achievement of the objectives of the internal control criteria, the Company has not maintained adequate internal financial controls with reference to the revised standalone financial statements and such internal financial controls were not operating effectively as at 31 March 2020, based on the criteria established by the Company considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the 'Guidance Note').

We have considered the material weaknesses identified and reported below in 'Basis of Adverse Opinion' in determining the nature, timing and extent of the audit tests applied in our audit of the 31 March 2020 revised standalone financial statements of the Company. The material weaknesses have resulted into revision of the aforesaid financial statements and issuance of a revised audit report dated 27 November 2020 giving an audit opinion on these revised standalone financial statements.

Basis for Adverse Opinion

As described in note 42 to the revised standalone financial statements, pursuant to a whistleblower complaint, the Company conducted an investigation, which brought out certain material deficiencies in the radio business and instances of higher revenue from operations, incorrect debtors, consequential impact on provision for doubtful debts, trade payables and contract liabilities in a stream of revenue of the radio business in the subsidiary company, Next Radio Limited ('NRL'), as also override of certain internal controls relating thereto by members of senior management of the radio business.

The Company's subsidiary did not have an appropriate internal control system in a stream of revenue of the radio business with respect to recognition of revenue, trade receivables (including ageing report and balance confirmation process and credit approvals for sales), trade payables and contract liabilities. These material weaknesses have resulted in an understatement of impairment of investment in subsidiary company.

The above has also led to the revision of the earlier approved standalone financial statements to give effect to the relevant adjustments for the outcome of the investigation.

A 'material weakness' is a deficiency, or a combination of deficiencies, in the internal financial control over financial reporting, such that there is a reasonable possibility that a material misstatement of the Company's annual or interim financial statements will not be prevented or detected on a timely basis.

Management's Responsibility for Internal Financial Controls

The Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to revised standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (hereinafter referred to as "the Act").

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to revised standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to revised standalone financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to revised standalone financial statements were established and maintained and whether such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to revised standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to revised standalone financial statements included obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the revised standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit adverse opinion on the Company's internal financial controls with reference to revised standalone financial statements.

Meaning of Internal Financial controls with Reference to Revised Standalone Financial Statements

A company's internal financial controls with reference to revised standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of revised standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to revised standalone financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of revised standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the revised standalone financial statements.

Inherent Limitations of Internal Financial controls with Reference to Revised Standalone Financial Statements

Because of the inherent limitations of internal financial controls with reference to revised standalone financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to revised standalone financial statements to future periods are subject to the risk that the internal financial controls with reference to revised standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For **B S R and Associates**
Chartered Accountants
Firm's Registration No.: 128901W

Rajesh Arora
Partner
Membership No. : 076124
UDIN: 20076124AAAADV5738

Place: Gurugram
Date: 27 November 2020

REVISED BALANCE SHEET

as at March 31, 2020

(₹ in Lakhs)

Particulars	Notes	As at March 31, 2020 (Revised*)	As at March 31, 2019
I ASSETS			
1) Non current assets			
a) Investment in subsidiary	2	2,174.07	4,192.07
b) Financial assets			
i) Investments	3	-	0.01
c) Income tax assets	4	151.87	147.67
d) Other non-current assets	5	-	19.80
Total Non-current assets		**2,325.94**	**4,359.55**
2) Current assets			
a) Financial assets			
i) Investments	3	56.69	54.39
ii) Trade receivables	6	28.65	-
iii) Cash and cash equivalents	7	39.18	0.60
iv) Loans	8	0.13	4.34
b) Contract assets	9	-	21.94
c) Other current assets	10	9.25	9.70
Total current assets		**133.90**	**90.97**
Non-current assets held for sale	11	-	20.43
TOTAL ASSETS		**2,459.84**	**4,470.95**
II EQUITY AND LIABILITIES			
1) Equity			
a) Equity share capital	12	6,689.29	6,685.64
b) Other equity	13	(6,036.09)	(3,943.52)
Total equity		**653.20**	**2,742.12**
2) Liabilities			
Non-current liabilities			
a) Financial Liabilities			
i) Borrowings	14	1,227.29	613.98
ii) Other financial liabilities	15	462.67	385.08
b) Provisions	18	3.00	3.93
Total non-current liabilities		**1692.96**	**1,002.99**
Current liabilities			
a) Financial liabilities			
i) Borrowings	14	25.00	600.00
ii) Trade payables			
(a) Total outstanding dues of micro enterprises and small enterprises	16	-	-
(b) Total outstanding dues of creditors other than of micro enterprises and small enterprises	16	36.66	44.72
iii) Other financial liabilities	17	49.17	72.83
b) Provisions	18	0.09	0.29
c) Other current liabilities	19	2.76	8.00
Total current liabilities		**113.68**	**725.84**
Total liabilities		**1,806.64**	**1,728.83**
TOTAL EQUITY AND LIABILITIES		**2,459.84**	**4,470.95**
Summary of significant accounting policies	**1**		

* Refer note no. 42

The accompanying notes forms an integral part of these revised financial statements.

As per our revised report of even date

For **B S R and Associates**
Chartered Accountants
(Firm Registration Number: 128901W)

Rajesh Arora
Partner
Membership No. 076124

Place: Gurugram
Date: November 27, 2020

For and on behalf of the Board of Directors of
Next Mediaworks Limited

Anup Shrma
Chief Financial Officer

Ramesh Menon
Chief Executive Officer

Diksha Singh
Company Secretary
Membership No.: A44999

Praveen Someshwar
Director
(DIN: 01802656)

Place: New Delhi
Date: November 27, 2020

STATEMENT OF REVISED PROFIT AND LOSS

for the year ended March 31, 2020

(₹ in Lakhs)

Particulars	Notes	Year ended March 31, 2020 (Revised*)	Year ended March 31, 2019
I Income			
a) Revenue from operations	20	-	144.67
b) Other income	21	229.47	83.99
Total Income		**229.47**	**228.66**
II Expenses			
a) Employee benefits expense	22	44.13	180.57
b) Finance costs	23	138.94	143.53
c) Depreciation expense	24	-	0.51
d) Other expenses	25	122.60	97.52
Total Expenses		**305.67**	**422.13**
III Loss before exceptional items and tax from operations(I-II)		**(76.20)**	**(193.47)**
IV Exceptional items	38	**(2,018.00)**	**0.41**
V Loss before tax (III+IV)		**(2,094.20)**	**(193.06)**
VI Earnings before finance cost, tax, depreciation (EBITDA) [III+II(d)+II(c)] and exceptional items		**62.74**	**(49.43)**
VII Tax expense			
a) Current tax		-	-
b) Deferred tax		-	-
Total tax expenses		**-**	**-**
VIII Loss after tax for the year (V-VII)		**(2,094.20)**	**(193.06)**
IX Other comprehensive income			
(a) Items that will not to be reclassified subsequently to profit or loss			
Remeasurement gain of the defined benefits plan	33	1.63	3.02
Income tax effect		-	-
Other comprehensive income for the year, net of tax		1.63	3.02
X Total comprehensive income for the year, net of tax (VIII+IX)		**(2,092.57)**	**(190.04)**
IX Loss per equity share (nominal value of ₹ 10 each)			
Loss per share	26		
Basic (Nominal value of share ₹ 10/-)		(3.13)	(0.29)
Diluted (Nominal value of share ₹ 10/-)		(3.13)	(0.29)
Summary of significant accounting policies	1		

* Refer note no. 42

The accompanying notes forms an integral part of these revised financial statements.

As per our revised report of even date

For **B S R and Associates**
Chartered Accountants
(Firm Registration Number: 128901W)

Rajesh Arora
Partner
Membership No. 076124

Place: Gurugram
Date: November 27, 2020

For and on behalf of the Board of Directors of
Next Mediaworks Limited

Anup Shrma
Chief Financial Officer

Ramesh Menon
Chief Executive Officer

Diksha Singh
Company Secretary
Membership No.: A44999

Praveen Someshwar
Director
(DIN: 01802656)

Place: New Delhi
Date: November 27, 2020

STATEMENT OF REVISED CASH FLOWS

for the year ended March 31, 2020

(₹ in Lakhs)

Particulars	March 31, 2020 (Revised*)	March 31, 2019
Cash flows from operating activities:		
Loss before tax	**(2,094.20)**	**(193.06)**
Adjustments for :		
Depreciation expense	-	0.51
Sundry balance written off	0.01	0.36
Interest cost on borrowings	138.92	143.53
Income from financial guarantee	(39.53)	(59.42)
Interest income - other	(0.06)	(0.32)
Impairment of investment in subsidiaries (exceptional item)	2,018.00	-
Net gain on sale of property, plant and equipment	(179.58)	-
Net gain on sale of investment in subsidiaries	-	(0.41)
Dividend income	(2.30)	(2.59)
Liabilities no longer required written back	(3.04)	(2.52)
Cash flows used in operating activities before changes in operating assets and liabilities	**(161.78)**	**(113.92)**
Changes in operating assets and liabilities:		
(Increase)/Decrease in trade and other receivables	(28.65)	16.46
(Increase)/Decrease in current financial assets, non-current financial assets, other current assets and other non-current assets	24.52	(1.15)
(Increase)/Decrease in contract assets	21.94	(21.94)
Increase/(Decrease) in trade payables, other current financial liabilities, other non-current financial liabilities, current provisions and non-current provisions	(16.85)	50.70
Cash generated from operations	**(160.82)**	**(69.85)**
Income taxes paid	(4.20)	(14.16)
Net cash used in operating activities (A)	**(165.02)**	**(84.01)**
Cash flows from investing activities:		
Proceeds from sale of investment properties	200.01	-
Proceeds from sale of shares held by ESOP trust	3.65	-
Proceeds from sale of investment in subsidiaries	-	0.41
Net cash from investing activities (B)	**203.66**	**0.41**
Cash flows from financing activities:		
Proceeds from borrowings	1,213.31	524.10
Repayment of borrowings	(1,175.00)	(401.10)
Interest paid	(38.37)	(72.69)
Net cash flows (used in) / generated from financing activities (C)	**(0.06)**	**50.31**
Net increase/ (decrease) in cash and cash equivalents (D= A+B+C)	**38.58**	**(33.29)**
Cash and cash equivalents at the beginning of the year (E)	0.60	33.89
Cash and cash equivalents at year end (D+E)	**39.18**	**0.60**

STATEMENT OF REVISED CASH FLOWS

for the year ended March 31, 2020

(₹ in Lakhs)

Particulars	March 31, 2020	March 31, 2019
Components of cash & cash equivalents as at end of the year		
Balances with banks		
- in current accounts	39.18	0.60
Cash on hand	-	0.00
Cash and cash equivalents as per Cash Flow Statement	**39.18**	**0.60**

* Refer note no. 42

Refer Note 14 for debt reconciliation disclosure

The accompanying notes forms an integral part of these revised financial statements.

As per our revised report of even date

For **B S R and Associates**
Chartered Accountants
(Firm Registration Number: 128901W)

Rajesh Arora
Partner
Membership No. 076124

Place: Gurugram
Date: November 27, 2020

For and on behalf of the Board of Directors of
Next Mediaworks Limited

Anup Shrma
Chief Financial Officer

Ramesh Menon
Chief Executive Officer

Diksha Singh
Company Secretary
Membership No.: A44999

Praveen Someshwar
Director
(DIN: 01802656)

Place: New Delhi
Date: November 27, 2020

STATEMENT OF REVISED CHANGES IN EQUITY

for the year ended March 31, 2020

A Equity share capital (refer note 12)

Equity shares of ₹ 10 each issued, subscribed and paid-up

(₹ in Lakhs)

Particulars	Number of shares	Amount (₹ in Lakhs)
As at April 1, 2018	**6,68,92,908**	**6,689.29**
Changes in equity share capital during the year	(36,500)	(3.65)
Balance as at March 31, 2019	**6,68,56,408**	**6,685.64**
Changes in equity share capital during the year	36,500	3.65
Balance as at March 31, 2020	**6,68,92,908**	**6,689.29**

B Other equity (refer note 13)

(₹ in Lakhs)

Particulars	Reserves and Surplus		Other comprehensive income*	Total
	Securities Premium	Retained earnings		
As at April 1, 2018	**8,605.37**	**(12,358.85)**	**-**	**(3,753.48)**
Loss for the year	-	(193.06)	-	(193.06)
Other comprehensive income for the year (net of tax)	-	-	3.02	3.02
Total comprehensive income for the year	**-**	**(193.06)**	**3.02**	**(190.04)**
Transferred to retained earnings	-	3.02	(3.02)	-
Balance as at March 31, 2019	**8,605.37**	**(12,548.89)**	**-**	**(3,943.52)**
Loss for the year	-	(2,094.20)	-	(2,094.20)
Other comprehensive income for the year (net of tax)			1.63	1.63
Total comprehensive income for the year	**-**	**(2094.20)**	**1.63**	**(2092.57)**
Transferred to retained earnings	-	1.63	(1.63)	-
Balance as at March 31, 2020	**8,605.37**	**(14,641.46)**	**-**	**(6,036.09)**

* Other comprehensive income represents remeasurement of defined benefit plans (net of tax)

The accompanying notes forms an integral part of these revised financial statements.

As per our revised report of even date

For **B S R and Associates**
Chartered Accountants
(Firm Registration Number: 128901W)

Rajesh Arora
Partner
Membership No. 076124

Place: Gurugram
Date: November 27, 2020

For and on behalf of the Board of Directors of
Next Mediaworks Limited

Anup Shrma
Chief Financial Officer

Ramesh Menon
Chief Executive Officer

Diksha Singh
Company Secretary
Membership No.: A44999

Praveen Someshwar
Director
(DIN: 01802656)

Place: New Delhi
Date: November 27, 2020

NOTES TO REVISED STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2020

1. Corporate information

Next Mediaworks Limited ('the Company') is a public Company domiciled in India and incorporated under the provisions of Companies Act, 1956.

The company stock is listed on National Stock Exchange (NSE) and Bombay Stock Exchange (BSE)

The registered office of the Company is located at Unit 701 A, 7th Floor, Tower-2, Indiabulls Finance Centre, Senapati Bapat Marg, Elphinstone Road, Mumbai-400013.

Information on related party relationship of the Company is provided in Note 31.

The Company has revised its financial statements for the year ended March 31, 2020 which were approved by the Board of Directors on June 23, 2020 (Refer Note 42). The revised financial statements of the Company for the year ended March 31, 2020 are authorised for issue in accordance with a resolution of the Board of Directors on November 27, 2020.

1.1 Significant accounting policies followed by company

1.1.1 Basis of preparation

The standalone financial statements of the Company have been prepared in accordance with the Indian Accounting Standards ('Ind AS') specified in the Companies (Indian Accounting Standards) Rules, 2015 (as amended) under Section 133 of the Companies Act 2013 (the "accounting principles generally accepted in India").

The accounting policies are applied consistently to all the periods presented in the financial statements.

The standalone financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value:

- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments).

All amounts disclosed in the financial statements and notes have been rounded off to the nearest Lacs as per the requirement of Schedule III, unless otherwise stated.

The standalone financial statements are presented in Indian Rupees (₹), which is also the Company's functional currency.

1.1.2 Summary of significant accounting policies

a) Current versus non- current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The Company has identified twelve months as its operating cycle.

NOTES TO REVISED STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2020

b) Foreign currencies

The Company's financial statements are presented in INR, which is also the parent Company's functional currency. The Company determines the functional currency and items included in the financial statements of each entity are measured using that functional currency.

Transactions and Balances

Transactions in foreign currencies are initially recorded by the Company at their respective functional currency spot rates at the date the transaction first qualifies for recognition. However, for practical reasons, the Company uses monthly average rate if the average approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on the settlement of monetary items or on restatement of the Company's monetary items at rates different from those at which they were initially recorded during the period, or reported in previous financial statements, are recognized as income or as expenses in the period in which they arise.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

c) Fair value measurement

The Company measures financial instruments, such as, derivatives and certain investments at fair value at each reporting/ balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

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- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

d) Revenue recognition

Effective April 1, 2018 the Company has adopted Ind AS 115 "Revenue from Contracts with Customers" using the cumulative catch-up up transition method which is applied to contracts that were not completed as of April 1, 2018.

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government. The Company has concluded that it is the principal in all of its revenue arrangements since it is the primary obligor in all the revenue arrangements as it has pricing latitude and is also exposed to inventory and credit risks.

Goods and Service Tax (GST)/ is not received by the Company on its own account. Rather, it is tax collected on behalf of the government. Accordingly, it is excluded from revenue.

Contract asset represents the Group's right to consideration in exchange for services that the Group has transferred to a customer when that right is conditioned on something other than the passage of time.

When there is unconditional right to receive cash, and only passage of time is required to do invoicing, the same is presented as Unbilled receivable.

A contract liability is recognised if a payment is received or a payment is due (whichever is earlier) from a customer before the Company transfers the related goods or services. Contract liabilities are recognised as revenue when the Company performs under the contract (i.e., transfers control of the related goods or services to the customer).

The specific recognition criteria described below must also be met before revenue is recognised:

Revenue from other services

Revenue from other services is recognized, in the period in which the services are rendered and where applicable, the percentage completed method is applied.

Interest income

For all debt instruments measured at amortised cost, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in finance income in the statement of profit and loss.

Dividends

Revenue is recognised when the Group's right to receive the payment is established, which is generally when shareholders approve the dividend.

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e) Taxes

Current income tax

Tax expense is the aggregate amount included in the determination of profit or loss for the period in respect of current tax and deferred tax.

Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961.

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised is correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Appendix C to Ind AS 12, Income Taxes dealing with accounting for uncertainty over income tax treatments is applicable from accounting periods beginning on or after 1 April 2019. It does not have any material impact on financial statements of the Company.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences except :

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of taxable temporary differences associated with investments in subsidiaries and associates, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of deductible temporary differences associated with investments in subsidiaries and associates, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when

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the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

GST/ value added taxes paid on acquisition of assets or on incurring expenses

Expenses and assets are recognised net of the amount of GST/ value added taxes paid, except:

- When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable
- When receivables and payables are stated with the amount of tax included

The net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

f) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

g) Leases

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

The Company recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use asset is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of-use asset are determined on the same basis as those of property, plant and equipment. Right-of-use asset are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase

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option where the Company is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. The Company recognises the amount of the re-measurement of lease liability due to modification as an adjustment to the right-of-use asset and statement of profit and loss depending upon the nature of modification. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognises any remaining amount of the re-measurement in statement of profit and loss.

The Company has elected not to apply the requirements of Ind AS 116 to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognised as an expense on a straight-line basis over the lease term.

As a practical expedient a lessee (the company) has elected, by class of underlying asset, not to separate lease components from any associated non-lease components. A lessee (the company) accounts for the lease component and the associated non-lease components as a single lease component.

Company as a lessor

At the inception of the lease the Company classifies each of its leases as either an operating lease or a finance lease. The Company recognises lease payments received under operating leases as income on a straight- line basis over the lease term. In case of a finance lease, finance income is recognised over the lease term based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the lease.

Transition to Ind AS 116

Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has notified Ind AS 116 Leases which replaces the existing lease standard, Ind AS 17 leases and other interpretations. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. It introduces a single, on-balance sheet lease accounting model for lessees.

The Company has adopted Ind AS 116, effective annual reporting period beginning April 1, 2019 and applied the standard to its leases, retrospectively, with the cumulative effect of initially applying the Standard, recognised on the date of initial application (April 1, 2019). Accordingly, the Company has not restated comparative information. As on April 1, 2019, the Company has recognized a right of use asset at an amount equivalent to the lease liability and consequently there is no adjustment to the opening balance of retained earnings as on April 1, 2019. On application of Ind AS 116, the nature of expenses has changed from lease rent in previous periods to depreciation cost for the right-to-use asset, and finance cost for interest accrued on lease liability.

Identification of lease:

- The Company has reassessed whether a contract is, or contains, a lease at the date of initial application.

Leases previously classified as operating leases:

- The Company has recognised a lease liability at the date of initial application for leases previously classified as an operating lease applying Ind AS 17 (other than those which do not satisfy the lease definition criteria under Ind AS 116). The Company has measured lease liability at the present value of the remaining lease payments, discounted using the Company's incremental borrowing rate at the date of initial application.

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- The Company has recognised a right-of-use asset at the date of initial application for leases previously classified as an operating lease applying Ind AS 17 (other than those which do not satisfy the lease definition criteria under Ind AS 116). The Company has opted to measure right-of-use asset at an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in the balance sheet immediately before the date of initial application.

- The Company has relied on its assessment of whether leases are onerous applying Ind AS 37, Provisions, Contingent Liabilities and Contingent Assets, immediately before the date of initial application as an alternative to performing an impairment review.

- The Company has opted not to apply the above transition requirements to leases for which the lease term ends within 12 months of the date of initial application.

Leases previously classified as finance leases:

- For leases that were classified as finance leases applying Ind AS 17, the carrying amount of the right-of-use asset and the lease liability at the date of initial application is the carrying amount of the lease asset and lease liability immediately before that date measured applying Ind AS 17.

There are no impact on transition as on 1 April 2019.

h) Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

i) Retirement and other employee benefits

Short term employee benefits and defined contribution plans:

All employee benefits payable/available within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages and bonus etc. are recognised in the statement of profit and loss in the period in which the employee renders the related service.

Employee benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

Gratuity

Gratuity is a defined benefit scheme. The defined benefit obligation is Computed by actuaries using the projected unit credit method.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net

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interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognised in profit or loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Company recognises related restructuring cost

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset.

The Company recognises the following changes in the net defined benefit obligation as an expense in the Statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

Termination benefits

Termination benefits are payable when employment is terminated by the Company before the normal retirement date. The Group recognises termination benefits at the earlier of the following dates: (a) when the group can no longer withdraw the offer of those benefits; and (b) when the Group recognises costs for a restructuring that is within the scope of Ind AS 37 and involves the payment of terminations benefits. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value.

Compensated Absences

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date. The company treats leaves expected to be carried forward for measurement purposes. Such compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred. The company presents the entire leave as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for 12 months after the reporting date. Where Company has the unconditional legal and contractual right to defer the settlement for a period beyond 12 months, the same is presented as non-current liability.

j) Impairment of non-financial assets

For assets with definite useful life, the Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded Company's or other available fair value indicators.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's

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CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the entity operates, or for the market in which the asset is used.

Impairment losses of continuing operations, including impairment on inventories, are recognised in the statement of profit and loss.

An assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

Intangible assets with indefinite useful lives are tested for impairment annually at the CGU level, as appropriate, and when circumstances indicate that the carrying value may be impaired.

k) Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Subsequent measurement

For purposes of subsequent measurement, Debt instruments are measured at amortized cost.

Debt instruments at amortised cost

A 'debt instrument' is measured at the amortized cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables.

Equity investments

All equity investments in scope of Ind-AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind-AS 103 applies are Ind-AS classified as at FVTPL. For all other equity instruments, the Group may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Group makes such election on an

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instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Group may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognized (i.e. removed from the Company's consolidated balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognize the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Impairment of financial assets

In accordance with Ind-AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

a) Financial assets that are debt instruments, and are measured at amortized cost e.g., loans, debt securities, deposits, trade receivables and bank balance

b) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind-AS 115 (referred to as 'contractual revenue receivables' in these financial statements)

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables or contract revenue receivables or unbilled receivables.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

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Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

As a practical expedient, the Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the Statement of Profit and Loss. This amount is reflected under the head 'other expenses' in the Statement of Profit and Loss. The balance sheet presentation for various financial instruments is described below:

- Financial assets measured as at amortized cost, contractual revenue receivables and lease receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount. For assessing increase in credit risk and impairment loss. The Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

  The Company does not have any purchased or originated credit-impaired (POCI) financial assets, i.e., financial assets which are credit impaired on purchase/ origination.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction cost.

The Company's financial liabilities include trade and other payables, loans and borrowings.

Subsequent measurement

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognised in profit and loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the Statement of Profit and Loss. This category generally applies to borrowings.

De-recognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

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Financial guarantee contracts

Financial guarantee contracts are recognised as a financial liability at the time the guarantee is issued. The liability is initially measured at fair value and subsequently at the higher of (i) the amount determined in accordance with the expected credit loss model as per Ind AS 109 and (ii) the amount initially recognised less, where appropriate, cumulative amount of income recognised in accordance with the principles of Ind AS 115.

The fair value of financial guarantees is determined based on the present value of the difference in cash flows between the contractual payments required under the debt instrument and the payments that would be required without the guarantee, or the estimated amount that would be payable to a third party for assuming the obligations.

Where guarantees in relation to loans or other payables of subsidiaries are provided for no compensation, the fair values are accounted for as contributions and recognised as part of the cost of the investment.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

l) Non-current assets held for sale

Non-current assets (or disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets and contractual rights under insurance contracts, which are specifically exempt from this requirement.

m) Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalent consists of cash and short-term deposits, as defined above, net of outstanding bank overdrafts.

n) Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non–occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements. Contingent assets are only disclosed when it is probable that the economic benefits will flow to the entity.

o) Measurement of EBITDA

The Company has elected to present earnings before finance cost, tax, depreciation and amortization (EBITDA) as a separate line item on the face of the statement of profit and loss. The Company measures EBITDA on the face of profit/ (loss) from continuing operations. In the measurement, the Company does not include depreciation and amortization expense, finance costs and tax expense.

p) Earnings per share

Basic earnings per share

Basic earnings per share are calculated by dividing:

- the profit attributable to owners of the Company
- by the weighted average number of equity shares

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for the year ended March 31, 2020

outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares.

Diluted earnings per share

Diluted earnings per share adjust the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

q) Investments in subsidiaries and associates

An investor, regardless of the nature of its involvement with an entity (the investee), shall determine whether it is a parent by assessing whether it controls the investee.

An investor controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

Thus, an investor controls an investee if and only if the investor has all the following:

(a) power over the investee;

(b) exposure, or rights, to variable returns from its involvement with the investee and

(c) the ability to use its power over the investee to affect the amount of the investor's returns.

An associate is an entity over which the Company has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

The considerations made in determining significant influence are similar to those necessary to determine control over subsidiaries.

The Company has elected to recognize its investments in subsidiary and associate companies at cost in accordance with the option available in Ind-AS 27, 'Separate Financial Statements'. Except where investments accounted for at cost shall be accounted for in accordance with Ind-AS 105, Non-current Assets Held for Sale and Discontinued Operations, when they are classified as held for sale.

Investment carried at cost will be tested for impairment as per Ind-AS 36.

1.2. Significant accounting judgements, estimates and assumptions

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

The areas involving critical estimates are as below:

Defined benefit plans

The cost of the defined benefit gratuity plan and other post-employment medical benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

NOTES TO REVISED STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2020

The mortality rate is based on publicly available mortality tables for the specific countries. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates for the respective countries.

Further details about gratuity obligations are given in Note 32.

The areas involving critical judgement are as below:

Taxes

Uncertainties exist with respect to the interpretation of complex tax regulations, changes in tax laws, and the amount and timing of future taxable income. Given the wide range of business relationships and the long-term nature and complexity of existing contractual agreements, differences arising between the actual results and the assumptions made, or future changes to such assumptions, could necessitate future adjustments to tax income and expense already recorded. The Company establishes provisions, based on reasonable estimates. The amount of such provisions is based on various factors, such as experience of previous tax assessments and differing interpretations of tax regulations by the taxable entity and the responsible tax authority. Such differences of interpretation may arise on a wide variety of issues depending on the conditions prevailing in the respective domicile of the Companies.

Deferred tax assets are recognised for unused tax losses only to the extent that the entity has sufficient taxable temporary differences against which the unused tax losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

Further details on deferred taxes are disclosed in Note 30.

Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

For more information refer Note 37.

Impairment of financial assets

The impairment provisions for financial assets are based on assumptions about risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

Impairment of non- financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or CGU's fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pretax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent markets transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded subsidiaries or other available fair value indicators.

NOTES TO REVISED STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2020

2 Investment in subsidiaries

(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Investment in subsidiaries (at cost)		
Unquoted		
Next Radio Limited 38,933,165 (Previous Year: 38,933,165) equity shares of ₹10 each, fully paid up	3,893.32	3,893.32
Deemed investment*	298.75	298.75
Total (A)	**4,192.07**	**4,192.07**
Provision for impairment in value of investment (B) (refer note 38)	**2,018.00**	**-**
Total Investment in Subsidiary (A) - (B)	**2,174.07**	**4,192.07**
Aggregate book value of unquoted investments	2,174.07	4,192.07
Non - Current	2,174.07	4,192.07

* in relation to financial guarantee given for Next Radio Limited.

3 Investments

(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Investment at fair value through profit and loss		
Unquoted		
Investment in Equity Instruments	-	0.01
Quoted		
Investment in mutual fund	56.69	54.39
Total	**56.69**	**54.40**
Aggregate book value of unquoted investments	-	0.01
Aggregate book value of quoted investments	56.69	54.39
Market value of Quoted Investment	56.69	54.39
Current	56.69	54.39
Non - Current	-	0.01

4 Income tax assets

(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Income tax assets (refer note 29)	151.87	147.67
Total	**151.87**	**147.67**
Non - Current	151.87	147.67

NOTES TO REVISED STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2020

5 Other non current assets

(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Gratuity fund (refer note 32)	-	19.69
Prepaid expenses	-	0.11
Total	**-**	**19.80**

6 Trade receivables

(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Unsecured, considered good		
Trade receivables (refer note 31A)	28.65	-
Total	**28.65**	**-**
Current	28.65	-

No trade receivables are due from directors or other officers of the Company either severally or jointly with any other person

7 Cash and cash equivalents

(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Balances with banks :		
- in current accounts	39.18	0.60
Cash on hand *	-	-
Total	**39.18**	**0.60**

* represents value less than ₹ 1,000

8 Loans

(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Unsecured and considered good at amortised cost		
Security deposit	0.13	4.34
Total	**0.13**	**4.34**
Current	0.13	4.34

9 Contract assets

(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Unbilled revenue	-	21.94
Total	**-**	**21.94**
Current	-	21.94

NOTES TO REVISED STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2020

9A Break up of financial assets carried at amortised cost

(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Cash and cash equivalents (note 7)	39.18	0.60
Loans - current (note 8)	0.13	4.34
Trade receivables (note 6)	28.65	-
Total	**67.96**	**4.94**

Break up of financial assets at fair value through profit and loss

(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Investments (note 3)	56.69	54.40
Total	**56.69**	**54.40**

10 Other current assets

(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Prepaid expenses	-	9.70
Balance with Government authorities	9.25	-
Total	**9.25**	**9.70**

11 Non-current assets held for sale

(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Assets held for sale*	-	20.43
Total	**-**	**20.43**

*During the year, the Company has sold the immovable property situated at 10th floor, Everest Building, Tardeo, Mumbai to Inquilab Offset Printers Limited ("IOPL") for ₹ 200.01 lakhs.

12 Share Capital

a Authorised share capital

Particulars	Number of shares	Amount (₹ Lakhs)
As at April 1, 2018	**8,00,00,000**	**8,000.00**
Increase/(decrease) during the year	-	-
At March 31, 2019	**8,00,00,000**	**8,000.00**
Increase/(decrease) during the year	-	-
At March 31, 2020	**8,00,00,000**	**8,000.00**

NOTES TO REVISED STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2020

12 Share Capital

b Terms of equity shares

The Company has only one class of equity shares having par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian Rupees. The dividend proposed, if any, by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except for Interim Dividend. In the event of liquidation, the holders of the equity shares will be entitled to receive the remaining assets of the Company after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by shareholders.

c Issued, subscribed and paid up share capital

Particulars	Number of shares	Amount (₹ in Lakhs)
As at April 1, 2018	**6,68,92,908**	**6,689.29**
Changes during the year	-	-
Less :Shares held by ESOP Trust	(36,500)	(3.65)
At March 31, 2019	**6,68,56,408**	**6,685.64**
Changes during the year	-	-
Add : Sale of shares held by ESOP Trust	36,500	3.65
At March 31, 2020	**6,68,92,908**	**6,689.29**

d Reconciliation of Equity shares outstanding at the beginning of the year and at the end of the year

Particulars	March 31, 2020		March 31, 2019	
	Number of shares	Amount (₹ in Lakh)	Number of shares	Amount (₹ in Lakh)
Shares outstanding at the beginning of the year	6,68,56,408	6,685.64	6,68,56,408	6,685.64
Sale of shares held by ESOP Trust	36,500	3.65	-	-
Shares outstanding at the end of year	**6,68,92,908**	**6,689.29**	**6,68,56,408**	**6,685.64**

e Shares held by holding/ ultimate holding company and/ or their subsidiaries/ associates

Particulars	March 31, 2020		March 31, 2019	
	Number of shares	Amount (₹ in Lakh)	Number of shares	Amount (₹ in Lakh)
HT Media Limited, the holding company	3,41,15,386	3,411.54	-	-

NOTES TO REVISED STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2020

12 Share Capital

f Details of shareholders holding more than 5% of Shares in the Company

Particulars	March 31, 2020		March 31, 2019	
	Number of shares	% of Holding	Number of shares	% of Holding
Equity Shares				
HT Media Limited, the holding company	3,41,15,386	51.00%	NA	NA
Tehzeeb Ansari	43,37,298	6.48%	43,37,298	6.48%
Meridian Holding and Leasing Company Private Limited	37,73,246	5.64%	74,69,856	11.17%
Bennett Coleman and Company Limited	36,49,391	5.46%	36,49,391	5.46%
Mr. Khalid Ansari	NA	NA	43,38,055	6.49%
Mr. Tarique Ansari	NA	NA	43,37,298	6.48%
Mrs. Rukya Ansari	NA	NA	46,15,075	6.90%
Mr. Sharique Ansari	NA	NA	43,37,298	6.48%
Rajasthan Global Securities Private Limited	NA	NA	39,95,406	5.97%
Ferari Investments & Trading Company Private Limited	NA	NA	1,12,16,858	16.77%
Total	**4,58,75,321**	**68.58%**	**4,82,96,535**	**72.20%**

As per records of the Company, including its register of shareholders/members and other declaration received from the shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

g Aggregate number of bonus shares issued, shares issued for consideration other than cash during the period five years immediately preceding the reporting date

Particulars	2019-20	2018-19	2017-18	2016-17	2015-16
Equity shares					
Shares issued under ESOP	-	-	66,680	66,660	1,66,680

h Shares reserved for issue under employee stock options

There are no outstanding shares under ESOP scheme

13 Other equity

(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Securities premium*	8,605.37	8,605.37
Retained earning#	(14,641.46)	(12,548.89)
Total	**(6,036.09)**	**(3,943.52)**

* Securities premium is used to record the premium on issue of shares. It is utilised in accordance with the provisions of the Companies Act, 2013.
# Retained earnings are the accumulated profits/ (losses) earned by the Company till date.

NOTES TO REVISED STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2020

13 Other equity

Securities premium

(₹ in Lakhs)

Particulars	Amount (₹ in Lakhs)
As at April 1, 2018	**8,605.37**
Add: addition during the year	-
Balance as at March 31, 2019	**8,605.37**
Add: addition during the year	-
Balance as at March 31, 2020	**8,605.37**

Retained earning

(₹ in Lakhs)

Particulars	Amount (₹ in Lakhs)
As at April 1, 2018	**(12,358.85)**
Loss for the year	(193.06)
Add: Items of other comprehensive income (OCI) recognised directly in retained earnings	
- Remeasurement of post-employment benefit obligation, net of tax	3.02
Balance as at March 31, 2019	**(12,548.89)**
Loss for the year	(2,094.20)
Add: Items of other comprehensive income (OCI) recognised directly in retained earnings	
- Remeasurement of post-employment benefit obligation, net of tax	1.63
Balance as at March 31, 2020	**(14,641.46)**

14 Borrowings

(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Non-current Borrowings		
Unsecured		
Loan from related party (refer note 31A)		
Next Radio Limited*	1,227.29	613.98
Sub total (a)	**1,227.29**	**613.98**
Current Borrowings		
Unsecured		
Loan from related party (refer note 31A)		
Inquilab Offset Printers Limited**	-	600.00
HT Music and Entertainment Limited***	25.00	
Sub total (b)	**25.00**	**600.00**
Total (a+b)	**1,252.29**	**1,213.98**

Note:

* Repayable at end of 8 years from April 29, 2015. The loan carries interest @ 11% p.a
** Payable on demand. The loan carrieed interest @ 11% p.a.
*** Repayable in one year from the date of loan, i.e, August 25, 2020.The loan carries interest @ 11% p.a.

NOTES TO REVISED STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2020

14 Borrowings

Debt reconciliation for FY 2019-20

(₹ in Lakhs)

Particulars	Current Borrowings	Non Current Borrowings
Opening Balance as at April 1, 2019	600.00	613.98
Cash Flows:		
Add: Drawdowns	600.00	613.31
Less: Repayments	1,175.00	-
Closing Balance as at March 31, 2020	**25.00**	**1,227.29**

Debt reconciliation for FY 2018-19

(₹ in Lakhs)

Particulars	Current Borrowings	Non Current Borrowings
Opening Balance as at April 1, 2018	600.00	490.98
Cash Flows:		
Add: Drawdowns	-	524.10
Less: Repayments	-	401.10
Closing Balance as at March 31, 2019	**600.00**	**613.98**

15 Other financial liabilities at amortised cost - non current

(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Interest accrued but not due on borrowings to related party (refer note 31A)	462.67	385.08
Total	**462.67**	**385.08**

16 Trade payables

(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Trade payables		
- Amount payable to micro enterprises and small enterprises	-	-
- Amount payable to Related parties (refer note 31A)	13.59	5.61
- Others	23.07	39.11
Total	**36.66**	**44.72**

NOTES TO REVISED STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2020

17 Other financial liabilities at amortised cost - current

(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Employee related payable *	3.03	9.68
Interest accrued but not due on borrowings to related party (refer note 31A)	22.96	-
Financial guarantee liability	23.18	63.15
Total	**49.17**	**72.83**

* includes dues to related party ₹ Nil (previous year ₹ 1.40 lakhs (refer note 31A)

17A Break up of financial liabilities carried at amortised cost

(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Borrowings (note 14)	1,252.29	1,213.98
Trade payables (note 16)	36.66	44.72
Other non-current financial liabilities (note 15)	462.67	385.08
Other current financial liabilities (note 17)	49.17	72.83
Total	**1,800.79**	**1,716.61**

18 Provisions

(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Non-current		
Provision for employee benefits		
Gratuity (refer note 32)	2.53	-
Leave encashment (refer note 32)	0.47	3.93
Total	**3.00**	**3.93**
Current		
Provision for employee benefits		
Gratuity (refer note 32)	0.08	-
Leave encashment (refer note 32)	0.01	0.29
Total	**0.09**	**0.29**

19 Other current liabilities

(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Statutory dues	2.76	8.00
Total	**2.76**	**8.00**

NOTES TO REVISED STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2020

20 Revenue from operations

(₹ in Lakhs)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Sale of services		
Management fees (refer note 31A)	-	144.67
Total	**-**	**144.67**

21 Other Income

(₹ in Lakhs)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Interest income on EIR method		
- others	0.06	0.32
Dividend income	2.30	2.59
Other non - operating income		
Rental income (refer note 31A)	4.96	19.14
Profit on sale of assets held for sale (refer note 11)	179.58	-
Income on financial guarantee	39.53	59.42
Liabilities no longer required written back	3.04	2.52
Total	**229.47**	**83.99**

22 Employee benefits expense

(₹ in Lakhs)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Salaries, wages and bonus	41.68	172.69
Contribution to provident and other funds (refer note 32)	1.67	6.84
Gratuity expense (refer note 32)	0.77	1.04
Workmen and staff welfare expenses	0.01	-
Total	**44.13**	**180.57**

23 Finance cost

(₹ in Lakhs)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Interest expenses on		
- loans from related party and others *	138.92	143.52
Bank charges	0.02	0.01
Total	**138.94**	**143.53**

* includes interest paid to related party ₹ 148.14 lakhs (previous year 131.47 lakhs) (refer note 31A)

NOTES TO REVISED STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2020

24 Depreciation expenses

(₹ in Lakhs)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Depreciation on investment property*	-	0.51
Total	**-**	**0.51**

*The Company has approved transfer of the immovable property situated at 10th floor, Everest Building, Tardeo, Mumbai to Inquilab Offset Printers Limited ("IOPL") on September 20, 2018. Accordingly the same has been classified as Non- current assets held for sale in the year ended March 31, 2019. Accordingly depreciation for the period April, 2018 to September, 2018 has been charged to statement of Profit and Loss account.

25 Other expenses

(₹ in Lakhs)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Insurance	0.26	1.01
Rates and taxes	0.13	5.77
Communication charges	0.19	1.74
Travelling and conveyance	2.07	6.86
Membership and subscription fees	-	3.68
Repairs and maintenance :		
- Others	0.16	1.11
Power and fuel	0.47	1.16
Rent (expenses relating to short-term leases)	5.11	27.77
Payment to auditors (refer note below)	8.50	3.00
Advertising and sales promotion	39.19	9.38
Legal and professional fees	36.32	23.42
Printing and stationery	0.02	7.55
Directors sitting fees (refer note 31A)	27.10	3.40
Miscellaneous expenses	3.08	1.67
Total	**122.60**	**97.52**

Payment to auditors

(₹ in Lakhs)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
As auditor :		
- Audit fee	4.00	1.50
- Fee for limited review	1.50	1.50
- Tax audit fee *	3.00	-
Total	**8.50**	**3.00**

* includes previous year tax audit fees of ₹ 1.50 lakhs paid during the current year

NOTES TO REVISED STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2020

26 Loss per share

Basic loss per share amounts are calculated by dividing the loss for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year.

Diluted loss per share amounts are calculated by dividing the profit attributable to equity holders by the weighted average number of equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

The following reflects the income and share data used in the basic and diluted earnings per share computations:

Particulars	For the year March 31, 2020	For the year March 31, 2019
Total loss attributable to equity holders (₹ lakhs)	(2,094.20)	(193.06)
Weighted average number of Equity shares for basic and diluted loss per share	6,68,65,608	6,68,56,408
loss per share		
Basic (Nominal value of share ₹ 10/-)	(3.13)	(0.29)
Diluted (Nominal value of share ₹ 10/-)	(3.13)	(0.29)

27 Segment reporting

In the current year, the Company does not have any business operations. The entity having investment in it's subsidiary (Next Radio Limited). Accordingly, segment information pursuant to Ind AS-108 'Operting Segments', has not been disclosed. During the previous year, the Company's business segment was providing management consultancy in India and there were no other primary reportable segments. During the previous year, the Company primarily catered to the domestic market and there were no reportable geographical segments.

28 Commitments and contingencies

(i) Guarantees

(₹ in Lakhs)

Particulars	For the year March 31, 2020	For the year March 31, 2019
Bank guarantee issued for subsidiaries	2,710.47	4,913.29
Total	**2,710.47**	**4,913.29**

(ii) Contingent liabilities

a. In respect of income tax demand under dispute ₹ 193.11 lakhs (previous year ₹ 193.11 lakhs) against the same the Company has paid tax under protest of ₹ 98.41 lakhs (previous year ₹ 98.41 lakhs).

Based on management assessment and current status of the above matter, the management is confident that no provision is required in the financial statements as on March 31, 2020.

(iii) Commitments

Estimated amount of contracts remaining to be executed on capital account is Nil (previous year Nil).

NOTES TO REVISED STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2020

29 Taxation

(₹ in Lakhs)

a) current tax assets	As at March 31, 2020	As at March 31, 2019
At the start of the year	147.67	133.51
Taxes paid during the year (TDS receivable)	4.20	14.16
At the end of the period	**151.87**	**147.67**

30 Deferred tax*

(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Deferred tax Assets		
- on Carry forwards business loss (Available for 8 Assessment Year)	263.95	275.45
- on unabsorbed depreciation (Available for infinite period)	4.22	4.22
- on other temporary difference (Available on payment basis)	0.81	1.10
Total Deferred tax Assets	**268.97**	**280.77**
Deferred tax Liability		
- on WDV of investment property	-	5.26
Net Deferred tax Assets	**268.97**	**275.50**

* In the absence of reasonable certainty, the Company has not recognised the deferred tax assets

31 Related party transactions

Following are the related parties and transactions entered with related parties for the relevant financial year :

i) List of related parties and relationships:-

a.	Holding Company (w.e.f. April 15, 2019)	HT Media Limited (w.e.f April 15, 2019) @ The Hindustan Times Limited # Earthstone Holding (Two) Private Limited## (Ultimate controlling party is the Promoter Group)
b.	Subsidiary Company (with whom transactions have occurred during the year)	Next Radio Limited
c.	Fellow Subsidiary Company (w.e.f. April 15, 2019) (with whom transactions have occurred during the year)	HT Music and Entertainment Company Limited w.e.f. April 15, 2019
d.	Under control of management (with whom transactions have occurred during the year)	Inquilab Offset Printers Limited *
e.	Entities which are post employment benefit plans (with whom transactions have occurred during the year)	Next Mediaworks Limited Employees Group Gratuity Trust

NOTES TO REVISED STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2020

31 Related party transactions (Contd..)

f. Key Managerial Personnel

Mr. Ajay Relan (Non-Executive independent Director, w.e.f April 18, 2019)

Ms. Suchitra Rajendra (Non-Executive independent Director, w.e.f April 18, 2019)

Mr. Sameer (Non-Executive independent Director, w.e.f April 18, 2019)

Mr. Dilip Cherian (Independent Director)**

Mr. Harshad Jain (Chief Executive Officer, resigned w.e.f. November 27, 2020)

Mr. Ramesh Menon (Chief Executive Officer, w.e.f. November 27, 2020)

Mr. Rajbir Singh Bhandal (Independent Director)*

Mr. Sunil Dalal (Independent Director)*

Mr. Chetan Desai (Non Executive Director)*

Mr. Tarique Ansari (Managing Director)*

Mr. Adille Sumariwala (Independent Director)*

Mr. I Venkat (Independent Director)*

Ms. Monisha Shah (Independent Director)*

@ On April 9, 2019, HT Media Limited acquired 14.18% of the fully diluted voting equity share capital of the Company pursuant to an open offer under SEBI (STAT) Regulations, and on April 15, 2019 acquired 36.82% of the fully diluted voting equity share capital of the Company from the promoters and members of the promoter group of the Company. Consequently, the Company has became a Subsidiary of HT Media Limited, effective April 15, 2019.

* Relationship ceased with effect from close of business hours of April 18, 2019.

** Relationship ceased with effect from close of business hours of Janury 23, 2020

The Hindustan Times Limited (HTL) does not hold any direct investment in the Company. However, HTL's subsidiary HT Media Limited holds shares in the Company.

Earthstone Holding (Two) Private Limited (formerly known as Earthstone Holding (Two) Limited) is the holding Company of The Hindustan Times Limited .

ii) Transactions with related parties

Refer note 31 A

iii) Terms and conditions of transactions with related parties

The transaction with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free except in case of loans taken and settlement occurs in cash.

NOTES TO REVISED STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2020

31A Transactions during the year with Related Parties (refer note A):-

SL No	Transactions for the year ended March 31, 2019	Holding Company		Subsidiary Company		Fellow Subsidiary Company		Under control of Management		Entities which are post employment benefit plans		Key Managerial Personnel (KMP's) / Directors (Refer Note B)		Total	
		For the year ended March 31, 2020	For the year ended March 31, 2019	For the year ended March 31, 2020	For the year ended March 31, 2019	For the year ended March 31, 2020	For the year ended March 31, 2019	For the year ended March 31, 2020	For the year ended March 31, 2019	March 31, 2020	March 31, 2019	For the year ended March 31, 2020	For the year ended March 31, 2019	March 31, 2020	March 31, 2019
A	**REVENUE**														
1	Management fees	-	-	-	144.67	-	-	-	-	-	-	-	-	-	144.67
2	Rental income	-	-	4.96	19.14	-	-	-	-	-	-	-	-	4.96	19.14
B	**EXPENSES**														
3	Advertisement charges	12.74	-	-	-	-	-	-	-	-	-	-	-	12.74	-
4	Interest expenses	-	-	86.22	65.47	25.51	-	2.16	66.00	-	-	-	-	113.89	131.47
5	Remuneration paid to Key managerial personnel	-	-	-	-	-	-	-	-	-	-	2.96	60.00	2.96	60.00
6	Directors sitting fees	-	-	-	-	-	-	-	-	-	-	27.10	3.40	27.10	3.40
7	Printing and stationery	-	-	-	-	-	-	-	5.77	-	-	-	-	-	5.77
C	**OTHERS**														
8	Loan received during the year	-	-	613.81	524.10	600.00	-	-	-	-	-	-	-	1,213.81	524.10
9	Loan repaid During the year	-	-	-	401.10	575.00	-	600.00	-	-	-	-	-	1,175.00	401.10
10	Withdrawal of fund during the year	-	-	-	-	-	-	-	-	23.18	-	-	-	23.18	-
D	**BALANCE OUTSTANDING**														
11	Investment in shares	-	-	3,392.07	4,192.07	-	-	-	-	-	-	-	-	3,392.07	4,192.07
12	Trade Receivables	-	-	28.65	-	-	-	-	-	-	-	-	-	28.65	-
13	Inter corporate deposit taken and interest accrued on it	-	-	1,689.97	999.06	47.96	-	-	600.00	-	-	-	-	1,737.93	1,599.06
14	Trade payable	13.59	-	-	-	-	-	-	5.61	-	-	-	-	13.59	5.61
15	Employee dues payable	-	-	-	-	-	-	-	-	-	-	-	1.40	-	1.40

Note A:-The transactions above do not include gst, service tax, vat etc.

Note B- Key Managerial Personnel who are under the employment of the Company are entitled to post employment benefits and other long term employee benefits recognized as per Ind AS 19 - 'Employee Benefits' in the standalone financial statements. As these employee benefits are lump sum amounts provided on the basis of actuarial valuation, the same is not included above.

NOTES TO REVISED STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2020

32 Employee Benefits

The Company has classified the various benefits provided to the employees as under.

Defined Contribution Plans

Provident fund

The Company has recognised ₹ 1.67 lakhs (previous year ₹ 6.84 lakhs) in Statement of Profit and Loss towards employer's contribution to provident fund.

Define Benefit Plan: Gratuity

The Company has invested in HDFC GROUP Unit Linked Plan- Option A through trust "Mid-Day Multimedia Limited Employees Group Gratuity Cum Life Assurance Scheme.

In accordance with the Ind AS 19, actuarial valuation was performed in respect of the aforesaid defined benefit plans based on the following assumptions:

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of services gets a gratuity on separation at 15 days salary (last drawn salary) for each completed year of service. The Company has formed a gratuity trust to which contribution is made based on actuarial valuation done by independent valuer.

The gratuity plan is governed by the Payment of Gratuity Act, 1972. The Company has purchased insurance policy, which is a year on-year cash accumulation plan in which the interest rate is declared on yearly basis and is guaranteed for a period of one year. The insurance Company, as part of the policy rules, makes payment of all gratuity outgoes happening during the year (subject to sufficiency of funds under the policy). The policy, thus, mitigates the liquidity risk. However, being a cash accumulation plan, the duration of assets is shorter compared to the duration of liabilities. Thus, the Company is exposed to movement in interest rate in particular, the significant fall in interest rates, which should result in a increase in liability without corresponding increase in the asset.

In accordance with the Ind AS 19, actuarial valuation was performed in respect of the aforesaid defined benefit plans based on the following assumptions:

(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Discount Rate	6.85% pa	7.59% pa
Rate of Increase in compensation levels (pa)	5.00% pa	6.00% pa
Mortality Rate	Indian Assured Lives Mortality (2012-14) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate
Attrition Rate	Upto 30 years - 3% 31 to 44 years - 2% Above 44 years - 1%	1.00% pa

NOTES TO REVISED STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2020

a. Change in the Present Value obligation

(₹ in Lakhs)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Present Value of Defined Benefit Obligation as at beginning of the Period	54.08	52.27
Interest cost	4.12	3.95
Current service cost	0.36	2.38
Benefits paid *	(53.89)	-
Actuarial (gain) / loss on obligation arising from:		
- change in demographic assumptions	0.03	-
- change in financial assumptions	(0.11)	(0.02)
- experience variance (i.e. Actual experience vs assumptions)	(1.98)	(4.50)
Present value of defined benefit obligation as at end of the period	2.61	54.08

* includes ₹ 0.02 lakhs paid from company directly

b. Fair Value of Plan Assets (for Funded Scheme – Gratuity)

(₹ in Lakhs)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Present value of plan assets as at beginning of the period	73.77	69.97
Interest income	3.71	5.29
return on plan asset recognised in OCI	(0.43)	(1.49)
Contributions	(23.18)	-
Benefits paid	(53.87)	-
Fair Value of plan assets as at end of the period *	-	73.77

* The Company has invested in HDFC GROUP Unit Linked Plan - Option A through trust "Next Mediaworks Limited Employees Group Gratuity Trust"

c. Amount recognised in the Balance Sheet

(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Present Value of Defined Benefit Obligation as at the end of the period	2.61	54.08
Fair Value of Plan Assets As at the end of the period	-	73.77
Liability / (net asset) recognised in the Balance Sheet	2.61	(19.69)

d. Expenses Recognised in the Statement of Profit and Loss Statement

(₹ in Lakhs)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Current service cost	0.36	2.38
Interest cost	4.12	3.95
Interest income	(3.71)	(5.29)
Total expenses recognised in the Statement of Profit and Loss (net)	0.77	1.04

NOTES TO REVISED STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2020

32 Employee Benefits (Contd..)

e. Expenses Recognised in the Other comprehensive income

(₹ in Lakhs)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Actuarial (gains)/losses on obligation for the period	(2.06)	(4.52)
Remeasurement- return on plan assets excluding interest income	0.43	1.50
Net (income)/ expense for the period recongised in OCI	(1.63)	(3.02)

The major category of plan assets are as follows:

(₹ in Lakhs)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Investment in funds managed by the trust	100%	100%

f. Sensitivity analysis

Significant actuarial assumptions for the determination of the defined obligation are discount rate, expected salary increase and mortality. The sensitivity analyses below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

The sensitivity of the defined benefit obligation to changes in the principal assumptions:

(₹ in Lakhs)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Projected Benefit Obligation on Current Assumptions	2.61	54.08
Delta Effect of +1% Change in Rate of Discounting	(0.39)	(0.79)
Delta Effect of -1% Change in Rate of Discounting	0.34	0.82
Delta Effect of +1% Change in Rate of Salary Increase	0.34	0.83
Delta Effect of -1% Change in Rate of Salary Increase	(0.46)	(0.81)
Delta Effect of +1% Change in Rate of Employee Turnover	0.01	0.02
Delta Effect of -1% Change in Rate of Employee Turnover	(0.01)	(0.02)

g. Maturity analysis of projected benefit obligation: from the fund

(₹ in Lakhs)

Projected benefits payable in future years from the date of reporting	Year ended March 31, 2020	Year ended March 31, 2019
within one year	0.08	1.04
2 to 5 years	0.24	49.04
6 to 10 years	0.37	10.62
more than 10 years	6.87	0.73

h. Average duration of the defined benefit plan obligation

(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Weighted Average duration	14 years	3 years

The expected contribution for next year is ₹ 2.99 lakhs (Previous Year ₹ Nil)

NOTES TO REVISED STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2020

32 Employee Benefits (Contd..)

Leave Encashment (unfunded)

The Company recognises the leave encashment expenses in the statement of profit and loss based on the actuarial valuation.

The expenses recognised in the statement of profit and loss and the leave encashment liability at the beginning and at the end of the year:

(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Liability at the beginning of the year	4.22	3.92
Benefits paid during the year	4.38	-
Provided during the year	0.64	0.30
Liability at the end of the year	0.48	4.22

33 Other comprehensive income

The disaggregation of changes to OCI by each type of reserve in equity is shown below :

During the year ended March 31, 2020

(₹ in Lakhs)

Particulars	Retained earnings	Total
Remeasurement gain of the defined benefits plan (refer note 32)	1.63	1.63
Total	**1.63**	**1.63**

During the year ended March 31, 2019

(₹ in Lakhs)

Particulars	Retained earnings	Total
Remeasurement gain of the defined benefits plan (refer note 32)	3.02	3.02
Total	**3.02**	**3.02**

34 Disclosure required under section 186(4) of the Companies Act, 2013

- Corporate Guarantee amounting to ₹ 9,500 lakhs (previous year: ₹ 9,500 lakhs) has been given to bank on behalf of Next Radio Limited. For outstanding position as on the Balance sheet date (Refer Note 28).

- Details of investment made are given under Note 2 and 3

NOTES TO REVISED STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2020

35 Financial risk management objectives and policies

The Company's principal financial liabilities, comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations and to support its operations. The Company's principal financial assets include Trade receivables and cash and cash equivalents that derive directly from its operations.

The Company is exposed to credit risk, liquidity risk, foreign currency risk and interest rate risk. The Company's senior management oversees the mitigation of these risks. The Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The policies for managing each of these risks, which are summarized below:-

1 Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk: interest rate risk and currency risk . Financial instruments affected by market risk include loans and borrowings, deposits and derivative financial instruments.

a Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's fixed rate borrowings are carried at amortized cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate on account of a change in market interest rates.

b Foreign currency risk

Foreign currency risk arises due to the fluctuations in foreign currency exchange rates. The Company does not have any transactions in foreign currencies. Accordingly, its exposure to the foreign currency risk is limited.

2 Credit risk

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its investments in debt mutual funds and deposits with banks. The Company's maximum exposure to credit risk is limited to the carrying amount of the financial assets recognised as at March 31, 2020.

The Company believes that the risk associated with respect to trade/ other receivables is low, as there are no significant recoverables outside the group.

Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made as per guidelines and within limits approved by Board of Directors. Board of Directors/ Management reviews and update guidelines, time to time as per requirement. The guidelines are set to minimize the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

NOTES TO REVISED STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2020

35 Financial risk management objectives and policies (Contd..)

3 Liquidity Risk

Liquidity risk is defined as a risk that the Company will not be able to settle or meet its obligations on time. The Group's treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by the Senior Management.

Maturities of financial liabilities

The tables below analyse the Company's financial liabilities into relevant maturity groupings based on their contractual maturities for all non-derivative financial liabilities-

(₹ in Lakhs)

Particulars	As at March 31, 2020		As at March 31, 2019	
	Less than 1 year	More than 1 year	Less than 1 year	More than 1 year
Borrowings	25.00	1,227.29	600.00	613.98
Interest accrued but not due	22.96	462.67	-	385.08
Trade payables	36.66	-	44.72	-
Employee related payable	3.03	-	9.68	-
Financial guarantee liability	23.18	-	63.15	-
	110.82	**1,689.96**	**717.55**	**999.06**

for further details please refer note no. 41

36 Capital management

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves . The primary objective of the Company's capital management is to maximize the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital and net debt. The Company includes within net debt, interest bearing loans and borrowings, interest accrued on borrowings, less cash and cash equivalents and other bank balances.

(₹ in Lakhs)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Gross debt	1,737.92	1,599.06
Less: Cash and cash equivalent	39.18	0.60
(a) Net debts	**1,698.74**	**1,598.46**
(b) Total equity (as per balance sheet)	**653.20**	**2,742.12**
(c) Total capital	**2,351.92**	**4,340.58**
(d) Net gearing ratio (a)/(c)	**0.72**	**0.37**

NOTES TO REVISED STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2020

37 Fair value measurement

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values:

(₹ in Lakhs)

Particulars	Carrying amount		Fair Value		Fair value measurement hierarchy level
	As at March 31, 2020	As at March 31, 2019	As at March 31, 2020	As at March 31, 2019	
Financial assets measured at fair Value through profit & loss (FVTPL)					
Investment in unquoted equity shares (refer note 3)	-	0.01	-	0.01	Level 3*
Financial liabilities measured at amortised cost					
Non-current					
Long Term Borrowings (Note 14)	1,227.29	613.98	1,227.29	613.98	Level 2

*The sensitivity analysis disclosures in relation to Unquoted equity instrument classified at FVTPL is not being disclosed since the management believes that the amount involved is not material and there is no significant movement in the fair value on the reporting date.

The management assessed that fair value of current investment, trade receivables, cash and cash equivalents, other current financial assets, loans (security deposit paid), trade payables, short- term borrowings and other current financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments. The fair value of the financial assets and liabilities is the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

- The fair values of Long term borrowings are determined by discounting future cash flows using rates currently available for items on similar terms, credit risk and remaining maturities.

38 Exceptional items

The Company after considering the current economic environment has performed an impairment assessment of Investment in its subsidiary. As the recoverable amount is lower than the carrying amount of investments, the Company has recognised an impairment loss of ₹ 2,018 lakhs which has been disclosed as an exceptional item.

The recoverable amount of CGU is based on its value in use which is ₹ 2,174 lakhs using discount rate in the range of 15%.

39 Standards issued but not yet effective

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2020

NOTES TO REVISED STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2020

40 Management has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amount of Investment in subsidiary. In developing the assumptions relating to the possible future uncertainties because of this pandemic, the Company, as at the date of adoption of these standalone financial statements has used internal and external sources of information. The Company has performed sensitivity analysis on the assumptions used and based on current factors estimated that the carrying amount of investment as at 31 March 2020 will be recovered after recording an impairment loss on Investment in subsidiary (refer note 38). The impact of COVID-19 on the Company's financial statements may differ from that estimated as at the date of adoption of audited financial statements for the year ended 31 March 2020. Such changes, if any, will be prospectively recognized. The Company will continue to closely monitor any material changes to future economic conditions.

41 The Company has incurred losses in current year and has accumulated losses as at 31 March 2020, which has resulted in substantial erosion of the net worth of the Company as at 31 March 2020. However, the Company's current assets exceed its current liabilities as at 31 March 2020.

Based on the carrying value of its investment in Next Radio Limited, the Company believes this can be used to settle non-current liabilities. The Company believes current assets (financial and non-financial) as at 31 March 2020 will enable it to meet its future known obligations due in next year from the reporting date, in the ordinary course of business.

In view of the above, the use of going concern assumption has been considered appropriate in preparation of these standalone financial statements.

42 Note on Revision of Financials

HT Media Limited (Holding Company), received a whistleblower complaint ("WB Complaint") in August 2020 from a named employee of the radio business on his last working day. The WB Complaint alleged anomalies resulting in deficiencies in certain financial reporting processes of the radio business of the Company's Subsidiary i.e. Next Radio Limited. The Holding Company, in accordance with its whistleblower policy, and as confirmed by respective Audit Committees appointed an independent law firm which worked closely with two independent accounting firms for an in-depth comprehensive review. The said investigation brought out practices indicating the following deficiencies and lapses during financial years 2019-20 and 2020-21:

a. Practice of pre-billing (i.e. billing and booking revenue for services yet to be consumed/ delivered) resulting in reporting of higher revenue in financial statements. Such billing remained unconsumed/ undelivered.

b. Potential manipulation of debtor ageing by issuance of inappropriate credit notes and additional invoices to avoid higher provisioning for bad debts.

c. Circulating improper balance confirmation requests (by including invoices without delivery/ requests for advertisement) to customers (with such balances either remaining unconfirmed or disputed) resulting in reporting higher revenue.

d. Potentially improper credit approvals including forced/ credit approval under protest at the instructions of senior management of the Radio business.

Further, based on a very detailed investigation performed, the investigating team and the management concluded that the above mentioned findings were confined to a stream of revenue ('pure money') of radio business of the above mentioned subsidiary only and were not pervasive across other financial statement captions. The said investigation did not reveal existence of any personal profiteering or siphoning of funds or embezzlement or misappropriation of funds.

NOTES TO REVISED STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2020

42 Note on Revision of Financials (Contd..)

The final findings of the investigation have been presented to the Audit Committees and Board of Directors of the Company and the Holding Company, including multiple status update briefings in the interim. The Audit Committees have considered the report. The management has also placed before the Audit Committees an action plan for (a) strengthening internal financial controls and systems; (b) centralizing the revenue assurance function; (c) a plan for integration of IT systems used in the radio business; and (d) recommendations from Chief HR Officer to bring about changes in HR policies and practices with emphasis on adoption of better ethical codes and practices. The Audit Committees have also made their recommendations for action against the employees involved in the wrongdoings to the respective Board of Directors for their consideration. The Board of Directors have considered and accepted the said investigation report and are in the process of taking appropriate steps in the best interest of the Company and its various stakeholders.

As an outcome of said investigation, the Company has revised its standalone financial statements for the year ended 31 March 2020 which were earlier approved by the Board of Directors on June 23, 2020.

The Company has made an assessment of and believes that it has provided for the financial impact arising from the this matter including non-compliances with laws and regulations, to the extent identified and believes that the additional financial impact, if any, arising from adjustments due to instances other than those identified is not expected to be material.

These deficiencies, along with their consequential impact, have led to identification that the Company needs to further strengthen its internal control environment, in order to minimize the instances of overriding of certain internal controls by senior management officials. The Company is taking necessary action to address these material weaknesses including tightening of internal controls.

The findings of the investigation have direct (as quantified in the investigation report) and consequential impact on certain other financial statement captions. Further, the revised Standalone financial statements have also recognised the impact of adjusting events occurring after the reporting period (including the period after the date of approval of pre-revised financial statement (June 23, 2020) till date of approval of the revised Standalone financial statement i.e. November 27, 2020), which are significantly impacted by present economic and market conditions including COVID-19.

In Statement of Profit and Loss Account

(₹ in Lakhs)

Financial statement caption	Original issued financial statements	Revised financial statements	Consequential imapct
	Year ended March 31, 2020	Year ended March 31, 2020	Year ended March 31, 2020
Total Revenue	226.43	229.47	3.04
Total Expenses	339.93	305.67	34.25
Exceptional items (loss)	(800.00)	(2,018.00)	(1,218.00)
Impact on Loss before tax			**(1,180.71)**
Tax expense	-	-	-
Impact on Loss after tax			**(1,180.71)**

NOTES TO REVISED STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2020

42 Note on Revision of Financials (Contd..)

In Balance Sheet

(₹ in Lakhs)

Financial statement caption	Original issued financial statements	Revised financial statements	Consequential imapct
	Year ended March 31, 2020	Year ended March 31, 2020	Year ended March 31, 2020
Investment in Subsidiary	3,392.07	2,174.07	(1,218.00)
Net Impact on Assets			**(1,218.00)**
Other equity	(4,855.39)	(6,036.09)	(1,180.71)
Trade payable	39.70	36.66	(3.04)
Other Non current financial liabilities	496.93	462.67	(34.25)
Net Impact on Liabilities			**(1,218.00)**

The accompanying notes forms an integral part of these Revised standalone financial statements.

As per our revised report of even date

For **B S R and Associates**
Chartered Accountants
(Firm Registration Number: 128901W)

Rajesh Arora
Partner
Membership No. 076124

Place: Gurugram
Date: November 27, 2020

For and on behalf of the Board of Directors of
Next Mediaworks Limited

Anup Shrma
Chief Financial Officer

Ramesh Menon
Chief Executive Officer

Diksha Singh
Company Secretary
Membership No.: A44999

Praveen Someshwar
Director
(DIN: 01802656)

Place: New Delhi
Date: November 27, 2020

Revised Consolidated Financial Statements

INDEPENDENT AUDITOR'S REPORT

To the Members of Next Mediaworks Limited

Report on the Audit of Revised Consolidated Financial Statements

Opinion

We have audited the revised consolidated financial statements of Next Mediaworks Limited (hereinafter referred to as the 'Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group") which comprise the revised consolidated balance sheet as at

31 March 2020, and the revised consolidated statement of profit and loss (including other comprehensive income), revised consolidated statement of changes in equity and revised consolidated statement of cash flows for the year then ended, and notes to the revised consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the revised consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of report of other auditor on separate financial statements of subsidiary as was audited by the other auditor, the aforesaid revised consolidated financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31 March 2020, of its consolidated loss and other comprehensive income, consolidated changes in equity and consolidated cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the revised consolidated financial statements in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence obtained by us along with the consideration of audit report of the other auditor referred to in sub paragraph (a) of the "Other Matters" paragraph below, is sufficient and appropriate to provide a basis for our opinion on the revised consolidated financial statements.

Emphasis of Matter

The Board of Directors had earlier adopted the consolidated financial statements of the Group for the year ended 31 March 2020 in their meeting held on 23 June 2020 (referred to as "original consolidated financial statements") on which we had issued our Audit Report dated 23 June 2020. As explained in detail in note 49, subsequent to this, pursuant to a whistleblower complaint, the Group conducted an investigation, which brought out certain material deficiencies in the Radio business and instances of reporting higher revenue from operations, incorrect debtors, contract liabilities and consequential impact on provision for doubtful debts and taxes in a significant stream of revenue of the radio business of the Parent Company of the Group as well as in the subsidiary company, Next Radio Limited ('NRL'). Consequently, the Group has recognised relevant adjustments in the revised consolidated financial statements for the year ended 31 March 2020 to give effect to the outcome of the investigation to the extent identified including non-compliances with laws and regulations. The Group believes that additional financial impact, if any, arising from adjustments due to instances other than those identified is not expected to be material. In addition, the revised consolidated financial statements recognise the impact of other adjusting events occurring subsequently to the date of approval of original consolidated financial statements (23 June 2020) till the date of approval of these revised consolidated financial statements (27 November 2020) by the Board of the Company arising from present economic and market conditions including COVID-19.

Our audit report dated 23 June 2020 on the original consolidated financial statements is superseded by this audit report dated 27 November 2020 on the revised consolidated financial statements.

Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the revised consolidated financial statements of the current period. These matters were addressed in the context of our audit of the revised consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Description of Key Audit Matters

Impairment testing of radio licenses at cash generating unit (CGU) level:
See note 2 and 2a to the revised consolidated financial statements

The key audit matter	How the matter was addressed in our audit
The gross carrying value of radio licenses (part of intangible assets) aggregates to ₹ 13,815.18 lakhs as at 31 March 2020. The Group performs annual assessment of the radio licenses at cash generating unit (CGU) level, to identify indicators of impairment, if any. The Group has identified each radio license as a separate CGU. The recoverable amount of the CGUs which is based on the value in use ('VIU'), has been derived from multi period excess earning model. This model use several key assumptions. The economic slowdown owing to the Covid-19 pandemic and other economic factors may impact the key assumptions taken while computing VIU. Considering the inherent uncertainty, complexity and judgment involved and the significance of the value of the assets, impairment assessment of the above mentioned radio licenses has been considered as a key audit matter.	Our audit procedures included: - Assessed Group's identification of CGUs with reference to the guidance in the applicable accounting standards; - We obtained and assessed the value in use (VIU) as determined by the Group as under: - Assessed the method of determining VIU and key assumptions used therein through historical information, budgets / projections, externally derived data and other relevant information. - Challenged the key assumptions and judgements within the build-up and methodologies used by the Group. - Assessed the sensitivity of the outcome of impairment assessment to changes in key assumptions. - Involved our internal specialists to assist us in performing above mentioned procedures. - Tested the adequacy of disclosures made in the revised consolidated financial statements, as required by relevant accounting standards.

Revenue Recognition

See note 24 to the revised consolidated financial statements

The key audit matter	How the matter was addressed in our audit

Revenue is recognized upon transfer of control of promised services to the customers and when it is "probable" that the Group will collect the consideration. In specific, airtime sales is recognized on the airing of client's commercials.
 	
There is a risk that revenue is recognized for services before the transfer of control of the service to customer is completed
 	
Further, subsequent to year end, the Group received a whistleblower complaint from a named employee alleging deficiencies in the 'pure money' part of radio business in its subsidiary company, Next Radio Limited ('NRL'). In accordance with the whistleblower policy and as confirmed by the Audit Committee, an investigation was commenced in the matter by appointing an independent Law firm, which worked closely with independent accounting firms.
 	
The said investigation has affirmed the deficiencies, which has resulted into overstatement of revenue and other consequential impact.
	Our audit procedures included:
	
	- Evaluation of the design and implementation and operating effectiveness of internal controls relating to revenue recognition process
	
	- Assessment of risk of material misstatement as a result of ineffective design and implementation and operating effectiveness of internal controls relating to pure money part of radio revenue
	
	- On selected sample of transactions, tested revenue recognition, and our procedures included:
	  - evaluating the identification of performance obligations;
	  - considering the terms of the contracts to determine the transaction price; and
	  - assessed the date of transfer of control of service and recording of revenue in the relevant period.
	
	- Tested revenue recognition for cut-off transactions on sample basis to assess appropriateness of the timing of revenue recognition.
	
	- On investigation relating to deficiencies in the 'pure money' part of radio business, our procedures included:
	  - discussed the approach for investigation with the Group and those charged with governance
	  - discussed the investigation approach, investigation report and assessment of non-compliances with laws and regulations with the investigating teams and with the Group
	  - evaluated the pervasiveness of the deficiencies including impact on our risk assessments and any resulting impact on the nature timing and extent of audit procedures to respond to the assessed risks.
	  - evaluated the accounting for and adequacy of disclosure of the matter involved
	  - performed shadow procedures and checked samples for assessing the appropriateness of revenue recognition
	  - Involved our internal specialists to assist in performing above mentioned procedures, to the extent applicable

Other Information

The Holding Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the holding Company's annual report, but does not include the revised financial statements and our auditor's report thereon.

Our opinion on the revised consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the revised consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the revised consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed and based on the work done/ audit report of other auditor, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's and Board of Directors' Responsibilities for the Revised Consolidated Financial Statements

The Holding Company's Management and Board of Directors are responsible for the preparation and presentation of these revised consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated state of affairs, consolidated profit/ loss and other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. The respective Management and Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each company, and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the revised consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the revised consolidated financial statements by the Management and Directors of the Holding Company, as aforesaid.

In preparing the revised consolidated financial statements, the respective Management and Board of Directors of the companies included in the Group are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group is responsible for overseeing the financial reporting process of each company.

Auditor's Responsibilities for the Audit of the Revised Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the revised consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these revised consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the revised consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on the internal financial controls with reference to the revised consolidated financial statements and the operating effectiveness of such controls based on our audit.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.

- Conclude on the appropriateness of Management and Board of Directors use of the going concern basis of accounting in preparation of revised consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the revised consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the revised consolidated financial statements, including the disclosures, and whether the revised consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of such entities or business activities within the Group to express an opinion on the revised consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the revised consolidated financial statements of which we are the independent auditors. For the other entity included in the revised consolidated financial statements, which has been audited by other auditor, such other auditor remain responsible for the direction, supervision and performance of the audit carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in para (a) of the section titled 'Other Matters' in this audit report.

We believe that the audit evidence obtained by us along with the consideration of audit report of the other auditor referred to in sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the revised consolidated financial statements.

We communicate with those charged with governance of the Holding Company and such other entity included in the revised consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the revised consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

(a) We did not audit the financial statements of one subsidiary whose financial statements reflect total assets *(before consolidation adjustments)* of ₹ 2,003.67 lakhs as at 31 March 2020 (including ₹ 1,998.05 lakhs which represents intercompany balances, which have been eliminated on consolidation), total revenues (before consolidation adjustments) of ₹ 16.56 lakhs and net cash inflows *(before consolidation adjustments)* amounting to ₹ 0.53 lakhs for the year ended on that date, as considered in the revised consolidated financial statements. These financial statements have been audited by other auditor whose report have been furnished to us by the Management and our opinion on the revised consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of said subsidiary and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary is based solely on the audit report of the other auditor.

Our opinion on the revised consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matter with respect to our reliance on the work done and the report of the other auditor.

(b) We draw your attention to the fact that corresponding figures for the year ended 31 March 2019 are based on the previously issued consolidated financial statements of the Group that were audited by the predecessor auditor who expressed an unmodified opinion on those consolidated financial statements dated 27 May 2019.

Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

A. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditor on separate financial statements of subsidiary company as was audited by other auditor, as noted in the 'Other Matters' paragraph, we report, to the extent applicable, that:

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid revised consolidated financial statements.

b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid revised consolidated financial statements have been kept so far as it appears from our examination of those books and the report of the other auditor.

c) The revised consolidated balance sheet, the revised consolidated statement of profit and loss (including other comprehensive income), the revised consolidated statement of changes in equity and the revised consolidated statement of cash flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the revised consolidated financial statements.

d) In our opinion, the aforesaid revised consolidated financial statements comply with the Ind AS specified under section 133 of the Act.

e) The observations on the achievement of the objectives of the internal control criteria as explained in our separate Report in 'Annexure B', may have an adverse effect on the functioning of the Group.

f) On the basis of the written representations received from the directors of the Holding Company as on 31 March 2020 taken on record by the Board of Directors of the Holding Company, its subsidiary company and the report of the statutory auditor of its subsidiary company, none of the directors of the Group companies, is disqualified as on 31 March 2020 from being appointed as a director in terms of Section 164(2) of the Act.

g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company and its subsidiary companies and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".

B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditor on separate financial statements of the subsidiary company, as noted in the 'Other Matters' paragraph:

i. The revised consolidated financial statements disclose the impact of pending litigations as at 31 March 2020 on the consolidated financial position of the Group. Refer Note 33 to the revised consolidated financial statements.

ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts during the year ended 31 March 2020.

iii. There are no amounts which are required to be transferred to the Investor Education and Protection Fund by the Holding Company or its subsidiary companies during the year ended 31 March 2020.

iv. The disclosures in the revised consolidated financial statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made in the financial statements since they do not pertain to the financial year ended 31 March 2020.

C. With respect to the matter to be included in the Auditor's report under section 197(16):

In our opinion and according to the information and explanations given to us the remuneration paid during the current year by the Holding Company and subsidiary company, Next Radio Limited to its directors is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director by the Holding Company and its above mentioned subsidiary company is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

For **B S R and Associates**
Chartered Accountants
Firm's Registration No.: 128901W

Rajesh Arora
Partner
Membership No. : 076124
UDIN: 20076124AAAADX8060

Place: Gurugram
Date: 27 November 2020

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

on the revised consolidated financial statements of Next Mediaworks Limited ('Holding Company') for the year ended 31 March 2020

Report on the internal financial controls with reference to the aforesaid revised consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013

(Referred to in paragraph A(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Adverse Opinion

In conjunction with our audit of the revised consolidated financial statements of the Next Mediaworks Limited as of and for the year ended 31 March 2020, we have audited the internal financial controls with reference to revised consolidated financial statements of Next Mediaworks Limited (hereinafter referred to as "the Holding Company") and such companies incorporated in India under the Companies Act, 2013 which are its subsidiary companies as of that date (Holding Company along with subsidiary companies, referred to as "Group").

Material deficiencies in the financial reporting processes have been identified in a stream of revenue of the radio business ('pure money') of the Group as described below. In our opinion, because of the effects / possible effects of these material weaknesses on the achievement of the objectives of the internal control criteria, the Group has not maintained adequate internal financial controls with reference to the revised consolidated financial statements and such internal financial controls were not operating effectively as at 31 March 2020, based on the criteria established by the Group considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the 'Guidance Note').

We have considered the material weaknesses identified and reported below in 'Basis for Adverse Opinion' in determining the nature, timing and extent of the audit tests applied in our audit of the 31 March 2020 revised consolidated financial statements of the Group. The material weaknesses have resulted into revision of the aforesaid financial statements and issuance of a revised audit report dated 27 November 2020 giving an audit opinion on these revised consolidated financial statements.

Basis for Adverse Opinion

As described in note 49 to the revised consolidated financial statements, pursuant to a whistleblower complaint, the Group conducted an investigation, which brought out certain material deficiencies in the radio business and instances of reporting higher revenue from operations, incorrect debtors, contract liabilities with consequential impact on provision for doubtful debts and taxes etc. in a stream of revenue of the radio business in the subsidiary company, Next Radio Limited ('NRL'), as also override of certain internal controls relating thereto by members of senior management of the radio business.

NRL did not have an appropriate internal control system in a stream of revenue of the radio business with respect to recognition of revenue, trade receivables (including ageing report and balance confirmation process and credit approvals for sales), trade payables and contract liabilities. These material weaknesses have resulted in an overstatement of revenue of the aforesaid business, trade receivables and understatement of impairment of intangibles, contract liabilities, trade payables and provision for doubtful debts with related impact on taxes.

The above has also led to the revision of the earlier approved consolidated financial statements to give effect to the relevant adjustments for the outcome of the investigation.

A 'material weakness' is a deficiency, or a combination of deficiencies, in the internal financial control over financial reporting, such that there is a reasonable possibility that a material misstatement of the Group's annual or interim financial statements will not be prevented or detected on a timely basis.

Management's Responsibility for Internal Financial Controls

The respective Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls with reference to revised consolidated financial statements based on the criteria established by the respective Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable

financial information, as required under the Companies Act, 2013 (hereinafter referred to as "the Act").

Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to revised consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to revised consolidated financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to revised consolidated financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to revised consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to revised consolidated financial statements included obtaining an understanding of internal financial controls with reference to revised consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of the internal controls based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the revised consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditor of a subsidiary company in terms of their report referred to in the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our adverse audit opinion on the internal financial controls with reference to revised consolidated financial statements.

Meaning of Internal Financial controls with Reference to Revised Consolidated Financial Statements

A company's internal financial controls with reference to revised consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to revised consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial controls with Reference to Revised Consolidated Financial Statements

Because of the inherent limitations of internal financial controls with reference to revised consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to revised consolidated financial statements to future periods are subject to the risk that the internal financial controls with reference to revised consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Other Matter

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to revised consolidated financial statements insofar as it relates to One (1) subsidiary company which is a company incorporated in India, is based on the corresponding report of the auditor of such company incorporated in India.

For **B S R and Associates**
Chartered Accountants
Firm's Registration No.: 128901W

Rajesh Arora
Partner
Membership No. : 076124
UDIN: 20076124AAAADX8060

Place: Gurugram
Date: 27 November 2020

REVISED CONSOLIDATED BALANCE SHEET

as at March 31, 2020

(₹ in Lakhs)

Particulars	Notes	As at March 31, 2020 (Revised*)	As at March 31, 2019
I ASSETS			
1) Non current assets			
a) Property, plant and equipment	2	456.55	320.81
b) Right-of- use assets	30	2,138.46	-
c) Intangible assets	2A	6,213.31	10,133.85
d) Financial assets			
i) Investments	3	-	0.51
ii) Loans	4	136.27	232.88
iii) Other financial assets	5	125.26	-
f) Income tax assets (net)	6	484.97	532.45
g) Other non-current assets	7	3.18	175.90
Total Non-current assets		**9,558.00**	**11,396.40**
2) Current assets			
a) Financial assets			
i) Investments	3	56.69	54.39
ii) Trade receivables	8	1,458.41	2,630.76
iii) Cash and cash equivalents	9	152.60	151.63
iv) Bank balances other than (iii) above	10	46.23	77.65
v) Loans	4	1.03	5.24
vi) Other financial assets	5	177.82	32.98
b) Other current assets	12	264.90	291.90
Total current assets		**2,157.68**	**3,244.55**
3) **Non-current assets held for sale**	13	-	20.43
TOTAL ASSETS		**11,715.68**	**14,661.38**
II EQUITY AND LIABILITIES			
1) Equity			
a) Equity share capital	14	6,689.29	6,685.64
b) Other equity	15	(8,001.65)	(5,287.57)
Equity atributable to equity holders of parent company		(1,312.36)	1,398.07
c) Non controlling interest		175.71	2,634.08
Total equity		**(1,136.65)**	**4,032.15**
2) Liabilities			
Non-current liabilities			
a) Financial liabilities			
i) Borrowings	16	6,863.71	2,160.00
ii) Lease liabilities	17	1,816.75	-
iii) Other financial liabilities	18	339.49	-
b) Provisions	21	106.27	113.27
Total non-current liabilities		**9,126.22**	**2,273.27**
Current liabilities			
a) Financial liabilities			
i) Borrowings	16	575.47	1,913.29
ii) Lease liabilities	17	288.51	-
iii) Trade payables			
(a) Total outstanding dues of micro enterprises and small enterprises	19	-	-
(b) Total outstanding dues of creditors other than of micro enterprises and small enterprises	19	634.65	1,585.94
iv) Other financial liabilities	20	2,063.82	3,879.82
b) Contract liabilities	22	61.05	679.16
c) Provisions	21	0.72	42.12
d) Other current liabilities	23	101.89	255.64
Total current liabilities		**3,726.11**	**8,355.97**
Total liabilities		**12,852.32**	**10,629.24**
TOTAL EQUITY AND LIABILITIES		**11,715.68**	**14,661.38**
Summary of significant accounting policies	**1**		

*Refer note no. 49

The accompanying notes forms an integral part of these Revised consolidated financial statements.

As per our revised report of even date

For **B S R and Associates**
Chartered Accountants
(Firm Registration Number: 128901W)

Rajesh Arora
Partner
Membership No. 076124

Place: Gurugram
Date: November 27, 2020

For and on behalf of the Board of Directors of
Next Mediaworks Limited

Anup Sharma
Chief Financial Officer

Ramesh Menon
Chief Executive Officer

Diksha Singh
Company Secretary
Membership No.: A44999

Praveen Someshwar
Director
(DIN: 01802656)

Place: New Delhi
Date: November 27, 2020

REVISED CONSOLIDATED STATEMENT OF PROFIT AND LOSS

for the year ended March 31, 2020

(₹ in Lakhs)

	Particulars	Notes	Year ended March 31, 2020 (Revised*)	Year ended March 31, 2019
I	**Income**			
	a) Revenue from operations	24	5,188.59	6,864.90
	b) Other income	25	648.84	237.36
	Total Income		**5,837.42**	**7,102.26**
II	**Expenses**			
	a) Radio license fees		1,392.97	1,401.02
	b) Employee benefits expense	26	1,848.25	2,299.33
	c) Finance costs	27	1,075.32	896.88
	d) Depreciation and amortisation expense	28	1,261.35	1,054.85
	e) Other expenses	29	2,408.95	2,913.88
	Total Expenses		**7,986.84**	**8,565.96**
III	**Loss before exceptional items and tax from operations(I-II)**		**(2,149.42)**	**(1,463.70)**
IV	**Exceptional items**	41	**(2,996.00)**	**34.09**
V	**Loss before tax (III+IV)**		**(5,145.42)**	**(1,429.61)**
VI	**Earnings before finance cost , tax, depreciation and amortisation (EBITDA) before exceptional items [III+II(d)+II(c)]**		**187.26**	**488.03**
VII	**Tax expense**	34		
	a) Current tax		1.50	-
	b) Adjustment of current tax relating to earlier periods		2.56	-
	c) Deferred tax		-	-
	Total tax expenses		**4.06**	**-**
VIII	**Loss for the year (V-VII)**		**(5,149.48)**	**(1,429.61)**
IX	**Other comprehensive Income**			
	(a) Items that will not to be reclassified subsequently to profit or loss			
	Remeasurement of the defined benefits plan	38	(22.96)	0.64
	Income tax effect		-	-
	Other comprehensive income for the year, net of tax		(22.96)	0.64
X	**Total comprehensive income/ (loss) for the year, net of tax (VIII+IX)**		**(5,172.43)**	**(1,428.97)**
XI	**Net loss attributable to:**			
	a) Owners of the Company		(2,703.07)	(840.99)
	b) Non- Controlling Interest		(2,446.41)	(588.62)
XII	**Other Comprehensive Income**			
	a) Owners of the Company		(11.01)	0.33
	b) Non- Controlling Interest		(11.95)	0.31
XIII	**Total Comprehensive Income**			
	a) Owners of the Company		(2,714.08)	(840.66)
	b) Non- Controlling Interest		(2,458.35)	(588.31)
IX	**Earnings/ (Loss) per equity share (nominal value of ₹ 10 each)**			
	Loss per share	31		
	Basic (Nominal value of share ₹ 10/-)		(4.04)	(1.26)
	Diluted (Nominal value of share ₹ 10/-)		(4.04)	(1.26)
	Summary of significant accounting policies	1		

*Refer note no. 49

The accompanying notes forms an integral part of these Revised consolidated financial statements.

As per our revised report of even date

For **B S R and Associates**
Chartered Accountants
(Firm Registration Number: 128901W)

Rajesh Arora
Partner
Membership No. 076124

Place: Gurugram
Date: November 27, 2020

For and on behalf of the Board of Directors of
Next Mediaworks Limited

Anup Sharma
Chief Financial Officer

Ramesh Menon
Chief Executive Officer

Diksha Singh
Company Secretary
Membership No.: A44999

Praveen Someshwar
Director
(DIN: 01802656)

Place: New Delhi
Date: November 27, 2020

REVISED CONSOLIDATED STATEMENT OF CASH FLOWS

for the year ended March 31, 2020

(₹ in Lakhs)

Particulars	March 31, 2020 (Revised*)	March 31, 2019
Cash flows from operating activities:		
Loss before tax	(5,145.43)	(1,429.61)
Adjustments for :		
Depreciation and amortisation	1,261.35	1,054.85
Exceptional item (gain due to loss of control on subsidiaries)	-	(34.09)
Allowances for doubtful debts (Including write offs)	189.25	223.52
Finance costs	1,074.00	896.88
Interest income on bank deposit	(6.26)	(33.24)
Interest income - other	(18.13)	(150.79)
Interest on Income tax refund	(17.90)	(5.51)
Fair value through profit or loss (FVTPL) gain on derivative	(245.31)	-
Unrealised foreign exchange fluctuation	281.10	-
Profit on property, plant and equipment sold/discarded (Net)	(142.03)	(7.85)
Impairment of property, plant and equipment and Intangibles (exceptional item)	2,996.00	-
Dividend Income in investments designated at FVTPL	(2.30)	(2.65)
Liabilities no longer required written back	(171.19)	(37.32)
Cash flows from operating activities before changes in operating assets and liabilities	**53.15**	**474.19**
Changes in operating assets and liabilities:		
(Increase) / decrease in trade and other receivables	983.61	(551.98)
Decrease in current and non current financial assets and other current and non current assets	225.77	190.66
Increase/(Decrease) in trade payables, other current and non-current financial liabilities and current and non-current provisions	(3,026.84)	875.94
Increase/(Decrease) in contract liabilities	(618.11)	679.16
Cash generated from / (used in) operations	**(2,382.41)**	**1,667.97**
Income taxes paid	43.42	(123.11)
Net cash generated from / (used in) operating activities (A)	**(2,339.00)**	**1,544.86**
Cash flows from investing activities:		
Purchase of property, plant and equipment	(258.68)	(28.47)
Sale of property, plant and equipment	209.14	10.33
Deposits given / matured (net)	(12.07)	10.13
Proceeds from sale of shares held by ESOP trust	3.65	-
Interest received	15.31	53.43
Cash received on disposal of subsidiaries	-	0.41
Dividend received	-	0.06
Net cash (used in) / from investing activities (B)	**(42.65)**	**45.89**
Cash flows from financing activities:		
Proceeds from borrowings (refer note 16)	6,650.00	265.96
Repayment of borrowings (refer note 16)	(3,377.82)	(1,478.53)
Repayment of lease liability (refer note 30)	(173.32)	-
Interest paid	(716.24)	(849.63)
Net cash flows from / (used in) financing activities (C)	**2,382.62**	**(2,062.19)**
Net increase/ (decrease) in cash and cash equivalents (D= A+B+C)	**0.97**	**(471.44)**
Cash and cash equivalents at the beginning of the year (E)	151.63	623.71
Cash and cash equivalents transferred pursuant to derecognition of subsidiaries	-	(0.64)
Cash and cash equivalents at year end (D+E)	**152.60**	**151.63**

REVISED CONSOLIDATED STATEMENT OF CASH FLOWS

for the year ended March 31, 2020

(₹ in Lakhs)

Particulars	March 31, 2020	March 31, 2019
Components of cash & cash equivalents as at end of the year		
Balances with banks		
- in current accounts	129.87	140.56
Cheques in hand	22.67	-
Cash on hand	0.06	11.07
Cash and cash equivalents as per Cash Flow Statement	**152.60**	**151.63**

*Refer note no. 49

The accompanying notes forms an integral part of these Revised consolidated financial statements.

As per our revised report of even date

For **B S R and Associates**
Chartered Accountants
(Firm Registration Number: 128901W)

Rajesh Arora
Partner
Membership No. 076124

Place: Gurugram
Date: November 27, 2020

For and on behalf of the Board of Directors of
Next Mediaworks Limited

Anup Sharma
Chief Financial Officer

Ramesh Menon
Chief Executive Officer

Diksha Singh
Company Secretary
Membership No.: A44999

Praveen Someshwar
Director
(DIN: 01802656)

Place: New Delhi
Date: November 27, 2020

REVISED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the year ended March 31, 2020

A Equity share capital (refer note 13)

Equity shares of ₹ 10 each issued, subscribed and paid-up

(₹ in Lakhs)

Particulars	Number of shares	Amount (₹ in Lakhs)
As at April 1, 2018	**6,68,56,408**	**6,685.64**
Changes in equity share capital during the year	-	-
Balance as at March 31, 2019	**6,68,56,408**	**6,685.64**
Changes in equity share capital during the year	36,500	3.65
Balance as at March 31, 2020	**6,68,92,908**	**6,689.29**

B Other equity (refer note 14)

(₹ in Lakhs)

Particulars	Reserves and Surplus		Other comprehensive income*	Total attributable to owners of Company	Non Controling Interest
	Securities Premium	Retained earnings			
As at April 1, 2018	**8,604.95**	**(12,968.77)**		**(4,363.82)**	**3,139.30**
Loss for the year		(840.99)		(840.99)	(588.62)
Other comprehensive income for the year (net of tax)			0.33	0.33	
Total comprehensive income for the year	**-**	**(840.99)**	**0.33**	**(840.66)**	**(588.62)**
Transferred to retained earnings		0.33	(0.33)	-	0.31
Transferred to non controling interest		(83.09)		(83.09)	83.09
Balance as at March 31, 2019	**8,604.95**	**(13,892.52)**	**-**	**(5,287.57)**	**2,634.08**
Loss for the year		(2,703.07)		(2,703.07)	(2,446.41)
Other comprehensive income for the year (net of tax)			(11.01)		
Total comprehensive income for the year	**-**	**(2,703.07)**	**(11.01)**	**(2,703.07)**	**(2,446.41)**
Transferred to retained earnings		(11.01)	11.01	(11.01)	(11.95)
Balance as at March 31, 2020	**8,604.95**	**(16,606.60)**	**-**	**(8,001.65)**	**175.71**

*Other comprehensive income represents remeasurement of defined benefit plans (net of tax)

The accompanying notes forms an integral part of these Revised consolidated financial statements.

As per our revised report of even date

For **B S R and Associates**
Chartered Accountants
(Firm Registration Number: 128901W)

Rajesh Arora
Partner
Membership No. 076124

Plakhe: Gurugram
Date: November 27, 2020

For and on behalf of the Board of Directors of
Next Mediaworks Limited

Anup Sharma
Chief Financial Officer

Ramesh Menon
Chief Executive Officer

Diksha Singh
Company Secretary
Membership No.: A44999

Praveen Someshwar
Director
(DIN: 01802656)

Place: New Delhi
Date: November 27, 2020

NOTES TO REVISED CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2020

1. Corporate information

Next Mediaworks Group consists of Next Mediaworks Limited ("the Company" or "the Parent Company") and its wholly owned subsidiary (Next Radio Limited) and its step down subsidiary (Syngience Broadcast Ahmedabad Limited) [hereinafter referred to as "the Group"].

Next Radio Limited (NRL) was among the first private players to venture into private FM broadcasting and presently has established "Radio One" as the premium FM Brand in top 7 cities of the country being Delhi, Mumbai, Chennai, Kolkata, Bangalore, Pune, and Ahmedabad. The principal revenue stream is advertising. Advertising revenues are generated through the sale of air time in the NRL's FM radio broadcasting stations, activations and monetization of NRL's other media properties.

The registered office of the Company is located at Unit 701 A, 7th Floor, Tower-2, Indiabulls Finance Centre, Senapati Bapat Marg, Elphinstone Road, Mumbai-400013.

Information on related party relationship of the Group is provided in Note No 36.

The Group has revised its financial statements for the year ended March 31, 2020 which were approved by the Board of Directors on June 23, 2020 (Refer Note 49). The revised financial statements of the Company for the year ended March 31, 2020 are authorised for issue in accordance with a resolution of the Board of Directors on November 27, 2020.

1.1 Significant accounting policies

1.1.1 Basis of preparation

The Consolidated financial statements (CFS) of the Group have been prepared in accordance with the Indian Accounting Standards ('Ind-AS') specified in the Companies (Indian Accounting Standards) Rules, 2015 (as amended) under Section 133 of the Companies Act 2013 (the "accounting principles generally accepted in India").

The accounting policies are applied consistently to all the periods presented in the Consolidated financial statements.

The consolidated financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value:

- Derivative financial instruments.
- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments)
- Defined benefit plans- plan assets measured at fair value.

The consolidated financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III, unless otherwise stated.

1.1.2 Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at 31 March, 2020. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements

NOTES TO REVISED CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2020

- The Group's voting rights and potential voting rights
- The size of the group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed off during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that group member's financial statements in preparing the consolidated financial statements to ensure conformity with the group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent, i.e., year ended on 31 March. When the end of the reporting period of the parent is different from that of a subsidiary, the subsidiary prepares, for consolidation purposes, additional financial information as of the same date as the financial statements of the parent to enable the parent to consolidate the financial information of the subsidiary, unless it is impracticable to do so.

Consolidation procedure:

i) Subsidiaries:

(a) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries.

(b) Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.

(c) Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and property, plant and equipment, are eliminated in full). Ind-AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- Derecognises the assets (including goodwill) and liabilities of the subsidiary
- Derecognises the carrying amount of any non-controlling interests
- Derecognises the cumulative translation differences recorded in equity
- Recognises the fair value of the consideration received
- Recognises the fair value of any investment retained

NOTES TO REVISED CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2020

- Recognises any surplus or deficit in profit or loss
- Reclassifies the parent's share of components previously recognised in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities

1.1.3 Summary of significant accounting policies

a) Current versus non- current classification

The Group presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the display of advertisement on websites and delivery of content and their realization in cash and cash equivalents. The Group has identified twelve months as its operating cycle.

b) Foreign currencies

The Group's consolidated financial statements are presented in ₹, which is also the parent Company's functional currency. For each entity the Group determines the functional currency and items included in the financial statements of each entity are measured using that functional currency. The Group uses the direct method of consolidation and on disposal of a foreign operation the gain or loss that is reclassified to profit or loss reflects the amount that arises from using this method.

Transactions and Balances

Transactions in foreign currencies are initially recorded by the Group at their respective functional currency spot rates at the date the transaction first qualifies for recognition. However, for practical reasons, the Group uses monthly average rate if the average approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on the settlement of monetary items or on restatement of the Group's monetary items at rates different from those at which they were initially recorded during the period, or reported in previous financial statements, are recognized as income or as expenses in the period in which they arise.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation

NOTES TO REVISED CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2020

of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

c) Fair value measurement

The Group measures financial instruments, such as, derivatives and certain investments at fair value at each reporting/ balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly
- Level 3 — Valuation techniques for which inputs are unobservable inputs for the asset or liability

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

d) Revenue recognition

Effective April 1, 2018 the Group has adopted Ind AS 115 "Revenue from Contracts with Customers" using the cumulative catch-up transition method which is applied to contracts that were not completed as of April 1, 2018.

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured based on the transaction price, which is the consideration, adjusted for allowances, trade discounts, volume rebates, if any, as specified in the contract with the customer. Revenue excludes taxes collected from customers. The Group has concluded that it is the principal in all of its revenue

NOTES TO REVISED CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2020

arrangements since it is the primary obligor in all the revenue arrangements as it has pricing latitude and is also exposed to inventory and credit risks.

Goods and Service Tax (GST) is not received by the Group on its own account. Rather, it is tax collected on behalf of the government. Accordingly, it is excluded from revenue.

Contract asset represents the Group's right to consideration in exchange for services that the Group has transferred to a customer when that right is conditioned on something other than the passage of time.

When there is unconditional right to receive cash, and only passage of time is required to do invoicing, the same is presented as Unbilled receivable.

A contract liability is recognised if a payment is received or a payment is due (whichever is earlier) from a customer before the Group transfers the related goods or services. Contract liabilities are recognised as revenue when the Group performs under the contract (i.e., transfers control of the related goods or services to the customer).

The specific recognition criteria described below must also be met before revenue is recognised:

Airtime revenue

Revenue from radio broadcasting categorised in Free Commercial Time (FCT) and Pure Money is recognized on the airing of client's commercials. Revenue from radio broadcasting is measured based on the transaction price, which is the consideration, adjusted for allowances, trade discounts, volume rebates, if any, as specified in the contract with the customer.

Interest income

For all debt instruments measured either at amortised cost, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Group estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in other income in the statement of profit and loss.

Dividends

Revenue is recognised when the Group's right to receive the payment is established, which is generally when shareholders approve the dividend.

e) Taxes

Current income tax

Tax expense is the aggregate amount included in the determination of profit or loss for the period in respect of current tax and deferred tax.

Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961.

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised is correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Appendix C to Ind AS 12, Income Taxes dealing with accounting for uncertainty over income tax treatments is applicable from accounting periods beginning on or after 1 April 2019. It does not have any material impact on financial statements of the Group.

NOTES TO REVISED CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2020

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences except :

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of taxable temporary differences associated with investments in subsidiaries and associates, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of deductible temporary differences associated with investments in subsidiaries and associates, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

GST/ value added taxes paid on acquisition of assets or on incurring expenses

Expenses and assets are recognised net of the amount of GST/ value added taxes paid, except:

- When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable

NOTES TO REVISED CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2020

- When receivables and payables are stated with the amount of tax included

The net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

f) Property, plant and equipment

Construction in progress is stated at cost, net of accumulated impairment losses, if any. Plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met.

Cost comprises the purchase price, borrowing costs if capitalization criteria are met and any directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Recognition:

The cost of an item of property, plant and equipment shall be recognised as an asset if, and only if:

(a) it is probable that future economic benefits associated with the item will flow to the entity; and

(b) the cost of the item can be measured reliably.

All other expenses on existing assets, including day- to- day repair and maintenance expenditure and cost of replacing parts, are charged to the Statement of Profit and Loss for the period during which such expenses are incurred.

Depreciation methods, estimated useful life and residual value

Depreciation on Property, Plant and Equipment, other than leasehold improvements, is provided on straight line method as per the useful life and in the manner specified in Schedule II to the Companies Act, 2013 (other than Plant and machinery – Transmission*).

Leasehold improvements are depreciated on straight line basis, over the lease period.

The estimated useful lives used by the Group to compute depreciation are as under:

Type	Useful lives estimated by the management (in years)
Building (Including compensation paid for use of land)	60
Plant and machinery – Studio	3-15
Plant and machinery – Transmission*	15
Furniture and fixtures	10
Office equipment	5
Motor vehicles	8
Leasehold improvements	Life based on lease period
Computers	3
Computers – Servers	6

*The Group, based on technical assessment made by the management depreciates "Plant and machinery – Transmission" over estimated useful live which is different from the useful life prescribed in Schedule ll to the Companies Act, 2013. The management has estimated, supported by technical assessment, the useful lives as 15 years. The useful live is higher than those indicated in Schedule II. The management believes that the estimated useful live is realistic and reflects fair approximation of the period over which the asset is likely to be used.

Property, Plant and Equipment which are added/ disposed off during the year, depreciation is provided on pro-rata basis with reference to the month of addition/deletion.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised.

NOTES TO REVISED CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2020

Subsequent expenditure can be capitalised only if it is probable that future economic benefits associated with the expenditure will flow to the Company.

Expenditure directly attributable to construction activity is capitalized. Other indirect costs incurred during the construction periods which are not directly attributable to construction activity are charged to Statement of Profit and Loss. Reinvested income earned during the construction period is adjusted against the total of indirect expenditure.

The residual values, useful life and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

g) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

The useful life of intangible assets is assessed as either finite or indefinite.

Intangible assets with finite life are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite life is recognised in the statement of profit and loss.

Intangible assets with indefinite useful life are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

An intangible asset is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss.

Intangible assets with finite life are amortized on straight line basis using the estimated useful life as follows:

Asset class	Useful lives estimated by the management
Non Refundable One Time Migration Fees for Radio License	15 years with effect from April 1, 2015
Computer software	3 years

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

h) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

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i) Leases

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as a lessee

The Group recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use asset is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use asset is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss.

The Group measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Group uses incremental borrowing rate. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Group is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. The Group recognises the amount of the re-measurement of lease liability due to modification as an adjustment to the right-of-use asset and statement of profit and loss depending upon the nature of modification. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Group recognises any remaining amount of the re-measurement in statement of profit and loss.

The Group has elected not to apply the requirements of Ind AS 116 to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognised as an expense on a straight-line basis over the lease term.

As a practical expedient a lessee (the Group) has elected, by class of underlying asset, not to separate lease components from any associated non-lease components. A lessee (the Group) accounts for the lease component and the associated non-lease components as a single lease component.

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Group as a lessor

At the inception of the lease the Group classifies each of its leases as either an operating lease or a finance lease. The Group recognises lease payments received under operating leases as income on a straight- line basis over the lease term. In case of a finance lease, finance income is recognised over the lease term based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the lease.

Transition to Ind AS 116

Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has notified Ind AS 116 Leases which replaces the existing lease standard, Ind AS 17 leases and other interpretations. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. It introduces a single, on-balance sheet lease accounting model for lessees.

The Group has adopted Ind AS 116, effective annual reporting period beginning April 1, 2019 and applied the standard to its leases, retrospectively, with the cumulative effect of initially applying the Standard, recognised on the date of initial application (April 1, 2019). Accordingly, the Group has not restated comparative information. As on April 1, 2019, the Group has recognized a right of use asset at an amount equivalent to the lease liability and consequently there is no adjustment to the opening balance of retained earnings as on April 1, 2019. On application of Ind AS 116, the nature of expenses has changed from lease rent in previous periods to depreciation cost for the right-to-use asset, and finance cost for interest accrued on lease liability.

Identification of lease:

- The Group has reassessed whether a contract is, or contains, a lease at the date of initial application.

Leases previously classified as operating leases:

- The Group has recognised a lease liability at the date of initial application for leases previously classified as an operating lease applying Ind AS 17 (other than those which do not satisfy the lease definition criteria under Ind AS 116). The Group has measured lease liability at the present value of the remaining lease payments, discounted using the Group's incremental borrowing rate at the date of initial application.

- The Group has recognised a right-of-use asset at the date of initial application for leases previously classified as an operating lease applying Ind AS 17 (other than those which do not satisfy the lease definition criteria under Ind AS 116). The Group has opted to measure right-of-use asset at an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in the balance sheet immediately before the date of initial application.

- The Group has relied on its assessment of whether leases are onerous applying Ind AS 37, Provisions, Contingent Liabilities and Contingent Assets, immediately before the date of initial application as an alternative to performing an impairment review.

- The Group has opted not to apply the above transition requirements to leases for which the lease term ends within 12 months of the date of initial application.

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Leases previously classified as finance leases:

- For leases that were classified as finance leases applying Ind AS 17, the carrying amount of the right-of-use asset and the lease liability at the date of initial application is the carrying amount of the lease asset and lease liability immediately before that date measured applying Ind AS 17.

Impact on transition as on 1 April 2019:

	In ₹ Lakhs
Right-of-use assets – property, plant and equipment	2,279
Lease liabilities	2,279
Retained earnings	-

	in ₹ Lakhs
Operating lease commitments at 31 March 2019 as disclosed under Ind AS 17 in the Company's financial statements	3,349
Lease commitment not considered above (B)	52
Net Operating lease commitments (C)=(A)+(B)	3,401
Discounted using the incremental borrowing rate at 1 April 2019 (D)	2,279
Lease liabilities recognised at 1 April 2019 (E)	2,279
Difference (D)- (E)	-

The weighted average incremental borrowing rate of 8% has been applied to lease liabilities recognized in the balance sheet at the date of initial application.

j) Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

k) Employee benefits

Short term employee benefits and defined contribution plans:

All employee benefits payable/available within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages and bonus etc. are recognised in the statement of profit and loss in the period in which the employee renders the related service.

Employee benefit in the form of provident fund is a defined contribution scheme. The Group has no obligation, other than the contribution payable to the provident fund. The Group recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

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Gratuity

Gratuity is a defined benefit scheme. The defined benefit obligation is Computed by actuaries using the projected unit credit method.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognised in profit or loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Group recognises related restructuring cost

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset.

The Group recognises the following changes in the net defined benefit obligation as an expense in the Statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

Termination benefits

Termination benefits are payable when employment is terminated by the group before the normal retirement date. The Group recognises termination benefits at the earlier of the following dates: (a) when the group can no longer withdraw the offer of those benefits; and (b) when the Group recognises costs for a restructuring that is within the scope of Ind AS 37 and involves the payment of terminations benefits. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value.

Compensated Absences

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short term employee benefit. The Group measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The Group treats leaves expected to be carried forward for measurement purposes. Such compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the profit or loss and are not deferred. The Group presents the entire leave as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for 12 months after the reporting date. Where Group has the unconditional legal and contractual right to defer the settlement for a period beyond 12 months, the same is presented as non-current liability.

l) Impairment of non-financial assets

For assets with definite useful life, the Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a

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pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded Group's or other available fair value indicators.

The Group bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Group's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Group extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the entity operates, or for the market in which the asset is used.

Impairment losses of continuing operations, including impairment on inventories, are recognised in the statement of profit and loss.

An assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

Intangible assets with indefinite useful lives are tested for impairment annually at the CGU level, as appropriate, and when circumstances indicate that the carrying value may be impaired.

m) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement

All financial assets (except trade receivable/ contract assets measured at transaction price) are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Debt instruments at amortised cost
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

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b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables.

Debt instruments at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL. This category includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind-AS 109.

In addition, the Company may elect to designate a debt instrument which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

Equity investments

All equity investments in scope of Ind-AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind-AS 103 applies are Ind-AS classified as at FVTPL. For all other equity instruments, the Group may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Group may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

De-recognition

A financial asset (or, where applicable, a part of a financial asset or part of a Group of similar financial assets) is primarily derecognised (i.e. removed from the Group's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated

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liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Impairment of financial assets

In accordance with Ind-AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance

b) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115 (referred to as 'contractual revenue receivables' in these financial statements)

The Group follows 'simplified approach' for recognition of impairment loss allowance on:

- Trade receivables or contract revenue receivables or unbilled receivables; and

The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Group determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss.

However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

As a practical expedient, the Group uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the Statement of Profit and Loss. This amount is reflected under the head 'other expenses' in the Statement of Profit and Loss. The balance sheet presentation for various financial instruments is described below:

- Financial assets measured as at amortized cost, contractual revenue receivables and lease receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Group does not reduce impairment allowance from the gross carrying amount. For assessing increase in credit risk and impairment loss. The Group combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

For assessing increase in credit risk and impairment loss. the Group combines financial instruments on the basis of shared credit risk characteristics

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with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

The Group does not have any purchased or originated credit-impaired (POCI) financial assets, i.e., financial assets which are credit impaired on purchase/ origination.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include trade and other payables, loans and borrowings and derivative financial instruments.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities designated upon initial recognition as at fair value through profit or loss. This category includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind-AS 109.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind-AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to Statement of Profit and Loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognised in profit and loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the Statement of Profit and Loss. This category generally applies to borrowings.

De-recognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously

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n) Derivative financial Instruments

Derivative accounting

Initial recognition and subsequent measurement

The Group uses derivative financial instruments, such as currency swaps. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss.

o) Non-current assets held for sale

Non-current assets (or disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets and contractual rights under insurance contracts, which are specifically exempt from this requirement.

p) Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above.

q) Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non–occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Group does not recognize a contingent liability but discloses its existence in the financial statements. Contingent assets are only disclosed when it is probable that the economic benefits will flow to the entity.

r) Measurement of EBITDA

The Group has elected to present earnings before finance cost, tax, depreciation and amortization (EBITDA) as a separate line item on the face of the statement of profit and loss. The Group measures EBITDA on the face of profit/ (loss) from continuing operations. In the measurement, the Group does not include depreciation and amortization expense, finance costs and tax expense.

s) Earnings per share

Basic earnings per share

Basic earnings per share are calculated by dividing:

- the profit attributable to owners of the Group
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares.

Diluted earnings per share

Diluted earnings per share adjust the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

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1.2. Significant accounting judgements, estimates and assumptions

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

The areas involving critical estimates are as below:

Property, Plant and Equipment

The Group, based on technical assessment and management estimate, depreciates certain assets over estimated useful lives which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management has estimated, supported by technical assessment, the useful lives of certain plant and machinery as 16 to 21 years. These useful lives are higher than those indicated in schedule II. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

Defined benefit plans

The cost of the defined benefit gratuity plan and other post-employment medical benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

The mortality rate is based on publicly available mortality tables for the specific countries. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates for the respective countries.

Further details about gratuity obligations are given in Note 38.

The areas involving critical judgement are as below:

Taxes

Uncertainties exist with respect to the interpretation of complex tax regulations, changes in tax laws, and the amount and timing of future taxable income. Given the wide range of business relationships and the long-term nature and complexity of existing contractual agreements, differences arising between the actual results and the assumptions made, or future changes to such assumptions, could necessitate future adjustments to tax income and expense already recorded. The Group establishes provisions, based on reasonable estimates. The amount of such provisions is based on various factors, such as experience of previous tax assessments and differing interpretations of tax regulations by the taxable entity and the responsible tax authority. Such differences of interpretation may arise on a wide variety of issues depending on the conditions prevailing in the respective domicile of the Companies.

Deferred tax assets are recognised for unused tax losses only to the extent that the entity has sufficient taxable temporary differences against which the unused tax losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

Further details on deferred taxes are given in Note 35.

Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow (DCF) model. The

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inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

For more information refer Note 45.

Impairment of financial assets

The impairment provisions for financial assets are based on assumptions about risk of default and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

Impairment of non- financial assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or CGU's fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent markets transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded subsidiaries or other available fair value indicators.

Determining the lease term of contracts with renewal and termination options – as lessee

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Group applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate.

The periods covered by termination options are included as part of the lease term only when they are reasonably certain not to be exercised.

For further details about leases, refer to accounting policy on leases and Note 30.

NOTES TO REVISED CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2020

2 Property, plant and equipment*

(₹ in Lakhs)

Particulars	Building (Leasehold Improvement)	Furniture and fixtures	IT Equipment	Office Equipment	Vehilces	Plant & Machinery	Studio Equipment	Total
Gross block								
As at April 1, 2018	**659.82**	**349.15**	**415.42**	**303.43**	**7.73**	**8.68**	**1,444.67**	**3,188.90**
Additions	-	2.18	4.07	3.10	-	-	26.52	35.87
Less: Disposals	-	-	-	-	(7.73)	-	-	(7.73)
As at March 31, 2019	**659.82**	**351.33**	**419.49**	**306.53**	**-**	**8.68**	**1,471.19**	**3,217.04**
Additions	16.43	1.67	-	-	-	-	240.84	258.94
Less: Disposals	(240.66)	(141.24)	(10.42)	(20.06)	-	(2.96)	(164.94)	(580.28)
As at March 31, 2020	**435.59**	**211.76**	**409.07**	**286.47**	**-**	**5.72**	**1,547.09**	**2,895.70**
Accumulated Depreciation/ Impairment								
As at April 1, 2018	**557.41**	**326.83**	**397.68**	**265.06**	**4.08**	**5.15**	**1,229.15**	**2,785.36**
Charge for the year	29.60	6.42	14.53	6.30	1.17	1.21	56.89	116.12
Less: Disposals	-	-	-	-	(5.25)	-	-	(5.25)
As at March 31, 2019	**587.01**	**333.25**	**412.21**	**271.36**	**-**	**6.36**	**1,286.04**	**2,896.23**
Charge for the year	22.34	2.24	4.20	8.57	-	0.46	38.71	76.52
Less: Disposals	(210.11)	(136.33)	(10.42)	(18.41)	-	(2.10)	(156.23)	(533.60)
As at March 31, 2020	**399.24**	**199.16**	**405.99**	**261.52**	**-**	**4.72**	**1,262.99**	**2,533.62**
Net block								
As at March 31, 2020	**36.35**	**12.60**	**3.08**	**24.95**	**-**	**1.00**	**284.10**	**362.08**
As at March 31, 2019	**72.81**	**18.08**	**7.28**	**35.17**	**-**	**2.32**	**185.15**	**320.81**

*Pledged as security by the Company (refer note 16)

NOTES TO REVISED CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2020

2A Intangible assets

(₹ in Lakhs)

Particulars	One Time Migration Fees	Computer software	Total
Gross block			
As at April 1, 2018	**13,815.18**	**122.28**	**13,937.46**
Additions	-	-	-
Less: Disposals	-	-	-
As at March 31, 2019	**13,815.18**	**122.28**	**13,937.46**
Additions	-	-	-
Less: Disposals	-	60.16	60.16
As at March 31, 2020	**13,815.18**	**62.12**	**13,877.30**
Accumulated Amortization/ Impairment			
As at April 1, 2018	**2,764.11**	**101.28**	**2,865.39**
Charges for the year	920.96	17.26	938.22
Less: Disposals	-	-	-
As at March 31, 2019	**3,685.07**	**118.54**	**3,803.61**
Charges for the year	921.01	3.53	924.54
Impairment	2,996.00		2,996.00
Less: Disposals	-	60.16	60.16
As at March 31, 2020	**6,511.61**	**61.91**	**6,573.53**
Net Block			
As at March 31, 2020	**7,303.57**	**0.21**	**7,303.78**
As at March 31, 2019	**10,130.11**	**3.74**	**10,133.85**

3 Investments

(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Investment at fair value through profit and loss		
Unquoted		
Investment in equity instruments	-	0.51
Quoted		
Investment in mutual fund	56.69	54.39
Total	**56.69**	**54.90**
Aggregate book value of unquoted investments	-	0.51
Aggregate book value of quoted investments	56.69	54.39
Market value of Quoted Investment	56.69	54.39
Current	56.69	54.39
Non - Current	-	0.51

NOTES TO REVISED CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2020

4 Loans

(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Unsecured and considered good at amortised cost		
Security deposits	137.30	238.12
Doubtful at amortised cost		
Security deposits	12.79	
Less : Allowance for bad and doubtful deposits	(12.79)	
Total	**137.30**	**238.12**
Current	1.03	5.24
Non - Current	136.27	232.88

5 Other financial assets

(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
I. Derivatives at fair value through profit and loss		
Derivative contract (refer note 2.2(n))	245.31	-
II. Other financial assets at amortised cost		
Other receivables (refer note 36A)	8.85	-
Advances recoverable in cash from related parties (refer note 36A)	-	3.03
Interest accrued on fixed deposits	5.43	29.95
Deposits with bank held as margin money	43.49	-
Total	**303.08**	**32.98**
Current	177.82	32.98
Non - Current	125.26	-

6 Income tax assets (net)

(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Income tax assets (net) (refer note 34)	484.97	532.45
Total	**484.97**	**532.45**
Non - Current	484.97	532.45

7 Other non current assets

(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Capital advances	0.26	0.53
Prepaid expenses	2.92	155.67
Gratuity fund	-	19.70
Total	**3.18**	**175.90**

NOTES TO REVISED CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2020

8 Trade receivables

(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Trade receivables	1458.41	2,630.76
Total	**1458.41**	**2,630.76**

No trade receivables are due from directors or other officers of the Company either severally or jointly with any other person

(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Secured, considered good	-	-
Unsecured, considered good	1,572.56	2,630.76
Unsecured considered doubtful	728.99	655.98
	2,301.55	**3,286.74**
Loss allowance for bad and doubtful debts	(843.14)	(655.98)
Total	**1,458.41**	**2,630.76**

9 Cash and cash equivalents

(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Balances with banks :		
- in current accounts	129.87	140.56
Cheques on hand	22.67	-
Cash on hand	0.06	11.07
Total	**152.60**	**151.63**

10 Other bank balances

(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Bank balances other than (note 9) above		
- Margin money*	41.73	73.15
- Deposits with original maturity of three or more than three months	4.50	4.50
Total	**46.23**	**77.65**

* Margin money lien for bank guarantee given.

NOTES TO REVISED CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2020

11 Break up of financial assets carried at amortised cost

(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Loans (Note 4)	137.30	238.12
Other current financial assets (note 5)	177.82	32.98
Cash and cash equivalents (note 9)	152.60	151.63
Trade receivables (note 8)	1,458.41	2,630.76
Other bank balances (note 10)	46.23	77.65
Total	**1,972.36**	**3,131.14**

11A Break up of financial assets at fair value through profit and loss

(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Investments (note 3)	56.69	54.90
Total	**56.69**	**54.90**

12 Other current assets

(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Advances given	16.50	18.15
Prepaid expenses	51.38	265.85
Other receivables	29.60	-
Balance with government authorities	167.42	7.90
Total	**264.90**	**291.90**

13 Non-current assets held for sale

(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Assets held for sale*	-	20.43
Total	**-**	**20.43**

*During the current year, the Company has sold the immovable property situated at 10th floor, Everest Building, Tardeo, Mumbai to Inquilab Offset Printers Limited ("IOPL") for ₹ 200 lakhs.

NOTES TO REVISED CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2020

14 Share Capital

a Authorised share capital

Particulars	Number of shares	Amount (₹ in Lakhs)
As at April 1, 2018	**8,00,00,000**	**8,000.00**
Increase/(decrease) during the year	-	-
At March 31, 2019	**8,00,00,000**	**8,000.00**
Increase/(decrease) during the year	-	-
At March 31, 2020	**8,00,00,000**	**8,000.00**

b Terms of equity shares

The Company has only one class of equity shares having par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian Rupees. The dividend proposed, if any, by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except for Interim Dividend. In the event of liquidation, the holders of the equity shares will be entitled to receive the remaining assets of the Company after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by shareholders.

c Issued, subscribed and paid up share capital

Particulars	Number of shares	Amount (₹ in Lakhs)
As at April 1, 2018	**6,68,92,908**	**6,689.29**
Changes during the year	-	-
Less :Shares held by ESOP Trust	(36,500)	(3.65)
At March 31, 2019	**6,68,56,408**	**6,685.64**
Changes during the year	-	-
Add : Sale of shares held by ESOP Trust	36,500	3.65
At March 31, 2020	**6,68,92,908**	**6,689.29**

d Reconciliation of Equity shares outstanding at the beginning of the year and at the end of the year

Particulars	March 31, 2020		March 31, 2019	
	Number of shares	Amount (₹ in Lakh)	Number of shares	Amount (₹ in Lakh)
Shares outstanding at the beginning of the year	6,68,56,408	6,685.64	6,68,56,408	6,685.64
Sale of shares held by ESOP Trust	36,500	3.65	-	-
Shares outstanding at the end of year	**6,68,92,908**	**6,689.29**	**6,68,56,408**	**6,685.64**

NOTES TO REVISED CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2020

14 Share Capital (Contd..)

e Shares held by holding/ ultimate holding company and/ or their subsidiaries/ associates

Particulars	March 31, 2020		March 31, 2019	
	Number of shares	Amount (₹ in Lakh)	Number of shares	Amount (₹ in Lakh)
HT Media Limited, the holding company (w.e.f. April 15, 2019)	3,41,15,386	3,411.54	-	-

f Details of shareholders holding more than 5% of Shares in the Company

Particulars	March 31, 2020		March 31, 2019	
	Number of shares	% of Holding	Number of shares	% of Holding
Equity Shares				
HT Media Limited, the holding company	3,41,15,386	51.00%	NA	NA
Tehzeeb Ansari	43,37,298	6.48%	43,37,298	6.48%
Meridian Holding and Leasing Company Private Limited	37,73,246	5.64%	74,69,856	11.17%
Bennett Coleman and Company Limited	36,49,391	5.46%	36,49,391	5.46%
Mr. Khalid Ansari	NA	NA	43,38,055	6.49%
Mr. Tarique Ansari	NA	NA	43,37,298	6.48%
Mrs. Rukya Ansari	NA	NA	46,15,075	6.90%
Mr. Sharique Ansari	NA	NA	43,37,298	6.48%
Rajasthan Global Securities Private Limited	NA	NA	39,95,406	5.97%
Ferari Investments & Trading Company Private Limited	NA	NA	1,12,16,858	16.77%
Total	**4,58,75,321**	**68.58%**	**4,82,96,535**	**72.20%**

As per records of the Company, including its register of shareholders/members and other declaration received from the shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

h Aggregate number of shares issued for consideration other than cash during the period five years immediately preceding the reporting date

Particulars	2019-20	2018-19	2017-18	2016-17	2015-16
Shares issued under ESOP	-	-	66,680	66,660	1,66,680

i Shares reserved for issue under options

There are no outstanding shares under ESOP scheme

NOTES TO REVISED CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2020

15 Other equity

(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Securities premium *	8,604.95	8,604.95
Retained earning #	(16,606.60)	(13,892.52)
Total	**(8,001.65)**	**(5,287.57)**

* Securities premium is used to record the premium on issue of shares. It is utilised in accordance with the provisions of the Companies Act, 2013.

Retained earnings are the accumulated profits/ (losses) earned by the Company till date.

Retained earning

Particulars	Amount (₹ in Lakhs)
As at April 1, 2018	**(12,968.77)**
Loss for the year	(840.99)
Add: Items of other comprehensive income (OCI) recognised directly in retained earnings	
- Remeasurement of defined benefit plans, net of tex	0.33
Transfer to non controlling interest	(83.09)
Balance as at March 31, 2019	**(13,892.52)**
Loss for the year	(2,703.07)
Add: Items of other comprehensive income (OCI) recognised directly in retained earnings	
- Remeasurement of defined benefit plans, net of tex	(11.01)
Balance as at March 31, 2020	**(16,606.60)**

16 Borrowings

(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Non-current Borrowings		
Secured		
Term loans from banks	2,441.11	3,600.00
Unsecured		
Loan from related party (refer note 36A)*	6,050.00	-
Less: Amount clubbed under "other current financial liabilities" (Current maturities of long term borrowing) (refer note 20)	(1,627.40)	(1,440.00)
Sub total (a)	**6,863.71**	**2,160.00**
Current Borrowings		
Secured		
Cash Credit from banks	550.47	1,313.29
Unsecured		
Loan from related party (refer note 36A)**	25.00	600.00
Sub total (b)	**575.47**	**1,913.29**
Total (a+b)	**7,439.18**	**4,073.29**

NOTES TO REVISED CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2020

16 Borrowings (Contd..)

Note:

a Secured borrowings are secured by:

- First exclusive charge on the Company's property, plant and equipment both present and future.
- First exclusive charge on current assets both present and future.

b The term loan carries a fixed interest rate of 9.9% p.a.

c The cash credit facility obtained from bank carries variable interest rate is fixed at 1 year MCLR plus 1.4% p.a.

d Term loan from bank is repayable in first 4 quarterly installment of ₹ 200 Lakhs each and balance 20 quarterly installment of ₹ 360 Lakhs each starting from December 18, 2016.

e Current maturities of long term borrowings have been reported as other current financial liabilities

* Carries interest rate of 10% p.a. compounded annually and payable within 3 years from the date of each draw down.

** Carries interest @ 11% p.a. and is repayable on demand.

Debt reconciliation for FY 2019-20*

(₹ in Lakhs)

Particulars	Current Borrowings (including Current Portion of Long-term Borrowings)	Non Current Borrowings
Opening Balance as at April 1, 2019	3,353.29	2,160.00
Cash Flows:		
Add: Drawdowns	600.00	6,050.00
Less: Repayments	(3,377.82)	
Non-cash movements		
Reclasification of long-term borrowing excluding Foreign exchange adjustments	1,440.00	(1,440.00)
Foreign exchange adjustments	187.40	93.71
Closing Balance as at March 31, 2020	**2,202.87**	**6,863.71**

* For lease liability reconciliation refer note. 30

Debt reconciliation for FY 2018-19

(₹ in Lakhs)

Particulars	Current Borrowings (including Current Portion of Long-term Borrowings)	Non Current Borrowings
Opening Balance as at April 1, 2018	3,172.01	3,600.00
Cash Flows:		
Add: Drawdowns	265.96	-
Less: Repayments	(1,478.53)	-
Non-cash movements		
Reclasification of long-term borrowing	1,440.00	(1,440.00)
Derecognised on acount of derecognition of subsidiaries	46.15	-
Closing Balance as at March 31, 2019	**3,353.29**	**2,160.00**

NOTES TO REVISED CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2020

17 Lease liabilities

(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Lease liabilities (refer note 30)	2,105.26	-
Total	**2,105.26**	**-**
Current	288.51	-
Non - Current	1,816.75	-

18 Other financial liabilities at amortised cost - non current

(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Interest accrued but not due on borrowings (refer note 36A)	339.49	-
Total	**339.49**	**-**

19 Trade payables

(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Trade payables		
- Amount payable to Micro and small enterprises	-	-
- Amount payable to Related parties (refer note 36A)	229.60	9.03
- Others	405.05	1,576.91
Total	**634.65**	**1,585.94**

20 Other financial liabilities at amortised cost - current

(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Current maturities of long term debt (refer note 16)	1,627.40	1,440.00
Interest accrued but not due on loan from related party (refer note 36A)	22.96	-
Employee related payable *	405.48	528.10
Interest accrued but not due on term loan	7.03	11.72
Security deposit	-	1,900.00
Other current liabilities	0.95	-
Total	**2,063.82**	**3,879.82**

* includes payable to related party ₹ Nil (previous year ₹ 18.46 lakhs) (refer note 36A)

20A Break up of financial liabilities carried at amortised cost

(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Borrowings (note 16)	7,439.18	4,073.29
Lease liabilities (note 17)	2,105.26	
Trade payables (note 19)	634.65	1,585.94
Other non-current financial liabilities (note 18)	339.49	-
Other current financial liabilities (note 20)	2.063.82	3,879.82
Total	**12,582.40**	**9,539.05**

NOTES TO REVISED CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2020

21 Provisions

(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Non-current		
Provision for employee benefits		
- Gratuity (refer note 38)	86.03	87.35
- Leave encashment (refer note 38)	20.24	25.92
Total	**106.27**	**113.27**
Current		
Provision for employee benefits		
- Gratuity (refer note 38)	0.08	39.15
- Leave encashment (refer note 38)	0.64	2.97
Total	**0.72**	**42.12**

22 Contract liabilities

(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Unearned revenue	61.05	679.16
Total	**61.05**	**679.16**

(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Opening unearned revenue	679.16	-
Revenue recognised during the year	646.18	-
Unearned revenue accrued during the year	28.07	679.16
Closing Unearned Revenue	**61.05**	**679.16**

23 Other current liabilities

(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Statutory dues	84.74	133.84
Advances from customers	17.15	121.80
Total	**101.89**	**255.64**

NOTES TO REVISED CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2020

24 Revenue from operations

Revenue from contracts with customers

(₹ in Lakhs)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Sale of services		
- Advertisement revenue	5,188.59	6,864.90
Total	**5,188.59**	**6,864.90**

Reconciliation of revenue recognised with the contracted price is as follows:

(₹ in Lakhs)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Contract price	5,241.41	7,100.20
Adjustments to the contract price	52.82	235.30
Revenue recognised	**5,188.59**	**6,864.90**

The adjustments made to the contract price comprises of volume discounts, returns, credits, etc under the head "Revenue from operations".

25 Other Income

(₹ in Lakhs)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Interest income on EIR method		
- on bank deposit	6.26	33.24
- others	18.13	150.79
Dividend income	2.30	2.65
Other non - operating income		
Interest on income tax refund	17.91	5.51
Profit on sale of assets held for sale (refer note 13)	179.57	7.85
Rental income (refer note 36A)	8.16	-
FVTPL gain on derivative (refer note 2.2(n))	245.31	
Liabilities no longer required written back	171.19	37.32
Total	**648.84**	**237.36**

26 Employee benefits expense

(₹ in Lakhs)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Salaries, wages and bonus	1,735.01	2,138.84
Contribution to provident and other funds (refer note 38)	60.11	65.86
Employee stock option expenses (refer note 39)	17.29	-
Gratuity expense (refer note 38)	25.21	26.17
Workmen and staff welfare expenses	10.63	68.46
Total	**1,848.25**	**2,299.33**

NOTES TO REVISED CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2020

27 Finance cost

(₹ in Lakhs)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Interest on Loan from others	398.63	817.55
Interest on Loans from related parties * (Refer Note 36A)	429.90	66.00
Interest on lease liability (Refer Note 30)	164.93	-
Interest on TDS	0.89	-
Exchange differences regarded as adjustment to borrowing cost	33.25	-
Guarantee commision - Related parties	37.76	-
Bank guarantee	8.64	10.63
Bank charges	1.32	2.70
Total	**1,075.32**	**896.88**

* includes interest paid to related party ₹ 404.88 lakhs (previous year ₹ 66 lakhs) (refer note 36A)

28 Depreciation and amortization expenses

(₹ in Lakhs)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Depreciation of tangible assets (refer note 2)	76.52	116.12
Depreciation of intangible assets (refer note 2A)	924.54	938.22
Depreciation on Investment Property*	-	0.51
Depreciation expense of right-of-use assets (refer note 30)	260.29	-
Total	**1,261.35**	**1,054.85**

*The Group has approved transfer of the immovable property situated at 10th floor, Everest Building, Tardeo, Mumbai to Inquilab Offset Printers Limited ("IOPL") on September 20, 2018. Accordingly the same has been classified as Non- current assets held for sale in the year ended March 31, 2019. Accordingly, dereciation for the period April, 2018 to September, 2018 has been charged to statement of Profit and Loss account.

29 Other expenses

(₹ in Lakhs)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Insurance	18.02	1.99
Rates and taxes	0.85	15.26
Communication charges	28.73	46.98
Travelling and conveyance	199.86	62.41
Royalty	151.97	167.02
Radio programme creation and others	68.09	304.67
Repairs and maintenance :		
- Equipments	57.90	91.90
- Others	101.84	73.56
Power and fuel	211.83	222.95
Rent	257.86	596.47
Payment to auditors (refer note below)	31.96	15.50
Allowances for doubtful debts (Including write offs)	189.25	223.52
Exchange loss on restatement	247.85	-

NOTES TO REVISED CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2020

29 Other expenses (Contd..)

(₹ in Lakhs)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
loss on property, plant and equipment sold/discarded (Net)	37.55	-
Advertising and sales promotion	318.19	623.73
Legal and professional fees	365.44	382.00
Printing and stationery	2.07	13.80
Directors sitting fees (refer note 36A)	45.90	3.75
Miscellaneous expenses (refer note 36A)	73.79	68.37
Total	**2,408.95**	**2,913.88**

* Includes bad debts and sundry balances written off - ₹ 2.09 Lakhs (Previous year - ₹ 118.00 Lakhs)

Payment to auditors

(₹ in Lakhs)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
As auditor :		
- Audit fee	24.00	9.50
- Fee for limited review	1.50	3.00
- Tax audit fee	3.50	0.75
- Certification fees	2.50	2.25
- Reimbursement of expenses	0.46	-
Total	**31.96**	**15.50**

30 Leases

Leases as Lessee

The Company has taken various office premises under lease arrangemements. Information about leases for which the Company is a lessee is presented below:

i) The details of the right-of-use asset held by the Company is as follows:

Particulars	Amount in ₹ Lakhs
Balance at 1 April 2019	2,278.58
Depreciation charge for the year	(260.29)
Reclassification from pre-paid rent	120.17
Balance at 31 March 2020	**2,138.46**

NOTES TO REVISED CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2020

30 Leases (Contd..)

Leases as Lessee (Contd..)

ii) Set out below are the carrying amounts of lease liabilities and the movements during the year:

Particulars	Amount in ₹ Lakhs
Balance at 1 April 2019	2,278.58
Accretion of interest	164.93
Payment of lease liability (Principal)	(173.32)
Payment of lease liability (Interest)	(164.93)
Balance at 31 March 2020	**2,105.26**
Current	**288.51**
Non- Current	**1,816.75**

The maturity analysis of lease liabilities are disclosed in Note 42.

iii) Amounts recognised in profit or loss:

Particulars	Amount in ₹ Lakhs
Interest on lease liabilities	164.93
Depreciation expense of right-of-use assets	(260.29)
Expenses relating to short-term leases	257.86

iv) Amounts recognised in statement of cash flows:

Particulars	Amount in ₹ Lakhs
Total cash outflow for leases	(173.32)

31 Loss per share

Basic loss per share amounts are calculated by dividing the loss for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year.

Diluted loss per share amounts are calculated by dividing the loss attributable to equity holders by the weighted average number of equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

The following reflects the income and share data used in the basic and diluted loss per share computations:

Particulars	For the year March 31, 2020	For the year March 31, 2019
Total loss attributable to equity holders (₹ lakhs)	(2,703.07)	(840.99)
Weighted average number of Equity shares for basic and diluted loss per share	6,68,65,608	6,68,56,408
Loss per share		
Basic (Nominal value of share ₹ 10/-)	(4.04)	(1.26)
Diluted (Nominal value of share ₹ 10/-)	(4.04)	(1.26)

NOTES TO REVISED CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2020

32 Segment reporting

In accordance with Ind AS-108 'Operating Segments', the Group' business segment is Media and Entertainment and it has no other primary reportable segments. Considering the nature of operations and the manner in which the chief operating decision maker of the Group reviews the operating results, the Group has concluded that there is only one operating segment. Accordingly, the segment revenue, segment results, total carrying amount of segment assets and segment liabilities, total cost incurred to acquire segment assets and total amount of charge for depreciation during the year, are as reflected in the Financial Statements as at and for the year ended March 31, 2020. The geographical revenue is allocated based on the location of the customers. The Group primarily caters to the domestic market and hence it has been considered as to be operating in a single geographical location.

Information about major customers:

No single customer represents 10% or more of the Group's total revenue during the year ended March 31, 2020 and March 31, 2019.

33 Commitments and contingencies

(i) Guarantees

(₹ in Lakhs)

Particulars	For the year March 31, 2020	For the year March 31, 2019
Guarantees issued by the Company's bankers	1,380.60	1,378.87
Total	**1,380.60**	**1,378.87**

(ii) Contingent liabilities

a. In respect of Income tax demand under dispute ₹ 232.08 Lakhs (Previous Year ₹ 240.26 Lakhs)

In respect of Service tax demand under dispute ₹ 25.42 lakhs (Previous Year ₹ NIL).

Based on management assessment and current status of the above matter, the management is confident that no provision is required in the financial statements as on March 31, 2020.

(iii) Commitments

Estimated amount of contracts remaining to be executed on capital account is Nil (previous year Nil).

34 Taxation

(₹ in Lakhs)

Income tax recognised in profit or loss*	As at March 31, 2020	As at March 31, 2019
Income tax recognised in profit or loss		
current tax	1.50	-
in respect of earlier years	2.56	-
Total	**4.06**	**-**

*Income Tax expense, pertains to Syngience Broadcast Ahmedabad Limited (Subsidiary Company)

NOTES TO REVISED CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2020

34 Taxation (Contd..)

(₹ in Lakhs)

a) current tax assets	As at March 31, 2020	As at March 31, 2019
At the start of the year	532.45	423.05
Refund received	(162.41)	-
Taxes paid during the year (TDS receivable)	114.93	109.40
At the end of the period	**484.97**	**532.45**

35 Deferred tax*

(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Deferred tax Assets		
- on Carry forwards business loss (Available for 8 Assessment Year)	467.32	415.05
- on unabsorbed depreciation (Available for infinite period)	3,983.27	3,683.94
- on other temporary difference (Available on payment basis)	247.04	210.96
Total Deferred tax Assets	**4,697.64**	**4,309.95**
Deferred tax Liability		
- on WDV of property, plant and equipment and investment property	1,449.67	1,409.84
Net Deferred tax Assets	**3,247.97**	**2,900.11**

*In the absence of reasonable certainty, the Company has not recognised the deferred tax assets

36 Related party transactions

Following are the related parties and transactions entered with related parties for the relevant financial year :

i) List of related parties and relationships:-

a. Holding Company (w.e.f. April 15, 2019)	HT Media Limited The Hindustan Times Limited # Earthstone Holding (Two) Private Limited## (Ultimate controlling party is the Promoter Group)
b. Fellow subsidiary company (w.e.f. April 15, 2019) (with whom transactions have occurred during the year)	HT Music and Entertainment Limited Hindustan Media Ventures Limited
c. Under control of management (with whom transactions have occurred during the year)	Inquilab Offset Printers Limited *
d. Entities which are post employment benefit plans (with whom transactions have occurred during the year)	Next Mediaworks Limited Employees Group Gratuity Trust Radio Midday West India Limited Employees Gratuity Trust

NOTES TO REVISED CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2020

36 Related party transactions (Contd..)

i) List of related parties and relationships:- (Contd..)

e. Key Managerial Personnel	Mr. Ajay Relan (Non-Executive independent Director, w.e.f April 18, 2019)
	Ms. Suchitra Rajendra (Non-Executive independent Director, w.e.f April 18, 2019)
	Mr. Sameer Singh (Non-Executive independent Director, w.e.f April 18, 2019)
	Mr. Harshad Jain (Chief Executive Officer, resigned w.e.f. November 27, 2020)
	Mr. Ramesh Menon (Chief Executive Officer, w.e.f. November 27, 2020)
	Mr. Dilip Cherian (Independent Director)**
	Mr. Tarique Ansari (Managing Director)*
	Mr. Adille Sumariwala (Independent Director)*
	Mr. I Venkat (Independent Director)*
	Ms.Monisha Shah (Independent Director)*
	Mr. Rajbir Singh Bhandal (Independent Director)*
	Mr. Sunil Dalal (Independent Director)*
	Mr. Chetan Desai (Non Executive Director)*
f. Relatives of Key Managerial Personnel (with whom transactions have occurred during the year)	Mrs. Kamini Jain (Relative of Mr. Harshad Jain)

* Relationship ceased with effect from close of business hours of April 18, 2019.

** Relationship ceased with effect from close of business hours of Janury 23, 2020

The Hindustan Times Limited (HTL) does not hold any direct investment in the Company. However, HTL's subsidiary HT Media Limited holds shares in the Company.

Earthstone Holding (Two) Private Limited (formerly known as Earthstone Holding (Two) Limited) is the holding Company of The Hindustan Times Limited .

ii) Transactions with related parties

Refer note 36 A

iii) Terms and conditions of transactions with related parties

The transaction with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free except in case of loans taken (refer note 16) and settlement occurs in cash.

NOTES TO REVISED CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2020

36A Transactions during the year with Related Parties (refer note A):-

SL No	Transactions for the year ended March 31, 2019	Holding Company		Fellow Subsidiary		Under control of Management		Entities which are post employment benefit plans		Key Managerial Personnel (KMP's) / Directors (Refer Note B)		Relatives of KMP		Total	
		March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
A	**REVENUE**														
1	Rental Income	8.16	-	-	-	-	-	-	-	-	-	-	-	8.16	-
B	**EXPENSES**														
2	Advertisement expenses	12.74	-	-	-	-	-	-	-	-	-	-	-	12.74	-
3	Interest expenses	-	-	402.72	-	2.16	66.00	-	-	-	-	-	-	404.88	66.00
4	Rent expense	124.30	-	24.08	-	0.84	16.80	-	-	-	-	-	-	149.22	16.80
5	Guarantee commission	37.76	-	-	-	-	-	-	-	-	-	-	-	37.76	-
6	Miscellaneous expenses :- Commission expenses	9.63	-	-	-	-	-	-	-	-	-	-	-	9.63	-
7	Remuneration paid to Key managerial personnel	-	-	-	-	-	-	-	-	251.87	285.40	-	-	251.87	285.40
8	Directors sitting fees	-	-	-	-	-	-	-	-	45.90	3.75	-	-	45.90	3.75
9	Printing and stationery	-	-	-	-	-	9.03	-	-	-	-	-	-	-	9.03
10	Car hire charges	-	-	-	-	-	-	-	-	-	-	8.26	3.00	8.26	3.00
C	**OTHERS**														
11	Reimbursement of expenses incurred on behalf of the parties by Company	35.60	-	-	-	-	2.54	-	-	-	-	-	-	35.60	2.54
12	Loan taken during the year	-	-	6,650.00	-	-	-	-	-	-	-	-	-	6,650.00	-
13	loan repaid during the year	-	-	575.00	-	600.00	-	-	-	-	-	-	-	1,175.00	-
14	Contribution during the year	-	-	-	-	-	-	68.86	-	-	-	-	-	68.86	-
D	**BALANCE OUTSTANDING**														
15	Other receivables (including advances given)	8.85	-	-	-	-	3.03	-	-	-	-	-	-	8.85	3.03
16	Trade Payables	203.59	-	26.01	-	-	9.03	-	-	-	-	-	-	229.60	9.03
17	Inter corporate deposit taken and Interest accrued on it	-	-	6,437.45	-	-	600.00	-	-	-	-	-	-	6,437.45	600.00
18	Employee dues payable	-	-	-	-	-	-	-	-	-	18.46	-	-	-	18.46

Note A:-The transactions above do not include gst, service tax, vat etc.

Note B- Key Managerial Personnel who are under the employment of the Group are entitled to post employment benefits and other long term employee benefits recognized as per Ind AS 19 - 'Employee Benefits' in the consolidated financial statements. As these employee benefits are lump sum amounts provided on the basis of actuarial valuation, the same is not included above.

NOTES TO REVISED CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2020

36B Additional information as required under Schedule III of the Companies Act, 2013, of the enterprises consolidated as subsidiaries

Particulars	Net assets i.e. total assets minus total liabilities		Share in Profit or (Loss)		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount (₹ in Lakhs)	As % of consolidated profit or loss	Amount (₹ in Lakhs)	As % of consolidated other comprehensive income	Amount (₹ in Lakhs)	As % of total comprehensive income	Amount (₹ in Lakhs)
Current Year :								
As on March 31, 2020								
I. Parent :								
Next Mediaworks Limited	264.73%	(3,474.21)	(176.73)%	4,777.09	(123.35)%	13.57	(176.51)%	4,790.67
II Subsidiaries :								
a) Indian								
Next Radio Limited	-27.98%	367.23	186.52 %	(5,041.88)	223.35 %	(24.58)	186.67 %	(5,066.46)
Syngience Broadcast Ahmedabad Limited	-150.14%	1,970.33	(0.30)%	8.12	0.00 %	-	(0.30)%	8.12
III Non- controlling interest in all subsidiaries	13.39 %	(175.72)	90.50 %	(2,446.41)	0.00 %	-	90.14 %	(2,446.41)
Total	**100.00%**	**(1,312.37)**	**100.00%**	**(2,703.07)**	**100.00%**	**(11.01)**	**100.00%**	**(2,714.08)**

Particulars	Net assets i.e. total assets minus total liabilities		Share in Profit or Loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount (₹ in Lakhs)	As % of consolidated profit or loss	Amount (INR in Lakhs)	As % of consolidated other comprehensive income	Amount (INR in Lakhs)	As % of total comprehensive income	Amount (INR in Lakhs)
Previous Year :								
As on March 31, 2019								
I. Parent :								
Next Mediaworks Limited	-240.60%	(3,363.75)	-114.01%	958.81	(187.88)%	(0.62)	(113.98)%	958.19
II Subsidiaries :								
a) Indian								
Next Radio Limited	388.66%	5,433.69	145.21%	(1,221.24)	193.94 %	0.64	145.20 %	(1,220.60)
Syngience Broadcast Ahmedabad Limited	140.35%	1,962.21	-1.20%	10.06	0.00 %	-	(1.20)%	10.06
III Non- controlling interest in all subsidiaries	-188.41%	(2,634.08)	69.99%	(588.62)	93.94 %	0.31	69.98 %	(588.31)
Total	**100.00%**	**1,398.07**	**100.00%**	**(840.99)**	**100.00%**	**0.33**	**100.00%**	**(840.66)**

NOTES TO REVISED CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2020

Note 36C : Material partly owned subsidiaries

Financial information of subsidiaries that have material non-controlling interests is provided below:

Proportion of equity interest held by non-controlling interests:

%

Particulars	Country of Incorporation	March 31, 2020	March 31, 2019
Next Radio Limited	India	48.60	48.60

Information regarding non-controlling interest

(₹ in Lakhs)

Particulars	March 31, 2020	March 31, 2019
Accumulated balances of material non-controlling interest	178.48	2,640.77
Profit/(loss) allocated to material non-controlling interest	(2,462.30)	(593.21)

The summarised financial information of the subsidiary are provided below. This information is based on amounts before inter-Company eliminations.

Summarised statement of profit and loss for the year ended March 31, 2020 and March 31, 2019:

(₹ in Lakhs)

Particulars	March 31, 2020	March 31, 2019
Revenue (including other incomes)	5,741.50	7,162.31
Radio licence fees	1,392.97	1,401.02
Employee benefits expense	1,804.12	2,118.75
Finance costs	1,039.16	832.59
Depreciation and amortization expense	1,261.35	1,054.33
Other expenses	2,289.78	2,976.86
Loss before exceptional items and tax from operations	**(2,045.89)**	**(1,221.24)**
Exceptional items	(2,996.00)	-
Other Comprehensive Income	(24.58)	0.64
Total comprehensive income	**(5,066.47)**	**(1,220.60)**
Attributable to non-controlling interests	(2,462.30)	(593.21)

Summarised balance sheet as at March 31, 2020 and March 31, 2019:

(₹ in Lakhs)

Particulars	March 31, 2020	March 31, 2019
Current assets, including cash and cash equivalents	2,082.18	3,226.44
Non-current assets	13,068.52	14,178.05
Current liabilities, including tax payable	5,660.25	9,701.46
Non-current liabilities, including deferred tax liabilities	9,123.21	2,269.34
Total equity	**367.22**	**5,433.69**
Attributable to:		
Equity holders of parent	188.75	2,792.92
Non-controlling interest	178.47	2,640.77

NOTES TO REVISED CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2020

Note 36C : Material partly owned subsidiaries (Contd..)

Summarised cash flow statement for the year ended March 31, 2020 and March 31, 2019:

(₹ in Lakhs)

Particulars	March 31, 2020	March 31, 2019
Net cash generated from / (used in) operating activities	(1,901.21)	1,662.37
Net cash used in investing activities	(1,115.28)	(79.63)
Net cash flows generated / (used in) financing activities	2,978.35	(2,019.23)
Net decrease in Cash and Cash Equivalents	**(38.14)**	**(436.49)**

37 Group Information

Subsidiaries considered in the consolidated financial statements

Name of the subsidiary	Country of Incorporation	Ownership Interest / Voting power	Financial Year ends on
Next Radio Limited	India	51.40%	31st March
One Audio Limited*	India	100%	31st March
Digital One Limited*	India	100%	31st March
Next Outdoor Limited*	India	100%	31st March

*The Board of Directors of the Company on July 18, 2018 had given it's consent to sell 100% holding in three wholly owned subsidiaries i.e. Next Outdoor Limited, One Audio Limited and Digital One Private Limited. Accordingly the investments in equity shares of aforementioned three subsidiaries have been sold on August 6, 2018 for a total consideration of ₹ 0.41 lakhs. Consiquently, the aforesaid entities has ceased to be the subsidiary of the Company, effective August 6, 2018

Step-down Subsidiaries considered in the consolidated financial statements

Name of the subsidiary	Country of Incorporation	Ownership Interest / Voting power	Financial Year ends on
Syngience Broadcast Ahmedabad Limited (Subsidiary of Next Radio Limited)	India	51.4%	31st March

38 Employee Benefits

The Group has classified the various benefits provided to the employees as under.

Defined Contribution Plans

Provident Fund

The Group has recognised ₹ 60.11 lakhs (previous year ₹ 65.86 lakhs) in Profit and Loss Statement towards employer's contribution to provident fund.

NOTES TO REVISED CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2020

38 Employee Benefits(Contd..)

Define Benefit Plan: Gratuity

In accordance with the Indian Accounting Standards (Ind AS 19) , actuarial valuation was performed in respect of the aforesaid defined benefit plans based on the following assumptions:

The Group has a defined benefit gratuity plan. Every employee who has completed five years or more of services gets a gratuity on separation at 15 days salary (last drawn salary) for each completed year of service. The Group has formed a gratuity trust to which contribution is made based on actuarial valuation done by independent valuer.

The gratuity plan is governed by the Payment of Gratuity Act, 1972. The Group has purchased insurance policy, which is a year on- year cash accumulation plan in which the interest rate is declared on yearly basis and is guaranteed for a period of one year. The insurance Company, as part of the policy rules, makes payment of all gratuity outgoes happening during the year (subject to sufficiency of funds under the policy). The policy, thus, mitigates the liquidity risk. However, being a cash accumulation plan, the duration of assets is shorter compared to the duration of liabilities. Thus, the Group is exposed to movement in interest rate in particular, the significant fall in interest rates, which should result in a increase in liability without corresponding increase in the asset.

(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Discount Rate	6.85% pa	7.77% pa
Rate of Increase in compensation levels (pa)	5.00% pa	6.00% pa
Mortality Rate	Indian Assured Lives Mortality (2012-14) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate
Attrition Rate	Upto 30 years - 3% 31 to 44 years - 2% Above 44 years - 1%	4.00% pa

The following tables summaries the components of net benefit expense recognized in the Statement of Profit and Loss and the funded status and amounts recognized in the balance sheet :

a. Change in the present value obligation

(₹ in Lakhs)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Present value of defined benefit obligation as at beginning of the year	202.53	183.99
Interest cost	15.69	14.12
Current service cost	14.94	19.64
Benefits paid	(157.28)	(7.66)
Actuarial (gain) / loss on obligation arising from:		
- change in demographic assumptions	(2.92)	-
- change in financial assumptions	(1.06)	(0.50)
- experience variance (i.e. Actual experiencevs assumptions)	26.58	(7.06)
Present value of defined benefit obligation as at end of the year	98.48	202.53

NOTES TO REVISED CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2020

38 Employee Benefits(Contd..)

b. Fair value of plan assets (for funded scheme – gratuity)

(₹ in Lakhs)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Present value of plan assets as at beginning of the year	95.73	99.70
Interest income	5.42	7.59
return on plan asset recognised in OCI	(0.36)	(3.89)
Contributions	68.86	-
Benefits paid	(157.28)	(7.66)
Fair value of plan assets as at end of the year *	12.37	95.73

* The Group has invested in HDFC Group Unit Linked plan - Option B through the trust "Radio Midday West India Limited Employees Gratuity Cum Life Assurance Scheme

c. Amount recognised in the balance sheet

(₹ in Lakhs)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Present Value of defined benefit obligation as at the end of the year	98.48	202.53
Fair value of plan assets as at the end of the year	12.37	95.73
Liability / asset (net) recognized in the balance sheet	86.11	106.80

d. Expenses recognised in statement of profit and loss

(₹ in Lakhs)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Current service cost	14.94	19.64
Interest cost	15.69	14.12
Interest income	(5.42)	(7.59)
Total expenses recognised in the statement of profit and loss	25.21	26.17

e. Expenses recognised in the Other Comprehensive Income (OCI)

(₹ in Lakhs)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Actuarial (gains)/losses on obligation for the year	22.60	(4.53)
Remeasurement- return on plan assets excluding interest income	0.36	3.89
Net (income)/expense for the year recognized in OCI	22.96	(0.64)

f. Maturity analysis of projected benefit obligation: From the Fund

(₹ in Lakhs)

Projected Benefits Payable in Future Years From the Date of Reporting	As at March 31, 2020	As at March 31, 2019
within one year	2.28	16.84
2 to 5 Years	9.23	79.65
6 to 10 years	70.48	97.23
above 10 years	150.18	193.40

NOTES TO REVISED CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2020

38 Employee Benefits(Contd..)

g. Sensitivity Analysis

(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Projected benefit obligation on current assumptions	98.48	202.53
Delta effect of +1% change in rate of discounting	(11.43)	(12.01)
Delta effect of -1% change in rate of discounting	9.85	13.68
Delta effect of +1% change in rate of salary increase	10.09	13.79
Delta effect of -1% change in rate of salary increase	(11.59)	(12.30)
Delta effect of +1% change in rate of employee turnover	0.91	1.42
Delta effect of -1% change in rate of employee turnover	(0.82)	(1.61)

The expected rate of return on plan assets is based on market expectation at the beginning of the year. The rate of return on risk free investments is taken as reference for this purpose.

The expected contribution for next year is ₹ 103.04 lakhs (Previous Year ₹ 39.14 lakhs)

h. Average duration of the defined benefit plan obligation

(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Weighted Average duration	11 years	9 years

Leave Encashment (unfunded)

The Group recognises the leave encashment expenses in the statement of profit and loss based on the actuarial valuation.

The expenses recognised in the statement of profit and loss and the leave encashment liability at the beginning and at the end of the year:

(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Liability at the beginning of the year	28.89	29.87
Benefits paid during the year	24.97	2.56
Provided during the year	16.96	1.58
Liability at the end of the year	20.88	28.89

NOTES TO REVISED CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2020

39 Share-based payments

In accordance with the Securities and Exchange Board of India (Share Based Employee benefits) Regulations, 2014 and Ind-AS 102 Share-based Payment, the scheme detailed below is managed and administered, compensation benefits in respect of the scheme is assessed and accounted by the Group. To have an understanding of the scheme, relevant disclosures are given below.

I. The Holding Company, HT Media Limited has given Employee Stock Options (ESOPs) to employees of the Company.

A. Details of these plans are given below:

Employee stock options

A stock option gives an employee, the right to purchase equity shares of HT Media Limited at a fixed price within a specific period of time.

B. Details of stock options granted during the current year and earlier year are as given below:

Type of arrangement	Date of grant	Options granted (nos.)	Fair value on the grant date (₹)	Vesting conditions*	Weighted average remaining contractual life in years as at March 31, 2020 (in years)
Employee stock options-Plan C (Method of settlement-equity)	Oct 24, 2019	5,00,000	9.04	Starts from the date of listing of HT Media Limited as per the following vesting schedule 75% 12 months from the date of grant 25% 24 months from the date of grant	10.34

C. Summary of activity under the Plan C for the year ended March 31, 2020 are given below.

Particulars	31-Mar-20	
	Number of options	Weighted-average exercise price (₹)
Outstanding at the beginning of the year	-	-
Granted during the year	5,00,000	19.80
Forfeited during the year	-	-
Exercised during the year	-	-
Expired during the year	-	-
Outstanding at the end of the year	5,00,000	19.80
Weighted average remaining contractual life (in years)	10.34	
Weighted average fair value of options granted during the year	9.04	

NOTES TO REVISED CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2020

39 Share-based payments(Contd..)

Weighted average fair value of the options outstanding of plan C is ₹ 9.04 per option.

The employee compensation cost (accounting charge for the year) calculated using the fair value of stock options is ₹ 17.29 lakhs.

Assumptions used in Black Scholes Option Pricing Model are as follows :

Particulars	
Risk free interest Rate	6.64%
Expected life	6.225 Years
Expected volatility**	37.29%
Dividend yield	1.01%
Price of the underlining share in market at the time of option grant (₹)	19.80
Exercise price (₹)	19.80
Fair value (₹)	9.04

** Volatility is a measure of the amount by which a price has fluctuated or is expected to fluctuate during a period. The measure of volatility used in the Black-Scholes option-pricing model is the annualized standard deviation of the continuously compounded rates of return on the stock over a period of time.

40 Other comprehensive income

The disaggregation of changes to OCI by each type of reserve in equity is shown below :

During the year ended March 31, 2020

(₹ in Lakhs)

Particulars	Retained earnings	Total
Remeasurement of the defined benefits plan (refer note 38)	(11.01)	(11.01)
Total	**(11.01)**	**(11.01)**

During the year ended March 31, 2019

(₹ in Lakhs)

Particulars	Retained earnings	Total
Remeasurement of the defined benefits plan (refer note 38)	0.33	0.33
Total	**0.33**	**0.33**

41 Exceptional items

The Group after considering the current economic environment has performed an impairment assessment of Intangible Assets. As the recoverable amount of Cash Generating Unit ("CGU') is lower than the carrying amount of assets, the Group has recognised an impairment loss of ₹ 2,996.00 lakhs towards Intangible Assets as an exceptional item.

The recoverable amount of CGU is based on its value in use which is ₹ 8,757 lakhs using discount rate of 15%. For this purpose, each Radio license has been considered as a separate CGU.

NOTES TO REVISED CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2020

41 Exceptional items (Contd..)

For the year ended March 31, 2019-

On July 18, 2018, the Board of Directors of the Company had accorded approval to selloff the entire shareholding in three wholly owned subsidiaries, viz, Next Outdoor Limited, One Audio Limited and Digital One Private Limited. Accordingly, the investments in these subsidiaries have been sold on August 6, 2018 for an aggregate consideration of ₹ 0.41 lakhs. Therefore transactions, if any, in the aforementioned three subsidiaries has been considered till August 6, 2018 in consolidated financial statements. In accordance with Ind As 110 " Consolidated Financial Statements", net liabilities of ₹ 33.68 lakhs was derecognised from consolidated financials statements on account of sale of three subsidiaries i.e. Next Outdoor Limited, One Audio Limited and Digital One Private Limited. Accordingly, difference of ₹ 34.09 lakhs (due to derecognition of assets and liabilities) was recognised in statement of profit and loss and has been disclosed as exceptional item during the previous year.

42 The subsidiary companies viz. Syngience Broadcast Ahmedabad Limited (SBAL) and Next Radio Limited (NRL) filed a joint application before Hon'ble National Company Law Tribunal, Mumbai Bench (NCLT) on 21st May, 2020 for recall of NCLT's earlier order dated October 5, 2017 sanctioning the Scheme of Arrangement between NRL & SBAL and their respective shareholders & creditors (Scheme) for transfer of Ahmedabad FM Radio Broadcasting business of NRL into SBAL; and reverse all actions that may have been taken on the basis of said NCLT's order including any corporate actions, changes to issued capital, filing with any regulatory authority etc. The said joint application was filed as NRL did not receive approval of Ministry of Information & Broadcasting (MIB) for transfer of Ahmedabad FM Radio license from NRL to SBAL pursuant to the Scheme, as a result of which the Scheme did not come into effect. The application was allowed by NCLT vide order passed on September 22, 2020. Accordingly, the allotment of 1,82,10,000 equity shares of ₹ 10/- each by SBAL to NRL on November 27, 2017 pursuant to the Scheme was void ab-initio, and the paid-up share capital of SBAL was reduced to ₹ 1,55,00,000 comprising of 15,50,000 equity shares of ₹ 10 each. The same has also been updated on MCA portal on November 6, 2020. Impact of the NCLT order has not been considered in March 2020 financials since it does not relate to conditions existing on the Balance sheet date.

43 Financial risk management objectives and policies

The Group's principal financial liabilities, comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Group's operations and to support its operations. The Group's principal financial assets include other receivables, security deposits given and cash and cash equivalents that derive directly from its operations.

The Group is exposed to credit risk, liquidity risk, foreign currency risk and interest rate risks. The Group's senior management oversees the mitigation of these risks. The Group's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Group's policies and risk objectives. The policies for managing each of these risks, which are summarized below:-

1 Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk: interest rate risk and currency risk . Financial instruments affected by market risk include loans and borrowings, deposits and derivative financial instruments.

a Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates

NOTES TO REVISED CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2020

43 Financial risk management objectives and policies(Contd..)

primarily to the Group's long-term debt obligations.The Group's long-term debt obligations are fixed rate borrowings carried at amortized cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate on account of a change in market interest rates.

b Foreign currency risk

Foreign currency risk arises due to the fluctuations in foreign currency exchange rates. The Group has taken derivative cover to mitigate exposure against foreign currency risk. Accordingly, its exposure to the foreign currency risk is limited.

2 Credit risk

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including investments in debt mutual funds and deposits with banks. The Group's maximum exposure to credit risk is limited to the carrying amount of the financial assets recognised as at March 31, 2020.

Customer credit risk is managed by each business unit subject to the Group's established policy, procedures and control relating to customer credit risk management. The Group undertakes a detailed review of the credit worthiness of clients before extending credit. Outstanding customer receivables are regularly monitored. The Group believes the concentration of risk with respect to trade receivables as low, as its customers are in several jurisdictions and industries and operate in largely independent markets.

The Group uses the expected credit loss model as per IND AS 109 - 'Financial Instruments' to assess the impairment loss or gain. The Group uses a provision matrix to compute the expected credit loss allowance for trade receivables. The provision matrix considers available external and internal credit risk factors and the Group's historical experience in respect of customers.

Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Group's treasury department in accordance with the Group's policy. Investments of surplus funds are made as per guidelines and within limits approved by Board of Directors. Board of Directors/ Management reviews and update guidelines, time to time as per requirement. The guidelines are set to minimize the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

3 Liquidity Risk

Liquidity risk is defined as a risk that the Group will not be able to settle or meet its obligations on time. The Group's treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by the Senior Management.

NOTES TO REVISED CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2020

43 Financial risk management objectives and policies(Contd..)

Maturities of financial liabilities

The tables below analise the Group's financial liabilities into relevant maturity groupings based on their contractual maturities for all non-derivative financial liabilities.

(₹ in Lakhs)

Particulars	As at March 31, 2020		As at March 31, 2019	
	Less than 1 year	More than 1 year	Less than 1 year	More than 1 year
Borrowings	575.47	6,863.71	1,913.29	2,160.00
Lease liabilities	288.51	1,816.75	-	-
Trade payables	841.13	-	1,585.94	-
Other current and non current financial liabilities	2,211.51	339.49	3,879.82	-

for further details please refer note no. 47

44 Capital management

For the purpose of the Group's capital management, capital includes issued equity capital, share premium and all other equity reserves . The primary objective of the Company's capital management is to maximize the shareholder value.

The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital and net debt. The Company includes within net debt, interest bearing loans and borrowings, interest accrued on borrowings, less cash and cash equivalents and other bank balances.

(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Borrowings Long Term	6,863.71	2,160.00
Borrowings Short Term	575.47	1,913.29
Borrowings Long Term current portion (grouped under other current financial liabililty)	1,627.40	1,440.00
Interest Accrued but not due (grouped under other financial liabililty)	369.48	11.72
Less: Cash and cash equivalent	152.60	151.63
Less : Other Bank balances	46.23	77.65
(a) Net debts	**9,237.22**	**5,295.73**
(b) Equity atributable to equity holders of parent (as per balance sheet)	**(1,312.36)**	**1,398.07**
(c) Total capital	**7,924.87**	**6,693.80**
(d) Net gearing ratio (a)/(c)	**1.17**	**0.79**

NOTES TO REVISED CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2020

45 Fair value measurement

Set out below, is a comparison by class of the carrying amounts and fair value of the Group's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values:

(₹ in Lakhs)

Particulars	Carrying amount		Fair Value		Fair value measurement hierarchy level
	As at March 31, 2020	As at March 31, 2019	As at March 31, 2020	As at March 31, 2019	
Financial assets measured at fair Value through profit & loss (FVTPL)					
Investment in unquoted equity shares (refer note 3)	-	0.51	-	0.51	Level 3*
Financial assets measured at amortised cost					
Security Deposits given - (Note 4)	137.30	238.12	137.30	238.12	Level 2
Financial assets measured at fair Value through profit & loss (FVTPL)					
Forex derivative contract (not designated as hedge) (note 5)	245.31	-	245.31	-	Level 2
Financial liabilities measured at amortised cost					
Long term borrowings (note 16)	6,863.71	2,160.00	6,863.71	2,160.00	Level 2
Current maturities of long term debt (refer note 20)	1,627.40	1,440.00	1,627.40	1,440.00	Level 2

*The sensitivity analysis disclosures in relation to Unquoted equity instrument classified at FVTPL is not being disclosed since the management believes that the amount involved is not maaterial and no significant movement in the fair value is expected on the reporting date.

The management assessed that fair value of current investments, trade receivables, cash and cash equivalents, other bank balances, other current financial assets excluding derivative assets, short- term borrowings, trade payables, and other current financial liabilities excluding derivative liability approximate their carrying amounts largely due to the short-term maturities of these instruments. The fair value of the financial assets and liabilities is the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

- The fair values of Long term borrowings are determined by discounting future cash flows using rates currently available for items on similar terms, credit risk and remaining maturities.

- The Security deposits given are evaluated by the Group based on parameters such as interest rate, risk factors, risk characteristics and individual credit-worthiness of the counterparty. Based on this evaluation, allowances are taken into account for the expected losses.

- Derivative contracts being valued using valuation techniques, which employs the use of market observable inputs. The Company uses Mark to Market valuation provided by Bank for valuation of these derivative contracts.

46 Standards issued but not yet effective

Ministry of Corporate Affairs (""MCA"") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2020.

NOTES TO REVISED CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2020

47 Management has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amount of Property, Plant and Equipment, Intangible Assets, Receivables, Other Financial and Non-Financial assets of the Group. In developing the assumptions relating to the possible future uncertainties because of this pandemic, the Group, as at the date of adoption of these consolidated financial statements has used internal and external sources of information. The Group has performed sensitivity analysis on the assumptions used and based on current factors estimated that the carrying amount of assets as at 31 March 2020 will be recovered after recording an impairment loss on Property, Plant and Equipment and Intangible Assets (refer note 41). The impact of COVID-19 on the Group's financial statements may differ from that estimated as at the date of adoption of audited financial statements for the year ended 31 March 2020. Such changes, if any, will be prospectively recognized. The Group will continue to closely monitor any material changes to future economic conditions.

48 The Group has incurred losses in current and previous years which has resulted in complete erosion of the net worth of the Group as at 31 March 2020. Further, the Group's current liabilities exceed its current assets as at 31 March 2020. The Group has obtained a letter of support from the Parent Company in order to meet the shortfall in its fund requirements over banks and other borrowings, to meet out the operations which are in progress and other liabilities including loans from other group companies, as they become due. The Group has considered the possible impact of COVID-19 pandemic in the financial projections for the next two years . Further, the Group believes that obligations falling due beyond one year from the reporting date can also be met from various internal and external sources, in the ordinary course of business. In view of the above, the use of going concern assumption has been considered appropriate in preparation of these consolidated financial statements.

49 Note on Revision of Financials

HT Media Limited (Holding Company), received a whistleblower complaint ("WB Complaint") in August 2020 from a named employee of the radio business on his last working day. The WB Complaint alleged anomalies resulting in deficiencies in certain financial reporting processes of the radio business of the Group. The Holding Company, in accordance with its whistleblower policy, and as confirmed by respective Audit Committees appointed an independent law firm which worked closely with two independent accounting firms for an in-depth comprehensive review. The said investigation brought out practices indicating the following deficiencies and lapses during financial years 2019-20 and 2020-21:

a. Practice of pre-billing (i.e. billing and booking revenue for services yet to be consumed/ delivered) resulting in reporting of higher revenue in financial statements. Such billing remained unconsumed/ undelivered.

b. Potential manipulation of debtor ageing by issuance of inappropriate credit notes and additional invoices to avoid higher provisioning for bad debts.

c. Circulating improper balance confirmation requests (by including invoices without delivery/ requests for advertisement) to customers (with such balances either remaining unconfirmed or disputed) resulting in reporting higher revenue.

d. Potentially improper credit approvals including forced/ credit approval under protest at the instructions of senior management of the Radio business.

Further, based on a very detailed investigation performed, the investigating team and the management concluded that the above mentioned findings were confined to a stream of revenue ('pure money') of radio business of the above mentioned subsidiary only and were not pervasive across other financial statement captions. The said investigation did not reveal existence of any personal profiteering or siphoning of funds or embezzlement or misappropriation of funds.

The final findings of the investigation have been presented to the Audit Committees and Board of Directors of the Company and the Holding Company, including multiple status update briefings in the interim. The Audit Committees have considered the report. The management has also placed before the Audit Committees an action plan for (a) strengthening internal financial controls and systems; (b) centralizing the revenue assurance function; (c) a plan for integration of IT systems used in the radio business; and (d) recommendations from Chief HR Officer to bring about changes in HR policies and

NOTES TO REVISED CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2020

49 Note on Revision of Financials (Contd..)

practices with emphasis on adoption of better ethical codes and practices. The Audit Committees have also made their recommendations for action against the employees involved in the wrongdoings to the respective Board of Directors for their consideration. The Board of Directors have considered and accepted the said investigation report and are in the process of taking appropriate steps in the best interest of the Group and its various stakeholders.

As an outcome of said investigation, the Group has revised its Consolidated financial statements for the year ended 31 March 2020 which were earlier approved by the Board of Directors on June 23, 2020.

The Group has made an assessment of and believes that it has provided for the financial impact arising from the this matter including non-compliances with laws and regulations, to the extent identified and believes that the additional financial impact, if any, arising from adjustments due to instances other than those identified is not expected to be material.

These deficiencies, along with their consequential impact, have led to identification that the Group needs to further strengthen its internal control environment, in order to minimize the instances of overriding of certain internal controls by senior management officials. The Group is taking necessary action to address these material weaknesses including tightening of internal controls.

In Statement of Profit and Loss Account

(₹ in Lakhs)

Financial statement caption	Original issued financial statements	Revision on account of investigation	Revised Number
	Year ended March 31, 2020	Year ended March 31, 2020	Year ended March 31, 2020
Revenue from operations	5,620.99	(441.66)	5,179.32

The findings of the investigation have direct (as quantified in the investigation report) and consequential impact on certain other financial statement captions. Further, the revised Consolidated financial statements have also recognised the impact of adjusting events occurring after the reporting period (including the period after the date of approval of pre-revised financial statements (June 23, 2020) till date of approval of the revised consolidated financial statements i.e. November 27, 2020), which are significantly impacted by present economic and market conditions including COVID-19. These adjustments are as follows:

In Statement of Profit and Loss Account

(₹ in Lakhs)

Financial statement caption	Original issued financial statements	Revision on account of investigation as mentioned above	Consequential and other imapct	Revised Number
	Year ended March 31, 2020	Year ended March 31, 2020	Year ended March 31, 2020	Year ended March 31, 2020
Total Revenue	6,116.78	(441.66)	162.30	5,837.42
Total Expenses	8,073.83	-	(86.99)	7,986.84
Exceptional items (loss)	(2,000.00)	-	(996.00)	(2,996.00)
Impact on Loss before tax		**(441.66)**	**(746.71)**	
Tax expense	-	-	-	
Impact on Loss after tax		**(441.66)**	**(746.71)**	**-**

NOTES TO REVISED CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2020

49 Note on Revision of Financials (Contd..)

In Balance Sheet

(₹ in Lakhs)

Financial statement caption	Original issued financial statements	Revision Impact	Revised Number
	Year ended March 31, 2020	Year ended March 31, 2020	Year ended March 31, 2020
Property, plant and equipment	362.08	94.47	456.55
Intangible Assets	7,303.78	(1,090.47)	6,213.31
Trade receivables	2,192.77	(734.36)	1,458.41
Other current assets	185.36	79.54	264.90
Net Impact on Assets		**(1,650.82)**	
Other equity	(7,408.96)	(592.69)	(8,001.65)
Minority Interest	771.40	(595.69)	175.71
Trade payable	841.13	(206.48)	634.65
Other current financial liabilities	2,211.51	(147.69)	2,063.82
Contract liabilities	169.32	(108.27)	61.05
Net Impact on Liabilities		**(1,650.82)**	

The accompanying notes forms an integral part of these Revised consolidated financial statements.

As per our revised report of even date

For **B S R and Associates**
Chartered Accountants
(Firm Registration Number: 128901W)

Rajesh Arora
Partner
Membership No. 076124

Place: Gurugram
Date: November 27, 2020

For and on behalf of the Board of Directors of
Next Mediaworks Limited

Anup Sharma
Chief Financial Officer

Ramesh Menon
Chief Executive Officer

Diksha Singh
Company Secretary
Membership No.: A44999

Praveen Someshwar
Director
(DIN: 01802656)

Place: New Delhi
Date: November 27, 2020

FORM AOC-I

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)
Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in ₹)

(₹ in Lakhs)

1. Sl. No	1	2
2. Name of the subsidiary	Next Radio Limited	Syngience Broadcast Ahmedabad Limited
3. Reporting period for the subsidiary concerned, if different from the holding Company's reporting period	Not Applicable	Not Applicable
4. Date since when subsidiary was acquired	14-Oct-99	09-Apr-17
5. Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	Not Applicable	Not Applicable
6. Share capital	7,574.03	1,976.00
7. Reserves and surplus	(7,206.81)	(5.67)
8. Total assets	15,150.70	2,003.67
9. Total Liabilities	14,783.47	33.33
10. Investments including investment in subsidiary	1,976.00	-
11. Turnover *	5,741.50	16.56
12. Profit/ (loss) before taxation **	(5,041.89)	12.18
13. Provision for taxation	-	4.06
14. Profit/ (loss) after taxation	(5,041.89)	8.12
15. Proposed Dividend (includes Dividend Distribution Tax)	-	-
16. % of shareholding	51.40%	100.00%

* includes other income

** includes exceptional items

1. Names of subsidiaries which are yet to commence operations:- Not Applicable
2. Names of subsidiaries which have been liquidated or sold during the year:- Not Applicable

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures – Not Applicable

For and on behalf of the Board of Directors of
Next Mediaworks Limited

Anup Sharma
Chief Financial Officer

Ramesh Menon
Chief Executive Officer

Diksha Singh
Company Secretary
Membership No.: A44999

Praveen Someshwar
Director
(DIN: 01802656)

Place: New Delhi
Date: November 27, 2020

INDIA'S ONLY DIFFERENTIATED

RADIO NETWORK

INTERNATIONAL

94.3 RADIO ONE INTERNATIONAL

One World Your Station

DELHI, BANGALORE
MUMBAI

COOL RETRO

94.3 RADIO ONE

Phir wahi deewangi

KOLKATA

TAMIL

94.3 RADIO ONE

STYLE-A MASS-A GETH-A

CHENNAI

HYBRID BOLLYWOOD

95 RADIO ONE

Entertainment Ka Baap

AHMEDABAD

94.3 RADIO ONE

Entertainment Ka Baap

PUNE

NEXT MEDIAWORKS LIMITED

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Mumbai – 400013
E-mail: investor.communication@radioone.in
Website: www.nextmediaworks.com

a K&A creation | www.kalolwala.co.in

GHV & Co
Practising Company Secretaries
Prudent Professional. Practical Solutions.

Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED ON March 31, 2020
[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members,
Next Radio Limited
CIN: U32201MH1999PLC122233
Address: Unit 701 A, 7th Floor, Tower 2, Indiabulls Finance Centre
Senapati Bapat Marg, Elphinstone Road, Mumbai – 400 013

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Next Radio Limited** (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

Based on our verification *to the extent possible due to our inability to verify certain documents physically as a result of the country-wide lockdown announced by Government of India on account of COVID-19 pandemic,* of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information, confirmations and representations provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on **March 31, 2020** (hereinafter called 'Audit Period'), complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the Audit Period, according to the provisions of:

(i) Companies Act, 2013 (the "Act") and the rules made thereunder; and

(ii) other applicable laws such as:
   (a) Telecom Regulatory Authority of India Act, 1997;
   (b) Indian Telegraphy Act, 1885;
   (c) Indian Wireless Telegraphy Act, 1933;

We have also examined compliance with the applicable clauses the Secretarial Standards issued by the Institute of Company Secretaries of India.
During the period under review the Company has complied with all the applicable provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

Office Number 216, 2nd Floor, Pancharatna, Opera House, Charni Road (East), Mumbai 400 004. Contact Us: 022-40115434/ 8080457827/9322241040/ 9987495434
Email:partner@ghvandco.com

We report that in accordance with the provisions of Sections 197 and 198 read with Schedule V of the Act, Company has obtained approvals from its Members at the Extra-ordinary General Meeting held on May 14, 2020 to - (a) waive recovery of excess remuneration paid to Mr. Harshad Jain as Managerial Personnel during the period April 22, 2019 to March 31, 2020; and (b) approve payment of remuneration to Mr. Harshad Jain as Managerial Personnel for FY-21 and FY-22.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notices were given to all directors to schedule the Board & Committee Meetings and agenda & detailed notes on agenda were sent in accordance with the relevant provisions of the Act. Further, a system is in place for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Decisions at the meetings of the Board and Committees were taken unanimously.

We further report that based on limited verification and representation, there are adequate systems and processes in the company commensurate with its size and operations to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

GHV & Co. Practicing Company Secretary

Place: **Mumbai**
Date: 08.06.2020

Sd/-
Gopika Shah - Partner
GHV & Co., Practising Company Secretaries
FCS No.: 10416
C P No.: 11663
UDIN: F010416B000326688

This report is to be read with our letter of even date which is annexed as 'Annexure A' and forms an integral part of this report.

Office Number 216, 2nd Floor, Pancharatna, Opera House, Charni Road (East), Mumbai 400 004. Contact Us: 022-40115434/ 8080457827/9322241040/ 9987495434
Email:partner@ghvandco.com

'Annexure A'

To,
The Members,

Next Radio Limited

Our Secretarial Audit Report for the financial year ended on March 31, 2020 of even date is to be read along with this letter:

1. Maintenance of secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on reasonable basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices followed, provides a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedures to the extent possible.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.
7. We were unable to physically verify the statutory records of the Company due to lockdown announced by Government of India on account of COVID- 19

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Email:partner@ghvandco.com

pandemic. However, reliance was placed on records available at MCA portal/ shown to us electronically for verification of compliances.

Place: **Mumbai**
Date: 08.06.2020

Gopika Shah - Partner
GHV & Co., Practising Company Secretaries
C P No.: 1166 FCS No.: 10416
UDIN: F010416B000326688

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ADDENDUM TO FORM NO. MR-3

THE SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON MARCH 31, 2020

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,

The Members,

Next Radio Limited

In furtherance to the secretarial audit report issued by us dated 8, June, 2020 (bearing UDIN: F010416B000326688), we hereby report that we were informed by the management of the Company about postponement of Annual General Meeting scheduled to be held on September 17, 2020 due complaint received by the Company from an employee regarding anomalies in certain practices adopted in the radio business of the subsidiary i.e. Next Radio Limited which may have financial implications.

As informed to us, the Company had in accordance with the whistle blower policy taken up matter in audit committee and initiated the process of investigation by appointment of a law firm namely Khaithan and Co. A detailed investigation by the law firm along with the renowned Chartered Accountant firms was carried out.

As per the investigation report by the said law firm, the following anomalies were affirmed by the investigation:

- Practice of pre-billing (i.e. billing and booking revenue for services yet to be consumed/ delivered or burnt) for reporting higher revenue. Such billing remaining unconsumed/ undelivered
- Debtor ageing management by issuance of credit notes and new invoices to avoid higher provisioning for bad debts.
- Improper balance confirmation processes to establish audit trails, which largely remained unconfirmed during the confirmation process.
- Internal tracking of pre-billing amounts not reflecting in the system software like SAP.
- Potentially improper credit approvals including forced/ credit approval under protest at the instructions of leadership of the radio business.

Since the allegations contained in the Complaint were established in the affirmative, a financial impact analysis was also carried out. The analysis of financial impact was therefore

undertaken on radio business during the fact-finding investigation itself. The Investigation did not reveal existence of personal profiteering or siphoning of funds or embezzlement or misappropriation of funds or corruption or similar financial indiscipline. Further, the alleged practices are restricted to pure money segment of the radio business and thus, is restricted only to the radio business of the Company and the personnel working in the said business division. Some of the members of the senior management of the radio business were found to be aware of and were monitoring the said trackers, containing the details of the invoices being burned or adjusted against future orders. As per the same the entries regarding overstated revenues in the financials were identified and rectified. Accordingly, the Board of Directors at its meeting held on 27th November, 2020 has approved the revised financial statements for the financial year ended on 31st March 2020.

This report is to be read along with our aforementioned audit report issued by us earlier and no matters referred in the earlier report are changed or negated as a result of this addendum report.

Gopika Shah – Partner

GHV & Co., Practising Company Secretaries

FCS No.: 10416
C P No.: 11663
UDIN:F1010416B001331417

Place: Mumbai

Date: 27.11.2020

HT Mobile Solutions Limited

Special purpose audit

31 December 2020

B S R and Associates

Chartered Accountants

Building No. 10, 12th Floor, Tower-C,
DLF Cyber City, Phase – II,
Gurugram – 122 002, India

Telephone: +91 124 719 1000
Fax: +91 124 235 8613

Independent Auditor's Report

To the Board of Directors of HT Mobile Solutions Limited

Report on Special Purpose Financial Information

Opinion

We have audited the accompanying special purpose financial information of HT Mobile Solutions Limited ("the Company"), which comprises the special purpose balance sheet as at 31 December 2020, the special purpose statement of profit and loss (including other comprehensive income), the special purpose statement of cash flows and the special purpose statement of changes in equity for the period 1 April 2020 to 31 December 2020, and a summary of the significant accounting policies and other explanatory information (together herein after referred to as "special purpose financial information").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid special purpose financial information is prepared, in all material respects, in accordance with the basis of preparation as set out in Note 2.1 to the special purpose financial information.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013 ('Act'). Our responsibilities under those SAs are further described in the *Auditors' Responsibilities for the Audit of the Special Purpose Financial Information* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the special purpose financial information under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the special purpose financial information.

Emphasis of Matter - Basis of Accounting and Restriction on Use

We draw attention to Note 2.1 to the special purpose financial information, which describes the basis of accounting, including the approach to and purpose of preparing them. The special purpose financial information has been prepared by the management solely for the purpose of filing with stock exchanges (NSE and BSE) pursuant to the scheme of merger of the Company with HT Media Limited. As a result, the special purpose financial information may not be suitable for another purpose.

Our report is issued solely for the aforementioned purpose and accordingly may not be suitable for any other purpose, and should not be used, referred to or distributed for any other purpose or to any other party

without our prior written consent. Further, we do not accept or assume any liability or any duty of care for any other purpose or to any other person, except as stated above, to whom this report is shown or into whose hands it may come without our prior consent in writing.

Our opinion is not modified in respect of this matter.

Responsibilities of Management and Those Charged with Governance for the Special Purpose Financial Information

Management is responsible for the preparation of the special purpose financial information in accordance with basis described in Note 2.1 of the special purpose financial information, and for such internal control as management determines is necessary to enable the preparation of special purpose financial information that are free from material misstatement, whether due to fraud or error.

In preparing the special purpose financial information, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditors' Responsibilities for the Audit of the Special Purpose Financial Information

Our objectives are to obtain reasonable assurance about whether the special purpose financial information as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these special purpose financial information.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the special purpose financial information, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report

to the related disclosures in the special purpose financial information or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

For **B S R and Associates**
Chartered Accountants
Firm's Registration No.:128901W

Rajesh Arora
Partner
Membership No.: 076124
UDIN: 21076124AAAAAS3800

Place: Gurugram
Date: 23 February 2021

HT Mobile Solutions Limited
Special Purpose Balance Sheet as at December 31, 2020

	Notes	As at December 31, 2020 (Rs. in '000)
I ASSETS		
1) Non-current assets		
(a) Property, plant and equipment	3	424
(b) Intangible assets	4	112
(c) Financial assets		
(i) Investments	5A	6,108
(ii) Loans	5B	112,000
(d) Deferred tax assets (net)	15	35,575
(e) Income tax assets (Net)	6	4,587
Total non- current assets		**158,806**
2) Current assets		
(a) Financial assets		
(i)Trade receivables	7	29,113
(ii)Cash and cash equivalents	8	47,101
(iii)Loans	5B	30,150
(iv)Other financial assets	5C	24,152
(b) Other current assets	9	63,098
Total current assets		**193,614**
TOTAL ASSETS		**352,420**
II EQUITY AND LIABILITIES		
1) Equity		
(a) Equity share capital	10	354,586
(b) Other equity	11	(120,186)
Total equity		**234,400**
2) Liabilities		
Non-current liabilities		
(a) Provisions	13	595
Total Non-current liabilities		**595**
Current liabilities		
(a) Financial liabilities		
(i) Trade payables	12A	106,019
(ii) Other financial liabilities	12B	8,965
(b) Provisions	13	232
(c) Other current liabilities	14	2,209
Total current liabilities		**117,425**
Total liabilities		**118,020**
TOTAL EQUITY AND LIABILITIES		**352,420**
Summary of significant accounting policies	**2**	

See accompanying notes to the special purpose financial information.
In terms of our report of even date attached

For B S R and Associates
Chartered Accountants
(ICAI Firm registration Number: 128901W)

Rajesh Arora
Partner
Membership No. 076124

Place: Gurugram
Date: February 23, 2021

For and on behalf of the Board of Directors of
HT Mobile Solutions Limited

Piyush Gupta
Director
(DIN: 03155591)

Sandeep Rao
Director
(DIN: 08711910)

Zairus Master
Chief Executive Officer

Rahul Garg
Chief Financial Officer

Place: New Delhi
Date: February 23, 2021

HT Mobile Solutions Limited
Special Purpose Statement of Profit and Loss for nine months ended December 31, 2020

	Particulars	Notes	Nine months ended December 31, 2020 (Rs. in '000)
I	**Income**		
	a) Revenue from operations	16	246,976
	b) Other Income	17	28,730
	Total Income		**275,706**
II	**Expenses**		
	a) Employee benefits expense	18	6,457
	b) Finance costs	19	105
	c) Depreciation and amortization expense	20	209
	d) Other expenses	21	221,173
	Total expenses		**227,944**
III	**Profit before tax (I-II)**		**47,762**
IV	**Earnings before finance cost, tax, depreciation and amortization (EBITDA) [III+II(b)+II(c)]**		**48,076**
V	**Tax expense:**		
	(1) Current tax	15	-
	(2) Deferred tax charge	15	14,577
	Total tax expense		14,577
VI	**Profit for the period (III-V)**		**33,185**
VII	**OTHER COMPREHENSIVE INCOME**		
	Items that will not to be reclassified subsequently to profit or loss		
	- Remeasurement of defined benefit plans	22	(41)
	- Income tax effect		11
	Other comprehensive income for the period, net of tax		**(30)**
VIII	**Total Comprehensive Income for the period, net of tax (VI+VII)**		**33,155**
IX	**Earnings per equity share**		
	Basic (Nominal value of shares Rs. 10/-)	23	0.94
	Diluted (Nominal value of shares Rs. 10/-)	23	0.94
	Summary of significant accounting policies	2	

See accompanying notes to the special purpose financial information.
In terms of our report of even date attached

For B S R and Associates
Chartered Accountants
(ICAI Firm registration Number: 128901W)

Rajesh Arora
Partner
Membership No. 076124

Place: Gurugram
Date: February 23, 2021

For and on behalf of the Board of Directors of HT Mobile Solutions Limited

Piyush Gupta
Director
(DIN: 03155591)

Sandeep Rao
Director
(DIN: 08711910)

Zairus Master
Chief Executive Officer

Rahul Garg
Chief Financial Officer

Place: New Delhi
Date: February 23, 2021

HT Mobile Solutions Limited
Special Purpose Cash Flow Statement for nine months ended December 31, 2020

Particulars	Notes	Nine months ended December 31, 2020 (Rs. in '000)
Cash flows from operating activities:		
Profit before tax		47,762
Adjustments for:		
Depreciation and amortization		209
Loss on disposal of property, plant and equipment		24
Interest income from deposits and others		(9,177)
Loss on account of fair value of investments classified at FVTPL		3,192
Unclaimed balances/liabilities written back		(19,131)
Impairment for doubtful debts and advances/ (Reversal of Impairment against doubtful debts and advances)		(422)
Cash flows from operating activities before changes in following assets and liabilities		**22,457**
Changes in operating assets and liabilities:		
(Increase)/decrease in trade receivables		(24,268)
(Increase)/decrease in current and non-current financial assets and other current and non-current assets		81,179
Increase/(decrease) in current and non-current financial liabilities and other current and non-current liabilities and provisions		14,897
Total cash from operations		**94,265**
(Income taxes paid)/refund		43,163
Net cash flows from operating activities (A)		**137,428**
Cash flows from investing activities:		
Purchase of investments		(3,300)
Inter corporate deposits given		(112,000)
Interest received on inter corporate deposit given		113
Interest received on deposits		1,527
Net cash flows used in investing activities (B)		**(113,660)**
Net cash flows from/(used in) financing activities (C)		**-**
Net increase/(decrease) in cash and cash equivalents (D= A+B+C)		23,768
Cash and cash equivalents at the beginning of the period (E)		23,333
Cash and cash equivalents at period end (D+E)		**47,101**

Particulars	Notes	Nine months ended December 31, 2020 (Rs. in '000)
Component of cash and cash equivalent as at end of the period		
Balances with banks		
- on current accounts		601
- on deposit accounts		46,500
Total Cash and cash equivalents		**47,101**

See accompanying notes to the special purpose financial information.
In terms of our report of even date attached

For B S R and Associates
Chartered Accountants
(ICAI Firm registration Number: 128901W)

Rajesh Arora
Partner
Membership No. 076124

Place: Gurugram
Date: February 23, 2021

For and on behalf of the Board of Directors of HT Mobile Solutions Limited

Pivush Gupta
Director
(DIN: 03155591)

Sandeep Rao
Director
(DIN: 08711910)

Zairus Master
Chief Executive Officer

Rahul Garg
Chief Financial Officer

Place: New Delhi
Date: February 23, 2021

HT Mobile Solutions Limited
Special Purpose Statement of changes in equity for nine months ended December 31, 2020

A. EQUITY SHARE CAPITAL (Refer Note 10)

Equity Shares of Rs. 10 each issued, subscribed and fully paid up

Particulars	Equity share Capital	
	Number	(Rs. in '000)
Balance as at April 1, 2020	35,458,598	354,586
Change during the period	-	-
Balance as at December 31, 2020	35,458,598	354,586

B. OTHER EQUITY ATTRIBUTABLE TO EQUITY HOLDERS (Refer Note 11)

Particulars	Reserve & Surplus		Capital Reserve	Total
	Securities premium reserve	Retained earnings/ General Reserve		(Rs. in '000)
Balance as at April 1, 2020	23,911	(176,009)	(1,243)	(153,341)
Change during the period	-	33,185	-	33,185
Items of gain of other comprehensive income recognised directly in retained earnings				
- Remeasurements of defined benefits obligation, net of tax	-	(30)	-	(30)
Balance as at December 31, 2020	23,911	(142,854)	(1,243)	(120,186)

See accompanying notes to the special purpose financial information.

In terms of our report of even date attached

For B S R and Associates
Chartered Accountants
(ICAI Firm registration Number: 128901W)

Rajesh Arora
Partner
Membership No. 076124

Place: Gurugram
Date: February 23, 2021

For and on behalf of the Board of Directors of HT Mobile Solutions Limited

Piyush Gupta
Director
(DIN: 03155591)

Sandeep Rao
Director
(DIN: 08711910)

Zairus Master
Chief Executive Officer

Rahul Garg
Chief Financial Officer

Place: New Delhi
Date: February 23, 2021

HT Mobile Solutions Limited
Notes forming part of special purpose financial information for period ended 31 December 2020

1. Corporate information

HT Mobile Solutions Limited ("The Company" or "HTMS") is a public company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India having investment through HT Digital Media Holdings Limited to carry out mobile marketing, social media marketing, advertising, mobile CRM and loyalty campaigns, mobile music content and ring tones and integrates with other media campaigns and strategies.

The registered office of the Company is located at Hindustan Times House, 18-20, Kasturba Gandhi Marg, New Delhi-110001.

The special purpose financial information of the Company for the period ended 31st December, 2020 were authorised for issue in accordance with a resolution of the Board of Directors on February 23, 2021.

2. Significant accounting policies followed by the company

2.1Basis of preparation

This special purpose financial information for the period 1 April 2020 to 31 December 2020 have been prepared in accordance with measurement and recognition principles of Indian Accounting Standards (Ind AS) 34 specified under Section 133 of the Companies Act, 2013. Accordingly, these special purpose financial information do not include the relevant comparative financial information as required by Ind AS 34 and are not and do not purport to be complete or condensed set of financial information prepared under Ind AS.

A scheme of amalgamation u/s 230-232 of the Companies Act, 2013 which provides for merger of Digicontent Limited (DCL), Next Mediaworks Limited (NMW), HT Mobile Solutions Limited (HTMS) with HT Media Limited (HTML) ("Scheme"), has been approved by the Board of Directors of respective companies at their meeting held on February 11, 2021. These special purpose financial information have been prepared for the purpose of filing with stock exchanges pursuant to the above mentioned merger scheme.

However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Company's financial position and performance since the last annual financial information.

The accounting policies are applied consistently to all the periods presented in the special purpose financial information.

The special purpose financial information have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value:

- Defined benefit plans - plan assets measured at fair value;
  Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments),

The special purpose financial information are presented in Indian Rupees (INR), which is also the Company's functional currency. All amounts disclosed in the financial information and notes have been rounded off to the nearest thousands as per the requirement of Schedule III, unless otherwise stated.

2.2Summary of significant accounting policies

a) Current versus non- current classification

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The Company presents assets and liabilities in the balance sheet based on current and non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the display of advertisement on website and delivery of content and their realization in cash and cash equivalent. The Company has identified 12 months as its operating cycle.

b) Foreign currencies

Transactions in foreign currencies are initially recorded by the Company at their respective functional currency spot rates at the date the transaction first qualifies for recognition. However, for practical reasons, the Company uses an average rate if the average approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on the settlement of monetary items or on restatement of the Company's monetary items at rates different from those at which they were initially recorded during the period, or reported in previous financial information, are recognized as income or as expenses in the period in which they arise.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

c) Fair value measurement

The Company measures certain financial instruments such as, derivatives and certain investments at fair value at each reporting/ balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or

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- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.
The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the special purpose financial information are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly
- Level 3 — Valuation techniques for which inputs are unobservable inputs for the asset or liability

For assets and liabilities that are recognised in the special purpose financial information on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

d) Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company (i.e., transfers control of the related services to the customer) and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured based on the transaction price, which is the consideration, adjusted for allowances, trade discounts, volume rebates, if any, as specified in the contract with the customer. Revenue excludes taxes collected from customers. The Company has concluded that it is the principal in all of its revenue arrangements since it is the primary obligor in all the revenue arrangements as it has pricing latitude and is also exposed to inventory and credit risks.

Goods and Service tax / Service tax is not received by the Company on its own account. Accordingly, it is excluded from revenue.

Contract asset and unbilled receivables
Contract asset represents the Company's right to consideration in exchange for services that the Company has transferred to a customer when that right is conditioned on something other than the passage of time.

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When there is unconditional right to receive cash, and only passage of time is required to do invoicing, the same is presented as unbilled receivable.

A contract liability is recognised if a payment is received or a payment is due (whichever is earlier) from a customer before the Company transfers the related goods or services. Contract liabilities are recognised as revenue when the Company performs under the contract.

The specific recognition criteria described below must also be met before revenue is recognised.

Revenue from services
Revenue from services is recognised basis music and video content monetised during the month through various publishers (websites).

Revenue from SMS pushes/voice calls
Revenue is recognised after the delivery of SMS pushes/voice calls.

Revenue from Content
Revenue is recognised basis of log records of operators.

Interest income
Interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in other income in the statement of profit and loss.

e) Taxes

Current income tax

Tax expense is the aggregate amount included in the determination of profit or loss for the period in respect of current tax and deferred tax.

Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961.

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

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Deferred tax is provided considering temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences except:

• When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss

• In respect of taxable temporary differences associated with investments in subsidiaries and associates, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

• When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss. Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

GST / value added taxes paid on acquisition of assets or on incurring expenses

Expenses and assets are recognised net of the amount of sales tax / value added taxes/ goods and service tax paid, except:

- When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable
- When receivables and payables are stated with the amount of tax included

The net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

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f) Property, plant and equipment

Property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met.

Cost comprises the purchase price, borrowing costs (if any) if capitalization criteria are met and any directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Recognition:

The cost of an item of property, plant and equipment shall be recognised as an asset if, and only if:

a) it is probable that future economic benefits associated with the item will flow to the entity;
and
b) the cost of the item can be measured reliably.

All other expenses on existing assets, including day-to day- repairs and maintenance expenditure and cost of replacing arts, are charged to the Statement of Profit and Loss for the period during which such expenses are incurred.

Depreciation on property, plant and equipment is provided on a Straight Line Method over its economic useful lives of the assets as follows:

Type of asset	**Useful lives estimated by management (Years)**
General plant and machinery	3 – 6
Furniture and fixtures	2-10
Leasehold improvements	amortized over the lease period

The Company, based on technical assessment made by the management every year, depreciates certain plant and machinery over estimated useful lives which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

Property, Plant and Equipment which are added/disposed off during the period, depreciation is provided on pro-rata basis with reference to the month of addition/deletion.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised.

Subsequent expenditure can be capitalised only if it is probable that future economic benefits associated with the expenditure will flow to the company.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

g) Intangible assets

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Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses. Internally generated intangibles, excluding capitalized development costs, are not capitalized and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortization period or method, as appropriate, and are treated as changes in accounting estimates. The amortization expense on intangible assets with finite lives is recognized in the Statement of Profit and Loss.

Intangible assets with indefinite useful lives are not amortized, but are tested for impairment annually either individually or at the cash generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the income statement when the asset is derecognized.

Intangible assets with finite lives are amortised on straight line basis using the estimated life as follows:

Intangible Assets	**Useful Life (in Years)**
Software Licenses	6

h) Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

i) Impairment of non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset,

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unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded Company's or other available fair value indicators.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the entity operates, or for the market in which the asset is used.

Impairment losses of continuing operations, including impairment on inventories, are recognised in the statement of profit and loss.

An assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the Statement of Profit or Loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

Intangible assets with indefinite useful lives are tested for impairment annually at the CGU level, as appropriate, and when circumstances indicate that the carrying value may be impaired.

j) Employee benefits

Short term employee benefits and defined contribution plans:

All employee benefits payable/available within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages and bonus etc. are recognised in the statement of profit and loss in the period in which the employee renders the related service.

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for

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service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

Gratuity

Gratuity is a defined benefit scheme. The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognised in profit or loss on the earlier of:
- The date of the plan amendment or curtailment, and
- The date that the Company recognises related restructuring cost

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset.

The Company recognises the following changes in the net defined benefit obligation as an expense in the Statement of profit and loss:
- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

Termination benefits

Termination benefits are payable when employment is terminated by the company before the normal retirement date. The Company recognises termination benefits at the earlier of the following dates: (a) when the Company can no longer withdraw the offer of those benefits; and (b) when the Company recognises costs for a restructuring that is within the scope of Ind AS 37 and involves the payment of terminations benefits. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value.

Compensated Absences

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The Company treats leaves expected to be carried forward for measurement purposes. Such compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred. The Company presents the entire leave as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for 12 months after the reporting date. Where Company has the unconditional legal and contractual right to defer the settlement for a period beyond 12 months, the same is presented as non- current liability.

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k) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement

All financial assets (Other than trade receivable which is recognised at transaction price as per Ind AS 115) are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Subsequent measurement

Debt instruments at amortised cost

For purposes of subsequent measurement, Debt instruments are measured at amortised cost.

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables.

Equity investments

All equity investments in scope of Ind-AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind-AS 103 applies are Ind-AS classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on Initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

Derecognition

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A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Impairment of financial assets

In accordance with Ind-AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

a) Financial assets that are debt instruments, and are measured at amortised cost e.g. loans, debt securities, deposits, trade receivables and bank balance
b) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind-AS 115 (referred to as 'contractual revenue receivables' in these special purpose financial information).

The Company follows 'simplified approach' for recognition of impairment loss allowance on:

- Trade receivables or contract revenue receivables;

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

As a practical expedient, the Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically

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observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss. This amount is reflected under the head 'other expenses' in the Profit and Loss. The balance sheet presentation for various financial instruments is described below:

Financial assets measured as at amortised cost, contractual revenue receivables and lease receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount. For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

The Company does not have any purchased or originated credit-impaired (POCI) financial assets, i.e., financial assets which are credit impaired on purchase/ origination.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, as appropriate. All financial liabilities are recognised initially at fair value and, in the case of and payables, net of directly attributable transaction costs.

The Company's financial liabilities mainly include trade and other payables.

Subsequent measurement

Trade and other payables are subsequently measured at amortised cost using the effective interest method.

De-recognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit or Loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

I) Leases

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A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

The Company recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Company is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. The Company recognises the amount of the re-measurement of lease liability due to modification as an adjustment to the right-of-use asset and statement of profit and loss depending upon the nature of modification. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognises any remaining amount of the re-measurement in statement of profit and loss.
The Company has elected not to apply the requirements of Ind AS 116 to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognised as an expense on a straight-line basis over the lease term.

As a practical expedient a lessee (the company) has elected, by class of underlying asset, not to separate lease components from any associated non-lease components. A lessee (the company) accounts for the lease component and the associated non-lease components as a single lease component.

Company as a lessor

At the inception of the lease the Company classifies each of its leases as either an operating

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lease or a finance lease. The Company recognises lease payments received under operating leases as income on a straight- line basis over the lease term. In case of a finance lease, finance income is recognised over the lease term based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the lease.

m) Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalent consists of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

n) Measurement of EBITDA

The Company has elected to present earnings before interest, tax, depreciation and amortization (EBITDA) as a separate line item on the face of the statement of profit and loss. The company measures EBITDA on the basis of profit/ (loss) from continuing operations. In its measurement, the Company does not include depreciation and amortization expense, finance costs and tax expense.

o) Contingent Liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non–occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the special purpose financial information. Contingent assets are only disclosed when it is probable that the economic benefits will flow to the entity.

p) Earnings Per Share

Basic earnings per share

Basic earnings per share are calculated by dividing:

-the profit attributable to equity holders of the Company
-by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares.

Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- The after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and

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- The weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

2.3 Significant accounting judgments, estimates and assumptions

The preparation of the Company's special purpose financial information requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

The areas involving critical estimates or judgment are as below:

Taxes

Uncertainties exist with respect to the interpretation of complex tax regulations, changes in tax laws, and the amount and timing of future taxable income. Given the wide range of business relationships and the long-term nature and complexity of existing contractual agreements, differences arising between the actual results and the assumptions made, or future changes to such assumptions, could necessitate future adjustments to tax income and expense already recorded. The Company establishes provisions, based on reasonable estimates. The amount of such provisions is based on various factors, such as experience of previous tax assessments and differing interpretations of tax regulations by the taxable entity and the responsible tax authority. Such differences of interpretation may arise on a wide variety of issues depending on the conditions prevailing in the respective domicile of the Companies.

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

Further details on taxes are disclosed in Note 15.

Defined benefit plans

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

The mortality rate is based on publicly available mortality tables for the specific countries. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates for the respective countries.

Fair value measurement of financial instruments

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When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

Impairment of financial assets

The impairment provisions for financial assets are based on assumptions about risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

Impairment of Non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or CGU's fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent markets transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded subsidiaries or other available fair value indicators.

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HT Mobile Solutions Limited
Special Purpose Notes to financial information for nine months ended December 31, 2020

Note 3 : Property, plant and equipment

(Rs. in '000)

Particulars	Improvement to leasehold premises	Plant and machinery	Furniture and fixtures	Total
Cost				
As at April 1, 2020	472	9,658	17	10,147
Additions during the period	-	-		-
Less : Disposals/ adjustments	472	160	-	632
As at December 31, 2020	-	9,498	17	9,515
Accumulated Depreciation/ Impairment				
As at April 1, 2020	457	9,211	10	9,678
Charge for the period	3	17	2	22
Less : Disposals/ adjustments	460	149	-	609
As at December 31, 2020	-	9,079	12	9,091
Net Block				
As at December 31, 2020	-	419	5	424
As at April 1, 2020	15	447	7	469

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HT Mobile Solutions Limited
Special Purpose Notes to financial information for nine months ended December 31, 2020

Note 4 : Intangible assets

(Rs. in '000)

Particulars	Software licenses	Non compete fees	Total
Gross carrying amount			
As at April 1, 2020	11,430	1,391	12,821
Additions during the period	-	-	-
Less : Disposals/ adjustments	-	-	-
As at December 31, 2020	11,430	1,391	12,821
Accumulated Amortization/ Impairment			
As at April 1, 2020	11,135	1,387	12,522
Charge for the period	187	-	187
As at December 31, 2020	11,322	1,387	12,709
Net carrying amount			
As at December 31, 2020	108	4	112
As at April 1, 2020	295	4	299

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HT Mobile Solutions Limited
Special Purpose Notes to financial information for nine months ended December 31, 2020

Note 5A : Investments (Rs. in '000)

Particulars	As at December 31, 2020
Investments at fair value through profit and loss	
Unquoted	
Investment in equity instruments and warrants (refer note 24)	5,600
Quoted	
Investment in equity instruments and warrants (refer note 24)	508
Total investments	**6,108**
Current	-
Non - current	**6,108**
Aggregate book value of quoted investments	508
Aggregate market value of quoted investments	508
Aggregate value of unquoted investments	5,600

Note 5B :Loans (Rs. in '000)

Particulars	As at December 31, 2020
Unsecured considered good at amortised cost	
Inter- corporate loan given to related parties (refer note 25A)	142,000
Security deposit	150
Total Loans	**142,150**
Current	30,150
Non - Current	112,000

Particulars	As at December 31, 2020
Secured, considered good	-
Unsecured, considered good	142,150
Total	**142,150**

Note 5C : Other financial assets (Rs. in '000)

Particulars	As at December 31, 2020
Other financial assets (at amortised cost)	
Interest accrued on inter-company deposits (refer note 25A)	4,542
Unbilled receivable	6,293
Other receivables from related party (refer note 25A)	13,317
Total Other Financial Assets	**24,152**
Current	24,152
Non - Current	-

Note 6 : Income tax assets (net) (Rs. in '000)

Particulars	As at December 31, 2020
Income tax assets (net) [related to current tax]	4,587
Current	-
Non-Current	**4,587**

Note 7 : Trade Receivables (Rs. in '000)

Particulars	As at December 31, 2020
Trade receivables	29,103
Receivables from related parties (refer note 25A)	10
Total trade receivables	**29,113**
Current	**29,113**
Non - Current	-

(Rs. in '000)

Particulars	As at December 31, 2020
Secured, considered good	-
Unsecured, considered good	29,113
Unsecured, considered doubtful	9,192
Total	**38,305**
Loss allowance for bad & doubtful debts	**9,192**
Total trade receivables	**29,113**

No trade receivable is due from directors or other officers of the Company either severally or jointly with

Note 8 : Cash and cash equivalents (Rs. in '000)

Particulars	As at December 31, 2020
Balance with banks :	
- On current accounts	601
- Deposit with original maturity of three months or less	46,500
Total	**47,101**

Short-term deposits are made for varying periods of between one day and three months, depending on the immediate cash requirements of the Company and earn interest at the respective short-term deposit rates.

Note 9 : Other current assets (Rs. in '000)

Particulars	As at December 31, 2020
Prepaid expenses	50
Balance with statutory/government authorities	63,048
Total	**63,098**

Break up of financial assets carried at amortised cost (Rs. in '000)

Particulars	As at December 31, 2020
Trade receivables (Note 7)	29,113
Cash and cash equivalents (Note 8)	47,101
Loans (Note 5B)	142,150
Other financial assets (Note 5C)	24,152
Total financial assets carried at amortised cost	**242,516**

B S R and Associates Gurugram

HT MOBILE SOLUTIONS LTD. NEW DELHI

HT Mobile Solutions Limited
Special Purpose Notes to financial information for nine months ended December 31, 2020

Note 10 : Share capital

Authorised share capital

Equity share capital

Particulars	No. of shares	(Rs. in '000)
At April 1, 2020	**41,000,000**	**410,000**
Increase/(decrease) during the period	-	-
At December 31, 2020	**41,000,000**	**410,000**

Terms/ rights attached to equity shares
The Company has only one class of equity share having par value of Rs.10 each per share. Each holder of equity share is entitled to one vote per share. The Company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders

Optionally Convertible Cumulative Preference Shares (OCCPS) of Rs. 0.10 each

Particulars	No. of shares	(Rs. in '000)
At April 1, 2020	**50,000,000**	**5,000**
Increase/(decrease) during the period	-	-
At December 31, 2020	**50,000,000**	**5,000**

Issued and subscribed capital

Equity shares capital

Equity shares of Rs. 10 each issued, subscribed & fully paid	No. of shares	(Rs. in '000)
At April 1, 2020	**35,458,598**	**354,586**
Changes during the period	-	-
At December 31, 2020	**35,458,598**	**354,586**

Reconciliation of the equity shares outstanding at the beginning and at the end of the period :

Particulars	December 31, 2020	
	No. of shares	Amount
		(Rs. in '000)
Shares outstanding at the beginning of the period	35,458,598	354,586
Equity shares issued during the period	-	-
Shares outstanding at the end of the period	**35,458,598**	**354,586**

S R and Associates Gurugram

HT MOBILE SOLUTIONS LTD. NEW DELHI

HT Mobile Solutions Limited
Special Purpose Notes to financial information for nine months ended December 31, 2020

Shares held by holding/ ultimate holding Company and/ or their subsidiaries/ associates
Out of equity shares issued by the Company, shares held by its holding Company, ultimate holding Company and their subsidiaries/ associates are as below:

Particulars	31-Dec-20 (Rs. in '000)
Equity Shares of Rs. 10 each of fully paid:	
HT Digital Media Holdings Limited, Holding Company # 32,171,158 equity shares of Rs. 10 each fully paid	321,712
HT Media Limited, Holding Company of HT Digital Media Holdings Limited # 2,990,653 equity shares of Rs. 10 each fully paid	29,907

Details of shareholders holding more than 5% shares in the Company

Particulars	As at 'December 31, 2020	
	No. of shares	% holding in the No in class
Equity Shares with voting rights:		
HT Digital Media Holdings Limited, Holding Company # 32,171,158 equity shares of Rs. 10 each fully paid	32,171,158	90.73%
HT Media Limited, Holding Company of HT Digital Media Holdings Limited # 2,990,653 equity shares of Rs. 10 each fully paid	2,990,653	8.43%

As per records of the Company including its register of shareholders/members, the above shareholding represents legal ownerships of shares.

B S R and Associates Gurugram

HT MOBILE SOLUTIONS LTD. NEW DELHI

HT Mobile Solutions Limited
Special Purpose Notes to financial information for nine months ended December 31, 2020

Note 11 : Other equity **(Rs. in '000)**

Particulars	As at December 31, 2020
Securities premium	23,911
Capital reserve	(1,243)
Retained earnings & general reserves	(142,854)
Total	**(120,186)**

Securities premium

Particulars	(Rs. in '000)
At April 1, 2020	**23,911**
Changes during the period	-
At December 31, 2020	**23,911**

Retained earnings & general reserves **(Rs. in '000)**

Particulars	Retained earnings	General reserves	Total
At April 1, 2020	**(176,043)**	**34**	**(176,009)**
Net Profit for the period	33,185	-	**33,185**
Items of gain of other comprehensive income recognised directly in retained earnings			
- Remeasurements of defined benefits obligation, net of tax	(30)	-	**(30)**
At December 31, 2020	**(142,888)**	**34**	**(142,854)**

Capital reserve*

Particulars	(Rs. in '000)
At April 1, 2020	**(1,243)**
Changes during the period	-
At December 31, 2020	**(1,243)**

* In relation to merger of HT Campus undertaking of Firefly e-Ventures Limited.

B S R and Associates Gurugram

HT MOBILE SOLUTIONS LTD. NEW DELHI

HT Mobile Solutions Limited
Special Purpose Notes to financial information for nine months ended December 31, 2020

Note 12A : Trade payables

(Rs. in '000)

Particulars	As at December 31, 2020
Trade Payables	4,941
- payable to related parties (refer note 25A)	101,078
- Payable to others	**106,019**
Total	**106,019**
Current	**-**
Non- Current	

Note 12B : Other financial liabilities

(Rs. in '000)

Particulars	As at December 31, 2020
Other financial liabilities at amortised cost	
Employee payables	2,155
Security deposit	6,810
Total financial liabilities carried at amortised cost	**8,965**
Current	**8,965**
Non- Current	**-**

Note 13 : Provisions

(Rs. in '000)

Particulars	As at December 31, 2020
Provision for employee benefits	
Provision for compensated absences	161
Provision for gratuity	666
Total Provisions	**827**
Current	**232**
Non- current	**595**

Note 14 : Other liabilities

(Rs. in '000)

Particulars	As at December 31, 2020
Customers and agents balances	1,575
Statutory dues	634
Total other current liabilities	**2,209**
Current	**2,209**
Non- Current	**-**

Note 15 : Income Tax

The major components of income tax expense for the period ended December 31, 2020 are :

Statement of profit and loss :

(Rs. in '000)

Particulars	As at December 31, 2020
Current income tax	-
Deferred tax charge	14,577
Income tax expense reported in the statement of profit and loss	**14,577**

OCI section :

Deferred tax related to items recognised in OCI during the period ended December 31, 2020:

(Rs. in '000)

Particulars	As at December 31, 2020
Income tax credit on remeasurements of defined benefit plans	(11)
Income tax charged to OCI	**(11)**

Reconciliation of deferred tax assets (net):

(Rs. in '000)

Particulars	As at December 31, 2020
At April 1, 2020	50,141
Tax income/(expense) during the period recognised in statement of profit and loss	(14,566)
At December 31, 2020	**35,575**

B S R and Associates Gurugram

HT MOBILE SOLUTIONS LTD. NEW DELHI

HT Mobile Solutions Limited
Special Purpose Notes to financial information for nine months ended December 31, 2020

Note 16 : Revenue from operations

Particulars	(Rs. in '000) Nine months ended December 31, 2020
Sales of services - digital services	243,676
Other Operating revenue	
- Forfeiture of security deposit	3,300
Total	**246,976**

Note 17 : Other income

Particulars	(Rs. in '000) Nine months ended December 31, 2020
Interest income on EIR method	
- Bank deposits	1,527
- Interest on inter corporate deposit	4,444
- Income tax refund	3,206
Other non - operating income	
Unclaimed balances/liabilities written back	19,131
Reversal of Impairment against doubtful debts and advances	422
Total	**28,730**

Note 18 : Employee benefits expense

Particulars	(Rs. in '000) Nine months ended December 31, 2020
Salaries, wages and bonus	6,057
Contribution to provident and other funds	242
Gratuity expense	146
Workmen and staff welfare expenses	12
Total	**6,457**

Note 19 : Finance costs

Particulars	(Rs. in '000) Nine months ended December 31, 2020
Bank charges	105
Total	**105**

Note 20 : Depreciation and amortization expense

Particulars	(Rs. in '000) Nine months ended December 31, 2020
Depreciation on property, plant and equipment (Refer Note 3)	22
Amortization of intangible assets (Refer Note 4)	187
Total	**209**

Note 21 : Other expenses

Particulars	(Rs. in '000) Nine months ended December 31, 2020
Rates and taxes	2,364
Insurance	74
Repairs and maintenance:	
- Plant and machinery	-
Travelling and conveyance	1,779
Communication costs	179
Legal and professional fees	3,079
Payment to auditor (refer details below)	1,250
Foreign exchange fluctuation loss (net)	267
Impairment for doubtful debts and advances (includes bad debts written off)	-
Loss on sale/discard of property, plant and equipment	24
Services for mobile and music content	208,851
Loss on account of fair value of investments classified at FVTPL	3,192
Miscellaneous expenses	114
Total	**221,173**

Payment to auditors

Particulars	(Rs. in '000) Nine months ended December 31, 2020
As auditor :	
- Audit fee	1,175
- Tax audit fee	37
- Reimbursement of expenses	38
Total	**1,250**

B S R and Associates Gurugram

HT MOBILE SOLUTIONS LTD NEW DELHI

HT Mobile Solutions Limited
Special Purpose Notes to financial information for nine months ended December 31, 2020

Note 22 : Other Comprehensive Income
The disaggregation of changes to OCI by each type of reserve in equity is shown below :

During the period ended December 31, 2020

(Rs. in '000)

Particulars	Retained earnings	Total
Re- measurement gains(losses) on defined benefit plans	(41)	(41)
Income tax relating to items that will not be reclassified subsequently to profit or loss	11	11
Total	**(30)**	**(30)**

Note 23 : Earnings per share (EPS)
Basic EPS amounts are calculated by dividing the profit for the nine months period attributable to equity holders of the Company by the weighted average number of Equity shares outstanding during the period.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of Equity shares outstanding during the period plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

The following reflects the income and share data used in the basic and diluted EPS computations:

(Rs. in '000 except earnings per share)

Particulars	Nine months ended December 31, 2020
Profit attributable to equity holders for basic earnings	33,185
Profit attributable to equity holders adjusted for the effect of dilution	**33,185**
Weighted average number of equity shares for basic EPS (No.)	35,458,598
Weighted average number of equity shares adjusted for the effect of dilution (No.)	**35,458,598**
Earning per share	
Basic EPS (Rs.)	**0.94**
Diluted EPS (Rs.)	**0.94**

B S R and Associates Gurugram

HT MOBILE SOLUTIONS LTD. NEW DELHI

HT Mobile Solutions Limited
Special Purpose Notes to financial information for nine months ended December 31, 2020

Note 24 : Fair value
Set out below, is a comparison by class of the carrying amounts and fair value of the companies financial instruments, other than those with carrying amounts that are reasonable approximations of fair values:

(Rs. in '000)

Particulars	Carrying Value December 31, 2020	Fair value December 31, 2020	Fair value mechanism Hierarchy level
Financial assets measured at fair value through profit and loss (FVTPL)			
Investment in equity instruments and warrants - Unquoted (refer note 5A)	5,600	5,600	Level 3
Investment in equity instruments and warrants - Quoted (refer note 5A)	508	508	Level 1

The management assessed that fair value of loans given, trade receivables, cash and cash equivalents, other bank balances, other current financial assets, trade payables and other current financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments. The fair value of the financial assets and liabilities is the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

- The fair value of the investment in unquoted equity shares has been estimated using a Discounted Cash Flow (DCF) model. The valuation requires management to make certain assumptions about the model inputs, including forecast cash flows, discount rate, environmental factors and volatility. The probabilities of the various estimates within the range can be reasonably assessed and are used in management's estimate of fair value for these unquoted investments.
- Investments in quoted equity shares are valued at closing price of stock on recognised stock exchange.

Note 25: Related party transactions

i) List of Related Parties and Relationships:-

Parties having direct or indirect control over the Company (Holding Company)	Earthstone Holding (Two) Private Limited (Ultimate controlling party is the Promoter Group)
	The Hindustan Times Limited#
Holding Company of HT Digital Media Holdings Limited	HT Media Limited
Holding Company	HT Digital Media Holdings Limited
Fellow Subsidiaries (with whom transactions have occurred during the period)	HT Learning Centers Limited
	HT Digital Streams Limited

The Hindustan Times Limited (HTL) does not hold any direct investment in the Company. However, HTL's subsidiary HT Media Limited holds shares in the Company.

ii) Transactions with related parties
Refer Note 25A

iii) Terms and conditions of transactions with related parties
The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the period-end are unsecured and interest free (other than Inter-corporate Deposit : refer note 5B) and settlement occurs in cash.

B S R and Associates Gurugram

HT MOBILE SOLUTIONS LTD. NEW DELHI

HT Mobile Solutions Limited
Special Purpose Notes to financial information for nine months ended December 31, 2020

Note 26 : Segment information
The Company's operations comprise of only one segment i.e. "Rendering of Digital Services". The management also reviews and measures the operating results taking the whole business as one segment and accordingly make decision about the resources allocation. In view of the same, separate segment information is not required to be given as per the requirement of Ind-AS 108 on "Operating Segments"

Information about major customers:
There is only one customer that represent 10% or more of the Company's total revenue with total amounting to Rs. 236,533 thousands for the period ended December 31, 2020.

Note 27: Management has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amount of assets of the Company. In developing the assumptions relating to the possible future uncertainties because of this pandemic, the Company, as at the date of adoption of these financial information has used internal and external sources of information. Given the uncertainties associated with the nature, condition and duration of COVID-19, the impact assessment on the Company's financial information will be continously made and provided for as required.

Note 28: A scheme of amalgamation u/s 230-232 of the Companies Act, 2013 which provides for merger of Firefly e-Ventures Limited (FEVL), HT Digital Media Holdings Limited (HTDMH), HT Education Limited (HTEL), HT Learning Centers Limited (HTLC), India Education Services Private Limited (IESPL) and Topmovies Entertainment Limited (TMEL) with HT Mobile Solutions Limited (HTMS) ("Scheme"), has been approved by the Board of Directors of respective companies at their meeting held on March 18, 2020.
A joint application for sanction of the Scheme was filed before the Hon'ble National Company Law Tribunal, New Delhi Bench (NCLT) on July 14, 2020. Pursuant to NCLT's order dated October 12, 2020, meetings of equity shareholders of FEVL, HTDMH, IESPL and HTMS and unsecured creditors of HTMS were convened on December 7, 2020 where the Scheme was approved with requisite majority. The requirement to convene meeting(s) of shareholders/creditors of other companies was dispensed with/by NCLT having received consent therefor from the respective shareholders and creditors. The joint second motion petition for sanction of the Scheme has been filed before NCLT on December 16, 2020. The said petition is pending disposal by NCLT.

Pending requisite approval(s), impact of the proposed Scheme has not been considered in the above results.

See accompanying notes to the special purpose financial information.

In terms of our report of even date attached

For B S R and Associates
Chartered Accountants
(ICAI Firm registration Number: 128901W)

Rajesh Arora
Partner
Membership No. 076124

Place: Gurugram
Date: February 23, 2021

For and on behalf of the Board of Directors of HT Mobile Solution Limited

Piyush Gupta
Director
(DIN: 03155591)

Sandeep Rao
Director
(DIN: 08711910)

Zairus Master
Chief Executive Officer

Rahul Gard
Chief Financial Officer

Place: New Delhi
Date: February 23, 2021

HT MOBILE SOLUTIONS LIMITED

ANNUAL REPORT

2019-20

HT Mobile Solutions Limited

CIN: U74900DL2009PLC187795
Registered Office: Hindustan Times House, Second Floor
18-20, Kasturba Gandhi Marg, New Delhi-110001
Tel: +91 11 6656 1608 **Fax:** +91 11 6656 1445 **Email:** corporatedept@hindustantimes.com

Notice of Annual General Meeting

NOTICE is hereby given that the 11th (Eleventh) Annual General Meeting of the Members of **HT Mobile Solutions Limited** will be held on Monday, the 21st September, 2020 at 10:50 A.M. at the Registered Office of the Company at Hindustan Times House, Second Floor, 18-20, Kasturba Gandhi Marg, New Delhi – 110001, to transact the following businesses:

ORDINARY BUSINESS

ITEM NO. 1

To consider, approve and adopt the Audited Financial Statements of the Company for the financial year ended 31st March, 2020 including Balance Sheet as at 31st March, 2020 and Statement of Profit & Loss for the year ended on that date and the Reports of the Board of Directors and Auditors thereon.

ITEM NO. 2

To appoint Shri Piyush Gupta (DIN: 03155591) as Director, who retires by rotation and, being eligible, has offered himself for re-appointment.

SPECIAL BUSINESS

ITEM NO. 4

To appoint Shri Sandeep Rao (DIN: 08711910) as Director of the Company and in this regard, to consider and if thought fit, to pass the following resolution as an **ORDINARY RESOLUTION:**

*"**RESOLVED THAT** pursuant to the provisions of Section 152 and other applicable provisions, if any of the Companies Act, 2013 ("the Act"), and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), Shri Sandeep Rao (DIN: 08711910), who was appointed as an Additional Director of the Company w.e.f. 4th March, 2020 under Section 161 of the Act and in respect of whom the Company has received a notice in writing from a Member signifying his intention to propose the candidature of Shri Sandeep Rao for the office of Director of the Company, be and is hereby appointed as Director of the Company, liable to retire by rotation."*

By Order of the Board
For **HT Mobile Solutions Limited**

(Piyush Gupta)
Director
DIN: 03155591

Place: New Delhi
Date: 25th May, 2020

NOTES:

1. **A Member entitled to attend and vote at the Annual General Meeting ("Meeting" or "AGM") is entitled to appoint another person as a proxy to attend the Meeting and vote in his / her stead and the proxy need not to be a Member of the Company. The instrument appointing a proxy, in order to be effective, must be deposited at the registered office of the Company, duly completed, stamped and signed, not less than 48 hours before the scheduled time for holding the Meeting. A blank proxy form is annexed to this Notice.**

A person can act as proxy on behalf of Members not exceeding fifty (50) in number, and holding in aggregate, not more than 10% of the total paid-up share capital of the Company carrying voting rights. A Member holding more than 10% of the total paid-up share capital of the Company carrying voting rights, may appoint a single person as proxy and such person shall not act as a proxy for any other Member. Proxies executed / submitted on behalf of limited companies, societies, etc., must be supported by appropriate resolution / authority, as applicable. The Proxy-holder shall prove his identity at the time of attending the Meeting.

2. Corporate Members intending to depute their authorized representative(s) to attend the Meeting are requested to forward to the Company, certified copy of the Board Resolution/Power of Attorney together with specimen signature of the representative(s), authorizing the said person to attend and vote on their behalf at the Meeting.

3. In case of joint holders attending the AGM, only such joint holder who is higher in the order of names will be entitled to vote at the Meeting.

4. Explanatory statement pursuant to Section 102 of the Companies Act, 2013, relating to Item no.3 of the Notice is annexed hereto.

5. Pursuant to the Clause 1.2.5 of Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India, details of the Directors seeking appointment / re-appointment at this Annual General Meeting are annexed herewith.

6. The Notice of the Meeting along with other requisite documents, if any will be sent to the members to their registered addresses by permitted mode. Register of Directors & Key Managerial Personnel and their shareholding; and Register of Contracts or Arrangements in which the Directors are interested, maintained in terms of applicable provisions of the Companies Act, 2013, will be available for inspection by the Members at AGM. Relevant documents referred to in the Notice are available for inspection without any fee by the Members on all business days (except Saturday, Sunday and Public Holidays) during 10.00 A.M. to 4.00 P.M. upto the date of AGM at the Registered Office of the Company, and during AGM at the venue thereof.

7. KFin Technologies Private Limited (KFin) is the Registrar & Share Transfer Agent of the Company. All shareholders related communication may be addressed to KFin / Director (Mr. Piyush Gupta) at the Registered Office of the Company.

8. Members are requested to send their queries, if any, on the financial statements/operations of the Company, to reach the Director (Mr. Piyush Gupta) at the Company's Registered Office, atleast 7 days before the Meeting, so that the information can be compiled in advance.

9. Members holding shares in physical form can avail the facility of nomination pursuant to the provisions of Section 72 of the Companies Act, 2013, and for the same they are advised to send their nomination in the prescribed Form No. SH-13 to the Company.

10. Attendance slip, proxy form and the route map of the venue of the Meeting are annexed hereto.

STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

ITEM NO. 3

The Board of Directors, on recommendation of Nomination and Remuneration Committee, appointed Shri Sandeep Rao as Additional Director of the Company w.e.f. March 4, 2020. In accordance with the provisions of Section 161 of the Companies Act, 2013 ("the Act"), Shri Sandeep Rao shall hold office up to the date of the ensuing Annual General Meeting.

Shri Sandeep Rao holds Bachelor's degree in Engineering from University of Adelaide, Australia and MBA from IIM Bangalore. During his professional stint, he has handled all core strategic imperatives across business units, including new initiatives, strategic investments, alliances and new business incubation. Currently, he is associated with HT Media Limited (HT) as Group Chief

Strategy Officer, prior to which he was associated with McKinsey as management consultant and worked with them across their Indian and US offices.

The Company has received a notice in writing under Section 160 of the Act from a Member signifying his intention to propose the candidature of Shri Sandeep Rao for the office of Director of the Company, liable to retire by rotation.

Pursuant to the provisions of Secretarial Standard on General Meetings (SS-2), details of Shri Sandeep Rao are annexed herewith. Shri Sandeep Rao is interested in the resolution set out at Item No. 3 of the Notice. His relative(s) may also be deemed to be interested in the resolution, to the extent of their shareholding interest, if any, in the Company. Save and except the above, none of the Directors or Key Managerial Personnel and/or their relatives are, in any way, concerned or interested, financially or otherwise, in this resolution.

The Board commends the Ordinary Resolution set out at Item no. 3 of the Notice for approval by the Members.

By Order of the Board
For **HT Mobile Solutions Limited**

(Riyush Gupta)
Director
DIN: 03155591

Place: New Delhi
Date:25th May, 2020

Details of the Directors pursuant to the provisions of Secretarial Standard on General Meeting (SS-2) issued by the Institute of Company Secretaries of India, as applicable

Name of Director	**Shri Piyush Gupta**	**Shri Sandeep Rao**
Age (Years)	50 years	39 years
Relationship with other Directors *inter-se* and Key Managerial Personnel	None	None
Date of Appointment	July 13, 2018	March 04, 2020
Expertise in specific functional areas	Business Planning, Corporate Treasury and Corporate Tax.	Strategic imperatives including new initiatives, strategic investments, alliances and new business incubation
Qualifications	Chartered Accountant and Cost Accountant	Bachelor's degree in Engineering from University of Adelaide, Australia and MBA from IIM Bangalore
Terms and conditions of appointment / re-appointment	Director, liable to retire by rotation	Director, liable to retire by rotation
Remuneration last drawn (during FY 19)	Nil	Nil
No. of Equity Shares of Re. 1 each held in the Company	2 (Two) out of which 1 (One) held as nominee of HT Digital Media Holdings Limited	Nil
Directorship held in other companies (excluding foreign companies)#	• HT Noida (Company) Limited • Firefly E-Ventures Limited • HT Digital Media Holdings Limited • India Education Services Private Limited • HT Learning Centers Limited • HT Education Limited • Topmovies Entertainment Limited • HT Music and Entertainment Company Limited	• HT Digital Streams Limited
List of the Committee of Board of Directors (across all Indian companies) in which Chairmanship / Membership is held*#	**HT Digital Media Holdings** • Audit Committee – Chairman • Nomination and Remuneration Committee – Member	-
No. of Board Meetings attended during FY- 20	8	1

#As per latest disclosure received from the Director.

**Only three Committees viz. Audit Committee, Nomination and Remuneration Committee and Stakeholders' Relationship Committee have been considered.*

ATTENDANCE SLIP

HT Mobile Solutions Limited

CIN: U74900DL2009PLC187795
Registered Office: Hindustan Times House, Second Floor
18-20, Kasturba Gandhi Marg, New Delhi-110001
Tel: +91 11 6656 1608 **Fax:** +91 11 6656 1445 **Email:** corporatedept@hindustantimes.com

Please complete & sign this Attendance Slip and hand it over at the entrance of the meeting hall

Ledger Folio/DP & Client ID No.:	**No. of Equity Shares held:**
Name of Member:	
Address:	

I/ We certify that I/We am/are the Member(s)/ Proxy of the Member(s) of the Company holding..... equity shares.

I hereby record my presence at the **Annual General Meeting** of the Company held on Monday, the 21st September, 2020 at 10:50 A.M. at. Hindustan Times House, 2nd Floor, 18-20 Kasturba Gandhi Marg, New Delhi – 110001

Signature of Member/Proxy

Notes:

1. A Shareholders or his duly appointed Proxy who wishes to attend the meeting must complete this attendance slip and hand it over at the entrance.
2. Only Members of the Company and/or their proxy will be allowed to attend the meeting.

.....✂.....✂.....

Form No. MGT-11

PROXY

Proxy form

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014*]*

CIN: U74900DL2009PLC187795
Name of the Company: HT Mobile Solutions Limited
Registered Office: Hindustan Times House, 2nd Floor, 18-20 Kasturba Gandhi Marg, New Delhi - 110001

Name of the member(s):
Registered address:
E-mail Id:
Folio No./ Client Id:
DP ID:

I/We, being the member(s) of ..... equity shares of the above named company, hereby appoint

1. Name: .....
   Address:
   E-mail Id:
   Signature:....., or failing him

2. Name: .....
   Address:

E-mail Id:
Signature:....., or failing him

3. Name: .....
Address:
E-mail Id:
Signature:.....

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Annual General Meeting of Members of the Company, to be held on Monday, the 21st September, 2020 at 10:50 A.M Hindustan Times House, Second Floor, 18-20 Kasturba Gandhi Marg, New Delhi – 110001 and at any adjournment thereof in respect of in respect of the following matters:

Item No.	Resolution	For	Against
Ordinary Business:			
1.	To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March, 2020 including Balance Sheet as at 31st March, 2020 and Statement of Profit & Loss for the year ended on that date and the Reports of the Board of Directors and Auditors thereon.		
2.	To appoint Shri Piyush Gupta (DIN: 03155591) as Director, who retires by rotation and, being eligible, offered himself for re-appointment.		
Special Business:			
3.	To appoint Shri Sandeep Rao (DIN: 08711910) as Director, liable to retire by rotation		

Signed this ..... day of ....., 2020

Affix Revenue Stamp

....
Signature of Member Signature of Proxy holder(s)

Notes:

1. **It is optional to indicate your preference. If you leave 'For' or 'Against' column blank against any or all resolutions, your proxy will be entitled to vote in the manner as he/she may deem appropriate.**
2. **This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.**
3. The Proxy form should be signed across the stamp as per specimen signature registered with the Company/Registrar & Share Transfer Agent/Depository.
4. If Company receives multiple proxies for the same holding of a Member, the Proxy which is dated last shall be considered valid; if they are not dated or bear the same date without specific mention of time, all such multiple Proxies shall be treated as invalid.

HT Mobile Solutions Limited

CIN: U74900DL2009PLC187795
Registered Office: Hindustan Times House, Second Floor,
18-20, Kasturba Gandhi Marg, New Delhi-110001
Tel: +91 11 6656 1608 **Fax:** +91 11 6656 1445 **Email:** corporatedept@hindustantimes.com

BOARD'S REPORT

To
The Members,

Your Directors are pleased to present the 11th (Eleventh) Board's Report of your Company, together with the Audited Financial Statements for the Financial Year ended on March 31, 2020.

FINANCIAL RESULTS

Your Company's financial performance during the financial year ended on March 31, 2020, along with previous year's figures, is summarized below:

(Amount in Rs..'000)

Particulars	**2019-20**	**2018-19**
Total Income	**2,27,548**	**1,89,289**
Profit/(Loss) before tax	**23,381**	**24,918**
Less: Tax Expense	6,966	(57,093)
Profit /(Loss) for the year (after tax)	**16,415**	**82,011**
Other Comprehensive Income (net of tax)	(40)	204
Total Comprehensive Income/(Loss) for the year (net of tax)	**16,374**	**82,215**
Opening balance in Retained Earnings	**(1,90,910)**	**(2,73,784)**
Profit/ (Loss) for the year	16,415	82,011
Employee Stock Option Scheme	-	652
Re-measurements of post-employment benefit obligation (net of tax)	(40)	204
Other comprehensive income transferred pursuant to Scheme of Arrangement	-	-
Total Retained Earnings	(1,74,536)	(1,90,917)

STATE OF COMPANY'S AFFAIRS AND FUTURE OUTLOOK

Your Company is an Unlisted Public Company and was incorporated on February 19, 2009 under the erstwhile Companies Act, 1956. The Board of Directors, at its meeting held on 18th March, 2020, accorded approval to enter into a Scheme of Arrangement by the Company, for merger of 6 (six) fellow subsidiaries namely HT Education Limited (HTEL), Firefly E-Ventures Limited (FEVL), HT Digital Media Holdings Limited (HTDM), Topmovies Entertainment Limited (TMEL), HT Learning Centers Limited (HTLC), India Education Services Private Limited (IESPL) ("Transferor Companies") into the Company i.e. HT Mobile Solutions Limited, as detailed below, under "Scheme of Arrangement".

DIVIDEND

Due to accumulated losses, your Directors do not consider it appropriate to recommend any dividend on the Equity Shares of the Company for the financial year ended on March 31, 2020.

SCHEME OF ARRANGEMENT

With a view to simplify the group structure by consolidation of legal entities with no material businesses, thereby resulting in a simpler corporate structure and reduction in management overlaps & duplication of legal and regulatory compliances due to operation of multiple entities, the Board of Directors approved a Scheme of Amalgamation ('Scheme') under Sections 230 to 232 read with Section 66 of the Companies Act 2013 between fellow subsidiaries namely HTEL, FEVL, HTDM, TMEL, HTLC, IESPL (hereinafter collectively referred to as "Transferor Companies") and the Company ("hereinafter referred to as "Transferee Company") which inter-alia, envisaged merger of Transferor Companies into Transferee Company.

The Scheme is conditional upon and subject to approval of Hon'ble National Company Law Tribunal, New Delhi Bench and necessary regulatory approvals, if so required, under applicable laws.

HOLDING COMPANY

Your Company is a subsidiary of HT Digital Media Holdings Limited ("**HTDMHL**"). HTDMHL is a public limited company incorporated in India and engaged in outsourced payroll processing services and consultancy services & pursuing internet, mobile-solutions and management consultancy businesses through its subsidiary companies. HTDMHL is a subsidiary of HT Media Limited, which in turn, is a subsidiary of The Hindustan Times Limited.

SHARE CAPITAL

Authorized Share Capital

The Authorized Share Capital of your Company as on March 31, 2020 is Rs. 41,50,00,000/- (Rupees Forty One Crore and Fifty Lacs only) comprising of Rs. 41,00,00,000 (Rupees Forty One Crore) divided into 4,10,00,000 (Four Crore and Ten Lacs) Equity Shares of Rs. 10/- (Rupees Ten) each and Rs. 50,00,000/- (Rupees Fifty Lacs only) divided into 5,00,00,000 (Five Crore) Preference Shares of Re. 0.10 (Ten Paisa) each.

During the year under review, there was no change in the Authorized Share Capital of the Company.

Issued, Subscribed and Paid-up Share Capital

The issued, subscribed & paid-up equity share capital of the Company as on March 31, 2020 is Rs. 35,45,85,980/- (Rupees Thirty Five Crore Forty Five Lac Eighty Five Thousand Nine Hundred and Eighty only) comprising of 3,54,58,598 (Three Crore Fifty Four Lac Fifty Eight Thousand Five Hundred and Ninety Eight) Equity Shares of Rs. 10/- (Rupees Ten only) each.

During the year under review, there was no change in the issued, subscribed & paid-up equity share capital of the Company.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

Directors

During the year under review, Shri Sharad Saxena, Non-Executive Director of the Company, passed away on January 27, 2020. The Board of Directors of the Company placed on record a deep appreciation for the valuable services rendered by him during his tenure as Non-Executive Director.

Further, on the recommendation of Nomination and Remuneration Committee, the Board of Directors appointed Shri Sandeep Rao (DIN: 08711910) as Additional Director w.e.f. March 4, 2020 entitled to hold office as such till the date of ensuing AGM. The Board of Directors commends the appointment of Shri Sandeep Rao as Non-executive Director for approval of Members at the ensuing AGM.

In accordance with the applicable provisions of the Companies Act, 2013, Shri Piyush Gupta (DIN: 03155591), Director, retires by rotation at the ensuing AGM and being eligible, has offered himself for re-appointment. Your Directors commend re-appointment of Shri Piyush Gupta, for approval of the Members at the ensuing AGM

All the Independent Directors of the Company have confirmed that they meet the criteria of independence as prescribed under the provisions of Companies Act, 2013 read with rules made there under.

Brief resume, nature of expertise, details of directorship held in other companies of the Directors proposed to be appointed/ re-appointed at the ensuing AGM, along with their shareholding in the Company, as stipulated under Secretarial Standard – 2 on General Meetings, is provided in the Notice of ensuing AGM.

Key Managerial Personnel (KMP)

During the year under review, Shri Arjit Gupta resigned from the position of Company Secretary (KMP u/s 203 of the Companies Act, 2013) on February 06, 2020. Further, Ms. Nupur Bansal resigned from the position of Chief Financial Officer of the Company on October 14, 2019.

Thereafter, on the recommendations of Nomination and Remuneration Committee, the Board of Directors appointed Shri Rahul Garg as Chief Financial Officer (KMP u/s 203 of the Companies Act, 2013) of the Company w.e.f. October 30, 2019.

PERFORMANCE EVALUATION

In line with the requirements as provided under the Companies Act, 2013, the Board undertook a formal annual evaluation of its own performance and that of its Committees *viz.* Audit Committee and Nomination and Remuneration Committee and individual Directors. The Nomination and Remuneration Committee of the Board of Directors led the evaluation process of every Director's performance.

The Board would endeavour to use the outcome of the evaluation process constructively, improve its own effectiveness and deliver performance.

AUDITORS

Statutory Auditor

On the recommendation of Audit Committee and Board of Directors, the Shareholders of the Company at their Annual General Meeting (AGM) held on September 25, 2019 appointed BSR and Associates, Chartered Accountants (BSR), as Statutory Auditor of the Company for a term of 5 (five) consecutive years, entitled to hold office as such from the conclusion of AGM held in calendar year 2019 till the conclusion of sixth AGM therefrom.

The Auditor's Report of BSR on Annual Financial Statements for the financial year ended on March 31, 2020 is an unmodified opinion i.e. it does not contain any qualification, reservation or adverse remark.

Further, during the year under review, the Statutory Auditor have not reported any instance of fraud under section 143(12) of the Companies Act, 2013 and rules made thereunder.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

All contracts/arrangements/transactions entered by the Company with related parties during the financial year ended on March 31, 2020, were in the ordinary course of business and on arm's length basis. Accordingly, disclosure pertaining to particulars of contracts or arrangements with related party referred to in section 188(1) as required in form AOC-2 is not applicable to your company.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Companies Act, 2013, your Directors states that:

(a) in the preparation of the annual accounts for the financial year ended on March 31, 2020, the applicable Accounting Standards have been followed and there are no material departures;

(b) such accounting policies have been selected and applied consistently and judgments and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as on March 31, 2020; and the profit of the Company for the year ended on March 31, 2020;

(c) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

(d) the annual accounts have been prepared on a 'going concern' basis; and

(e) proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

DISCLOSURES UNDER THE COMPANIES ACT, 2013

Borrowings and Debt Servicing: During the year under review, your Company has met all its obligations towards repayment of principal and interest on loans/facilities availed, if any.

Particulars of Loans given, Investments made and Guarantees / Securities given: The details of investments made and loan/guarantees/securities given, as applicable, form part of the notes to the Annual Financial Statements.

Board Meetings: During the financial year ended on March 31, 2020, the Board of Directors of your Company met (Eight) 8 times i.e. on May 8, 2019, July 15, 2019, July 19, 2019, October 30, 2019, January 20, 2020, February 24, 2020, March 4, 2020 and March 18, 2020. The intervening gap between any consecutive meetings was within the period prescribed under Section 173 of the Companies Act, 2013.

During the year under review, a meeting of the Independent Directors was held on January 20, 2020 without the presence of Non-Independent Directors and members of the management.

Committees of the Board:

(a) **Audit Committee:** During the year under review, the Audit Committee of the Board of Directors of the Company was re-constituted on February 24, 2020, in accordance with the provisions of Section 177 of the Companies Act, 2013 and rules made thereunder. Accordingly, the present composition of Audit Committee is as follows:

1. Shri Piyush Gupta, (Chairman)
2. Shri Sanjay Malhotra, (Member)
3. Shri Umesh Sharma, (Member)

x

All recommendations made by the Audit Committee during the year ended on March 31, 2020 were accepted by the Board.

During the financial year ended on March 31, 2020, the Audit Committee met 7 (Seven) times i.e. on May 8, 2019, July 15, 2019, July 19, 2019, October 30, 2019, January 20, 2020, February 24, 2020 and March 13, 2020.

(b) **Nomination and Remuneration Committee:** During the year under review, the Nomination and Remuneration Committee of the Board of Directors of the Company was re-constituted on February 24, 2020 in accordance with the provisions of Section 177 of the Companies Act, 2013 and rules made thereunder. Accordingly, the present composition of Nomination and Remuneration Committee (NRC) is as follows:

1. Shri Piyush Gupta, (Chairman)
2. Shri Umesh Sharma, (Member)
3. Shri Sanjay Malhotra, (Member)

During the financial year ended on March 31, 2020, the Nomination and Remuneration Committee met 3 (three) times i.e. on May 8, 2019, October 30, 2019 and March 4, 2020.

Remuneration Policy: The Company has in place a policy on appointment and remuneration of Directors, Key Managerial Personnel, Senior management and other employees including criteria for appointment of Directors, KMPs and senior management personnel, their remuneration structure and disclosures in relation thereto.

Particulars of Employees: In accordance with the provisions of Section 197(12) of the Companies Act, 2013 read with Rule 5(2) & (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, details of employees remuneration are set out in the **Annexure - A** to this Report. In terms of the provisions of Section 136(1) of the Companies Act, 2013, the Board's Report is being sent to the Members without this annexure. However, the same is available for inspection by the Members at the Registered Office of the Company during business hours, 21 days before the ensuing AGM. Members interested in obtaining a copy of the said Annexure, may write to Mr. Piyush Gupta, Director, at the Registered Office of the Company.

Extract of Annual Return: In accordance with Section 134 of the Companies Act, 2013, an extract of Annual Return, in prescribed form MGT -9, for the financial year ended on March 31, 2020, is annexed herewith as **Annexure - B**.

Secretarial Audit: During the year under review, the Company was not required to get its secretarial records audited as prescribed under the provisions of Section 204 of the Companies Act, 2013.

Maintenance of cost records: During the year under review, the Company was not required to maintain cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013.

Conservation of Energy, Technology Absorption: NIL

Foreign exchange earnings and outgo –

(i) Foreign Exchange earned in terms of actual inflows : Rs. 2,098.181 Lacs
(ii) Foreign Exchange outgo in terms of actual outflows: Nil

Internal Control Systems and their Adequacy: Your Company is following an effective internal control system commensurate with its size and operations including adequate internal financial controls with reference to the financial statements. During the financial year ended on March 31, 2020, such controls were tested and no reportable material weakness in the design or operations were observed. In addition to this, the work process is designed in such a way that process of internal check is ensured at all levels.

Risk Management Policy: As a measure of good corporate governance, a systematic risk assessment & mitigation process is followed, for which a comprehensive Risk Management Policy has been framed at the group level. The Risk Management Policy describes the scope, objectives, processes, as well as roles and responsibilities of various functions. The risks are periodically reviewed by the management keeping in view the changing economic and business environment.

Employee Stock Option Scheme: The information required to be disclosed pursuant to the provisions of Companies Act, 2013, is annexed herewith as **Annexure - C**.

Corporate Social Responsibility: During the year under review, the provisions of Corporate Social Responsibility (CSR) under Section 135 of the Companies Act, 2013 are not applicable on your Company.

Prevention of Sexual Harassment of Woman at workplace: The Company has zero tolerance, for sexual harassment of woman at workplace and has adopted a Policy in line with the provisions of Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder. During the year under review, no complaints were received, pending or disposed off by the Company.

SECRETARIAL STANDARDS

The Directors state that applicable Secretarial Standards, i.e. SS-1 and SS-2, relating to 'Meetings of the Board of Directors' and 'General Meetings', respectively have been duly followed and complied by the Company.

GENERAL

Your Directors state that no disclosure is required in respect of the following matters, as there were no transactions / events in relation thereto, during the financial year under review:

(i) Details relating to deposits covered under Chapter V of the Companies Act, 2013.

(ii) Details of amount transferred to General Reserves during the financial year ended on March 31, 2020.

(iii) Issue of shares with differential voting rights as to dividend, voting or otherwise.

(iv) Issue of sweat equity shares to the employees under any scheme of the Company during the financial year ended on March 31, 2020.

During the year under review:

(i) No significant or material orders were passed by the regulators or courts or tribunals which would impact the 'going concern' status and Company's operations in future, except as stated above in this report, if any.

(ii) No material changes in the nature of business carried on by your Company.

No material changes/ commitments affecting the financial position of the Company have occurred after the end of the financial year 2019-20 till the date of this report, which affect the financial position of your Company.

ACKNOWLEDGEMENT

Your Directors place on record their sincere appreciation for the assistance and co-operation extended by all stakeholders including shareholders, customers, banks, government authorities, vendors and suppliers. Your Directors also place on record their deep appreciation of the committed services of the executives and employees of the Company.

For and on behalf of the Board

(Piyush Gupta)
Director
DIN: 03155591

(Sandeep Rao)
Director
DIN: 08711910

Place: New Delhi
Date: 25th June, 2020

FORM NO. MGT - 9
EXTRACT OF ANNUAL RETURN
as on the Financial Year ended 31.03.2020

[Pursuant to Section 92(3) of the Companies Act, 2013, and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS

CIN	U74900DL2009PLC187795
Registration Date	19/02/2009
Name of the Company	HT Mobile Solutions Limited
Category / Sub-Category of the Company	Public Company / Limited by Shares
Address of the Registered office and contact details	Hindustan Times House, Second Floor, 18-20, Kasturba Gandhi Marg, New Delhi - 110001 Tel: +91-11-6656 1608 Fax: +91-11-6656 1455
Whether listed company	~~Yes~~ / No
Name, Address and Contact details of Registrar and Transfer Agent, if any	KFin Technologies Private Limited Selenium Tower B Plot No. 31-32 Financial District, Nanakramguda Serilingampally Mandal, Hyderabad - 500 032 Tel: +91-40-6716 2222, Fax No.: +91-40-2300 1153 Toll Free No: 18003454001 Email : einward.ris@kfintech.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated:

Sl. No.	Name and Description of main products / services	*NIC Code of the Product/ service	% to total turnover of the company
1	Information Service Activities	63122	98%

**Source: National Industrial Classification-2008*

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No	Name and Address of the Company	CIN	Holding/ Subsidiary / Associate	% of Shares Held	Applicable Section
1.	HT Media Limited Hindustan Times House, 18-20 Kasturba Gandhi Marg, New Delhi – 110001	L22121DL2002PLC117874	Holding	8.43%	2(46)
2.	HT Digital Media Holdings Limited* Hindustan Times House, Second Floor, 18-20 Kasturba Gandhi Marg, New Delhi – 110001	U74900DL2007PLC16871	Holding	90.73%#	2(46)

**HT Digital Media Holdings Limited is a subsidiary of HT Media Limited, which is a subsidiary of The Hindustan Times Limited*

#Share(s) held by HT Digital Media Holdings Limited alongwith its nominee(s)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

(i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year (as on 01.04.2019)				No. of Shares held at the end of the year (as on 31.03.2020)				% of Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) **Indian**									
a) Individual/ HUF	0	5*	5*	0.00	0	5*	5*	0.00	0.00
b) Central Govt.	0	0	0	0.00	0	0	0	0.00	0.00
c) State Govt.(s)	0	0	0	0.00	0	0	0	0.00	0.00
d) Bodies Corporate	0	3,51,61,811	3,51,61,811	99.16	0	3,51,61,811	3,51,61,811	99.16	0.00
e) Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
f) Any Other	0	0	0	0.00	0	0	0	0.00	0.00
Sub-total (A) (1):-	**0**	**3,51,61,816**	**3,51,61,816**	**99.16**	**0**	**3,51,61,816**	**3,51,61,816**	**99.16**	**0.00**
(2) **Foreign**									
g) NRIs - Individuals	0	0	0	0.00	0	0	0	0.00	0.00
h) Other – Individuals	0	0	0	0.00	0	0	0	0.00	0.00
i) Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00
j) Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
k) Any Other	0	0	0	0.00	0	0	0	0.00	0.00
Sub-total (A) (2):-	**0**	**0**	**0**	**0.00**	**0**	**0**	**0**	**0.00**	**0.00**
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	**0**	**3,51,61,816**	**3,51,61,816**	**99.16**	**0**	**3,51,61,816**	**3,51,61,816**	**99.16**	**0.00**
B. Public Shareholding									

1.Institutions									
a) Mutual Funds	0	0	0	0.00	0	0	0	0.00	0.00
b) Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
c) Central Govt.	0	0	0	0.00	0	0	0	0.00	0.00
d) State Govt.(s)	0	0	0	0.00	0	0	0	0.00	0.00
e) Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
f) Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
g) FIIs	0	0	0	0.00	0	0	0	0.00	0.00
h) Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
i) Others	0	0	0	0.00	0	0	0	0.00	0.00
Sub-total (B)(1):-	**0**	**0**	**0**	**0.00**	**0**	**0**	**0**	**0.00**	**0.00**
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	0	2,96,776	2,96,776	0.84	0	2,96,776	2,96,776	0.84	0.00
ii) Overseas	0	0	0	0.00	0	0	0	0.00	0.00
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	0	6	6	0.00	0	6	6	0.00	0.00
ii) Individual shareholders holding nominal share capital in excess of Rs 1	0	0	0	0.00	0	0	0	0.00	0.00

lakh									
c) Others									
i) Clearing Members	0	0	0	0.00	0	0	0	0.00	0.00
ii) Non-resident Indians	0	0	0	0.00	0	0	0	0.00	0.00
iii) Trusts	0	0	0	0.00	0	0	0	0.00	0.00
Sub-total (B)(2):-	0	**2,96,782**	**2,96,782**	**0.84**	0	**2,96,782**	**2,96,782**	**0.84**	**0.00**
Total Public Shareholding (B) = (B)(1) + (B)(2)	**0**	**2,96,782**	**2,96,782**	**0.84**	**0**	**2,96,782**	**2,96,782**	**0.84**	**0.00**
C. Shares held by Custodian for GDRs & ADRs	**0**	**0**	**0**	**0.00**	**0**	**0**	**0**	**0.00**	**0.00**
Grand Total (A+B+C)	**0**	**3,54,58,598**	**3,54,58,598**	**100.00**	**0**	**3,54,58,598**	**3,54,58,598**	**100.00**	**0.00**

**1(one) share each held by Nominee(s) of HT Digital Media Holdings Limited*

(ii) Shareholding of Promoters *(only Equity Share Capital taken into consideration)*

Sl No.	Shareholder's Name	Shareholding at the beginning of the year (as on 01.04.2019)			Shareholding at the end of the year (as on 31.03.2020)			% of change in shareholding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged/ encumbered to total shares	
1	HT Digital Media Holdings Limited	3,21,71,163*	90.73%	0.00	3,21,71,163*	90.73%	0.00	0.00
2	HT Media Limited	29,90,653	8.43%	0.00	29,90,653	8.43%	0.00	0.00

including shares held by Nominee(s) of HT Digital Media Holdings Limited

(iii) Change in Promoters' Shareholding *(only Equity Share Capital taken into consideration)*

Sl No.	Name	Shareholding at the beginning of the year (as on 01.04.2019)		Change in Shareholding		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	Date	No. of Shares	No. of Shares	% of total Shares of the Company
	NIL						

(iv) Shareholding Pattern of Top Ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs) *(only Equity Share Capital taken into consideration)*

Sl No.	Name	Shareholding at the beginning of the year (as on 01.04.2019)		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
1.	Bluelemon Technologies Private Limited				
	At the beginning of the year	2,96,776	0.84	2,96,776	0.84
	Bought during the year	--	--	2,96,776	0.84
	Sold during the year	--	--	2,96,776	0.84
	At the end of the year	2,96,776	0.84	2,96,776	0.84
2.	Shri Dinesh Mittal				
	At the beginning of the year	2#*	0.00	2#*	0.00
	Bought during the year	--	0.00	2#*	0.00
	Sold during the year	--	0.00	2#*	0.00
	At the end of the year	2#*	0.00	2#*	0.00
3.	Shri Rajiv Bansal				
	At the beginning of the year	2#*	0.00	2#*	0.00
	Bought during the year	--	0.00	2#*	0.00
	Sold during the year	--	0.00	2#*	0.00
	At the end of the year	2#*	0.00	2#*	0.00

#1 Equity Share each held as nominee of HT Digital Media Holdings Limited (HT Digital)
**1 Equity Share each held in individual capacity pursuant to Composite Scheme of Capital Reduction and Arrangement b/w Firefly e-Ventures Ltd., HT Digital Media Holdings Limited and the Company*

(v) Shareholding of Directors and Key Managerial Personnel *(only Equity Share Capital taken into consideration)*

Sl No.	Name of the Director / Key Managerial Personnel	Shareholding at the beginning of the year (as on 01.04.2019)		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
1.	Shri Piyush Gupta (Director)				
	At the beginning of the year	2#*	0.00	2#	0.00
	Bought during the year	--	0.00	2#	0.00
	Sold during the year	--	0.00	2#	0.00
	At the end of the year	2#*	0.00	2#	0.00

 # 1 Equity Share held as nominee of HT Digital Media Holdings Limited (HT Digital) and 1Equity Share in individual capacity pursuant to Composite Scheme of Capital Reduction and Arrangement b/w Firefly e-Ventures Ltd., HT Digital Media Holdings Limited and the Company

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

(in Rupees)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year (01.04.2019)				
i) Principal Amount	--	--	--	--
ii) Interest due but not paid	--	--	--	--
iii) Interest accrued but not due	--	--	--	--
Total (i+ii+iii)	--	--	--	--
Change in Indebtedness during the financial year				
• Addition	--	--	--	--
• Reduction	--	--	--	--
Net Change	--	--	--	--
Indebtedness at the end of the financial year (31.03.2020)				
i) Principal Amount	--	--	--	--
ii) Interest due but not paid	--	--	--	--
iii) Interest accrued but not due	--	--	--	--
Total (i+ii+iii)	--	--	--	--

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director (MD), Whole-time Directors (WTD) and/or Manager:

Sl. No.	Particulars of Remuneration	Name of MD/WTD/Manager	Total Amount (in Rupees)
1.	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	--	Nil
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	--	Nil
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	--	Nil
2.	Stock Option	--	Nil
3.	Sweat Equity	--	Nil
4.	Commission		
	- as % of profit	--	Nil
	- others, specify	--	Nil
5.	Others, please specify	--	Nil
	Total (A)	--	Nil
	Ceiling as per the Act	--	Nil

B. Remuneration to other Directors:

Sl. No.	Particulars of Remuneration	Name of the Director	Total Amount (in Rupees)
1	Independent Directors		
	• Fee for attending board / committee meetings	--	Nil
	• Commission	--	Nil
	• Others, please specify	--	Nil
	Total (1)	--	Nil
2	Other Non-executive Directors		
	• Fee for attending board / committee meetings	--	Nil
	• Commission	--	Nil
	• Others, please specify	--	Nil
	Total (2)	--	Nil
	Total (B)=(1+2)	--	Nil
	Total Managerial Remuneration	--	Nil
	Overall Ceiling as per the Act	--	Nil

C. Remuneration to Key Managerial Personnel Other Than MD/MANAGER/WTD:

Sl. No.	Particulars of Remuneration	Name of Key Managerial Personnel		Total Amount (in Rupees)
		Shri Zairus Master (CEO)	Shri Rahul Garg (CFO)*	
1.	Gross Salary	--	--	Nil
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	--	--	Nil
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	--	--	Nil

	(c) Profits in lieu of salary under section17(3) of the Income Tax Act, 1961	--	--	Nil
2.	Stock Option	--	--	Nil
3.	Sweat Equity	--	--	Nil
4.	Commission	--	--	
	- as % of profit	--	--	Nil
	- others, specify	--	--	Nil
5.	Others (Professional fee)	36,000	15,148	51,148
	Total	**36,000**	**15,148**	**51,148**

**Appointed as CFO (KMP) w.e.f. October 30, 2019*

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: Nil

For and on behalf of the Board

(Piyush Gupta)
Director
DIN: 03155591

(Sandeep Rao)
Director
DIN: 08711910

Place: New Delhi
Date: 25th June, 2020

B S R and Associates
Chartered Accountants

Building No. 10, 8th Floor, Tower-B
DLF Cyber City, Phase – II
Gurugram – 122 002, India

Telephone: +91 124 7191000
Fax: +91 124 235 8613

INDEPENDENT AUDITOR'S REPORT

To the Members of HT Mobile Solutions Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of HT Mobile Solutions Limited ("the Company"), which comprise the balance sheet as at 31 March 2020, and the statement of profit and loss (including other comprehensive income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information.
In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements, give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2020, and profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements.

Other Information

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's and Board of Directors' Responsibility for the Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the state of affairs, profit/loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the financial statements made by the Management and Board of Directors.

- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Other Matter

We draw your attention to the fact that corresponding figures for the year ended 31 March 2019 are based on previously issued financial statements of the Company that were audited by the predecessor auditor who expressed an unmodified opinion on those financial statements dated 8 May 2019.

Our opinion on the financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matter.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of section 143 (11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. (A) As required by Section 143(3) of the Act, we report that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

   c) The balance sheet, the statement of profit and loss (including other comprehensive income), the statement of changes in equity and the statement of cash flows dealt with by this Report are in agreement with the books of account.

   d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under section 133 of the Act.

   e) On the basis of the written representations received from the directors as on 31 March 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2020 from being appointed as a director in terms of Section 164(2) of the Act.

   f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

   (B) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

      i. The Company does not have any pending litigations as at 31 March 2020 which would impact its financial position;

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

iv. The disclosures in the financial statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made in these financial statements since they do not pertain to the financial year ended 31 March 2020.

(C) With respect to the matter to be included in the Auditor's Report under section 197(16):

In our opinion and according to the information and explanations given to us, there are no directors to whom remuneration is paid / payable in accordance with the provisions of Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

For **B S R and Associates**
Chartered Accountants
Firm's Registration No.: 128901W

Rajesh Arora
Partner
Membership No.: 076124
UDIN: 20076124AAAABQ2879

Place: Gurugram
Date: 25 June 2020

Annexure A referred to in our Independent Auditor's Report to the members of HT Mobile Solutions Limited on the financial statements for the year ended 31 March 2020

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) The Company has a regular programme of physical verification of its fixed assets by which all fixed assets are verified in a phased manner over a period of three years. In our opinion, this periodicity of physical verification by management is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this programme, certain fixed assets were physically verified during the year. As informed to us, no material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us, the Company does not have any immovable properties. Accordingly, paragraph 3(i)(c) of the Order is not applicable.

(ii) The Company is in the business of rendering services and does not hold inventory. Accordingly, paragraph 3(ii) of the Order is not applicable to the Company.

(iii) According to the information and explanations given to us, the Company has not granted any loan, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Accordingly, paragraph 3(iii) of the Order is not applicable.

(iv) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no loans given or investments made by the Company which are not in compliance with Section 185 and 186 of the Companies Act, 2013. There are no guarantees given or securities provided by the Company as specified under Section 185 and 186 of the Companies Act, 2013.

(v) As per the information and explanations given to us, the Company has not accepted any deposits as mentioned in the directives issued by the Reserve Bank of India and the provisions of Section 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under. Accordingly, paragraph 3(v) of the Order is not applicable.

(vi) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under sub-section (1) of Section 148 of the Companies Act, 2013, for any of the services rendered by the Company. Accordingly, paragraph 3(vi) of the Order is not applicable.

(vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, income tax, goods and services tax, duty of customs, cess, professional tax and other statutory dues have been regularly deposited during the year by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of sales tax, service tax, employees' state insurance, duty of excise and value added taxes.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, goods and services tax, duty of customs, cess, professional tax and other statutory dues were in arrears as at 31 March 2020 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no dues of income tax, service tax, goods and services tax, sales tax, value added tax and duty of customs which have not been deposited by the Company with the appropriate authorities on account of any dispute as at 31 March 2020

(viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not taken any loans or borrowings from financial institutions, banks and government and has not issued any debentures. Accordingly, paragraph 3 (viii) of the Order is not applicable to the Company.

(ix) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) and terms loans during the year. Accordingly, paragraph 3(ix) of the Order is not applicable to the Company.

(x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

(xi) According to information and explanations given to us and on the basis of our examination of the records of the Company, there are no directors to whom remuneration is paid / payable in accordance with the provisions of Section 197 of the Act. Accordingly, paragraph 3(xi) of the Order is not applicable to the Company.

(xii) According to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.

(xiii) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, the transactions with the related parties are in compliance with Sections 177 and 188 of the Companies Act, 2013, where applicable and the details have been disclosed in the financial statements as required by the applicable accounting standards.

(xiv) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the current year. Accordingly, paragraph 3(xiv) of the Order is not applicable.

(xv) According to information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with them. Accordingly, paragraph 3(xv) of the Order is not applicable.

(xvi) According to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, paragraph 3(xvi) of the Order is not applicable.

For **B S R and Associates**
Chartered Accountants
Firm's Registration No.: 128901W

Rajesh Arora
Partner
Membership No.: 076124
UDIN: 20076124AAAABQ2879

Place: Gurugram
Date: 25 June 2020

Annexure B to the Independent Auditor's report on the financial statements of HT Mobile Solutions Limited for the year ended 31 March 2020

Report on the internal financial controls with reference to the aforesaid financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013

(Referred to in paragraph 1(A)(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

We have audited the internal financial controls with reference to financial statements of HT Mobile Solutions Limited ("the Company") as of 31 March 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2020, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's Responsibility for Internal Financial Controls

The Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (hereinafter referred to as "the Act").

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and whether such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

Meaning of Internal Financial controls with Reference to Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial controls with Reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For **B S R and Associates**
Chartered Accountants
Firm's Registration No.: 128901W

Rajesh Arora
Partner
Membership No.: 076124
UDIN: 20076124AAAABQ2879

Place: Gurugram
Date: 25 June 2020

HT Mobile Solutions Limited
Balance sheet as at March 31, 2020

	Notes	As at March 31, 2020 (Rs. in '000)	As at March 31, 2019 (Rs. in '000)
I ASSETS			
1) Non-current assets			
(a) Property, plant and equipment	3	469	722
(b) Intangible assets	4	299	548
(c) Financial assets			
(i) Investments	5A	6,000	-
(d) Deferred tax assets (net)	15	50,141	57,093
(e) Income tax assets (Net)	6	44,544	41,282
Total non- current assets		**101,453**	**99,645**
2) Current assets			
(a) Financial assets			
(i)Trade receivables	7A	4,423	110,189
(ii)Cash and cash equivalents	7B	23,333	57,012
(iii)Bank balances other than (ii) above	8	-	22,500
(iv)Loans	5B	30,150	150
(v)Other financial assets	5C	44,129	20,077
(b) Other current assets	9	119,969	77,337
Total current assets		**222,004**	**287,265**
TOTAL ASSETS		**323,457**	**386,910**
II EQUITY AND LIABILITIES			
1) Equity			
(a) Equity share capital	10	354,586	354,586
(b) Other equity	11	(153,341)	(168,215)
Total equity		**201,245**	**186,371**
2) Liabilities			
Non-current liabilities			
(a) Provisions	13	472	298
Total Non-current liabilities		**472**	**298**
Current liabilities			
(a) Financial liabilities			
(i) Trade payables			
a) Total outstanding dues of micro enterprises and small enterprises	12A	-	137
b) Total outstanding dues of creditors other than micro enterprises and small enterprises	12A	111,035	196,583
(ii) Other financial liabilities	12B	8,141	1,246
(b) Provisions	13	96	86
(c) Other current liabilities	14	2,468	2,189
Total current liabilities		**121,740**	**200,241**
Total liabilities		**122,212**	**200,539**
TOTAL EQUITY AND LIABILITIES		**323,457**	**386,910**
Summary of significant accounting policies	**2**		

See accompanying notes to the financial statements.
In terms of our report of even date attached

For B S R and Associates
Chartered Accountants
(ICAI Firm registration Number: 128901W)

Rajesh Arora
Partner
Membership No. 076124

Place: Gurugram
Date: June 25, 2020

For and on behalf of the Board of Directors of HT Mobile Solutions Limited

Piyush Gupta
Director
(DIN: 03155591)

Umesh Sharma
Director
(DIN: 01490553)

Zairus Master
Chief Executive Officer

Rahul Garg
Chief Financial Officer

Place: New Delhi
Date: June 25, 2020

HT MOBILE SOLUTIONS LTD. NEW DELHI

HT Mobile Solutions Limited
Statement of Profit and Loss for the year ended March 31, 2020

	Particulars	Notes	Year ended March 31, 2020 (Rs. in '000)	Year ended March 31, 2019 (Rs. in '000)
I	**Income**			
a)	Revenue from operations	16	227,548	181,274
b)	Other Income	17	7,139	8,490
	Total Income		**234,687**	**189,764**
II	**Expenses**			
a)	Employee benefits expense	18	8,914	9,825
b)	Finance costs	19	125	53
c)	Depreciation and amortization expense	20	346	1,472
d)	Other expenses	21	203,421	153,496
	Total expenses		**212,806**	**164,846**
III	**Profit before tax (I-II)**		**21,881**	**24,918**
IV	**Earnings before finance cost, tax, depreciation and amortization (EBITDA) [III+II(b)+II(c)]**		**22,352**	**26,442**
V	**Tax expense:**			
	(1) Current tax	15	-	-
	(2) Deferred tax charge/(credit)	15	6,966	(57,093)
	[Adjustment of deferred charge/(credit) tax related to earlier years of INR 1,017 thousands {Previous Year-Nil}]			
	Total tax expense		6,966	(57,093)
VI	**Profit for the year (III-V)**		**14,915**	**82,011**
VII	**OTHER COMPREHENSIVE INCOME**			
	Items that will not to be reclassified subsequently to profit or loss			
	- Remeasurement of defined benefit plans	22	(55)	204
	- Income tax effect		14	-
	Other comprehensive income for the year, net of tax		**(41)**	**204**
VIII	**Total Comprehensive Income for the year, net of tax (VI+VII)**		**14,874**	**82,215**
IX	**Earnings per equity share**			
	Basic (Nominal value of shares Rs. 10/-)	23	0.42	2.31
	Diluted (Nominal value of shares Rs. 10/-)	23	0.42	2.31
	Summary of significant accounting policies	2		

See accompanying notes to the financial statements.
In terms of our report of even date attached

For B S R and Associates
Chartered Accountants
(ICAI Firm registration Number: 128901W)

Rajesh Arora
Partner
Membership No. 076124

Place: Gurugram
Date: June 25, 2020

For and on behalf of the Board of Directors of HT Mobile Solutions Limited

Piyush Gupta
Director
(DIN: 03155591)

Umesh Sharma
Director
(DIN: 01490553)

Zairus Master
Chief Executive Officer

Rahul Garg
Chief Financial Officer

Place: New Delhi
Date: June 25, 2020

HT MOBILE SOLUTIONS LTD. NEW DELHI

HT Mobile Solutions Limited
Cash Flow Statement for the year ended March 31, 2020

Particulars	Year ended March 31, 2020 (Rs. in '000)	Year ended March 31, 2019 (Rs. in '000)
Cash flows from operating activities:		
Profit before tax	21,881	24,918
Adjustments for:		
Depreciation and amortization	346	1,472
Loss/(gain) on disposal of property, plant and equipment	133	(2)
Interest income from investments and others	(2,684)	(2,157)
Loss on account of fair value of investments classified at FVTPL	1,000	-
Unclaimed balances/liabilities written back	(4,042)	(1,700)
Net impairment loss/(gain) on financial assets	534	(475)
Cash flows from operating activities before changes in following assets and liabilities	**17,168**	**22,056**
Changes in operating assets and liabilities:		
Decrease in trade receivables	105,232	29,837
(Increase) in current and non-current financial assets and other current and non-current assets	(44,305)	(38,156)
(Decrease) in current and non-current financial liabilities and other current and non-current liabilities and provisions	(74,337)	(41,785)
Total cash from operations	**3,758**	**(28,048)**
(Income taxes paid)/refund	(3,262)	38,964
Net cash flows from operating activities (A)	**496**	**10,916**
Cash flows from investing activities:		
Proceeds from sale of property, plant and equipment	21	44
Purchase of investments	(7,000)	-
Inter corporate deposits given	(30,000)	-
Interest received on inter corporate deposit given	23	-
Interest received on deposits	2,781	1,826
Net cash flows (used in)/genrated from investing activities (B)	**(34,175)**	**1,870**
Cash flows from financing activities:	-	-
Net cash flows from/(used in) financing activities (C)	-	-
Net increase/(decrease) in cash and cash equivalents (D= A+B+C)	(33,679)	12,786
Cash and cash equivalents at the beginning of the year (E)	57,012	44,226
Cash and cash equivalents at year end (D+E)	**23,333**	**57,012**

Particulars	March 31, 2020 (Rs. in '000)	March 31, 2019 (Rs. in '000)
Component of cash and cash equivalent as at end of the year		
Balances with banks		
- on current accounts	833	12
- on deposit accounts	22,500	57,000
Total Cash and cash equivalents	**23,333**	**57,012**

See accompanying notes to the financial statements.
In terms of our report of even date attached

For B S R and Associates
Chartered Accountants
(ICAI Firm registration Number: 128901W)

Rajesh Arora
Partner
Membership No. 076124

Place: Gurugram
Date: June 25, 2020

For and on behalf of the Board of Directors of HT Mobile Solutions Limited

Piyush Gupta
Director
(DIN: 03155591)

Umesh Sharma
Director
(DIN: 01490553)

Zairus Master
Chief Executive Officer

Rahul Garg
Chief Financial Officer

Place: New Delhi
Date: June 25, 2020

HT Mobile Solutions Limited
Statement of changes in equity for the year ended March 31, 2020

A. EQUITY SHARE CAPITAL (Refer Note 10)

Equity Shares of Rs. 10 each issued, subscribed and fully paid up

Particulars	Equity share Capital	
	Number	(Rs. in '000)
Balance as at April 1, 2018	**35,458,598**	**354,586**
Change during the year	-	-
Balance as at March 31, 2019	**35,458,598**	**354,586**
Change during the year	-	-
Balance as at March 31, 2020	**35,458,598**	**354,586**

B. OTHER EQUITY ATTRIBUTABLE TO EQUITY HOLDERS (Refer Note 11)

Particulars	Reserve & Surplus		Share based payment reserve	Capital Reserve	Total
	Securities premium reserve	Retained earnings/ General Reserve			(Rs. in '000)
Balance as at April 1, 2018	**23,911**	**(273,750)**	**652**	**(1,243)**	**(250,430)**
Change during the year	-	82,011	(652)	-	81,359
Forfeiture of outstanding share based option	-	652	-	-	652
Items of gain of other comprehensive income recognised directly in retained earnings					
- Remeasurements of defined benefits obligation, net of tax	-	204	-	-	204
Balance as at March 31, 2019	**23,911**	**(190,883)**	**-**	**(1,243)**	**(168,215)**
Change during the year	-	14,915	-	-	14,915
Items of gain of other comprehensive income recognised directly in retained earnings					
- Remeasurements of defined benefits obligation, net of tax	-	(41)	-	-	(41)
Balance as at March 31, 2020	**23,911**	**(176,009)**	**-**	**(1,243)**	**(153,341)**

See accompanying notes to the financial statements.

In terms of our report of even date attached

For B S R and Associates
Chartered Accountants
(ICAI Firm registration Number: 128901W)

Rajesh Arora
Partner
Membership No. 076124

Place: Gurugram
Date: June 25, 2020

For and on behalf of the Board of Directors of HT Mobile Solutions Limited

Piyush Gupta
Director
(DIN: 03155691)

Umesh Sharma
Director
(DIN: 01490553)

Zairus Master
Chief Executive Officer

Rahul Garg
Chief Financial Officer

Place: New Delhi
Date: June 25, 2020

HT MOBILE SOLUTIONS LTD. NEW DELHI

1. Corporate information

HT Mobile Solutions Limited ("The Company") is a public company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India having investment through HT Digital Media Holdings Limited to carry out mobile marketing, social media marketing, advertising, mobile CRM and loyalty campaigns, mobile music content and ring tones and integrates with other media campaigns and strategies.

The registered office of the Company is located at Hindustan Times House, 18-20, Kasturba Gandhi Marg, New Delhi-110001.

Information on other related party relationships of the Company is provided in Note 26.

The financial statements of the Company for the year ended 31st March, 2020 were authorised for issue in accordance with a resolution of the Board of Directors on June 25, 2020.

2. Significant accounting policies followed by the company

2.1 Basis of preparation

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind-AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended). For all periods up to and including the year ended March 31, 2016, the Company prepared its financial statements in accordance with Accounting Standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP).

The accounting policies are applied consistently to all the periods presented in the financial statements.

The financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value:

- Defined benefit plans - plan assets measured at fair value;
- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments),

The financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency. All amounts disclosed in the financial statements and notes have been rounded off to the nearest thousands as per the requirement of Schedule III, unless otherwise stated.

2.2 Summary of significant accounting policies

a) Current versus non- current classification

The Company presents assets and liabilities in the balance sheet based on current and non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

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A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the display of advertisement on website and delivery of content and their realization in cash and cash equivalent. The Company has identified 12 months as its operating cycle.

b) Foreign currencies

Transactions in foreign currencies are initially recorded by the Company at their respective functional currency spot rates at the date the transaction first qualifies for recognition. However, for practical reasons, the Company uses an average rate if the average approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on the settlement of monetary items or on restatement of the Company's monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or as expenses in the year in which they arise.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

c) Fair value measurement

The Company measures certain financial instruments such as, derivatives and certain investments at fair value at each reporting/ balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.
The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

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The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly
- Level 3 — Valuation techniques for which inputs are unobservable inputs for the asset or liability

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

d) Revenue recognition

Effective April 1, 2018 the Company has adopted Ind AS 115 "Revenue from Contracts with Customers" using the cumulative catch-up up transition method which is applied to contracts that were not completed as of April 1, 2018.

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured based on the transaction price, which is the consideration, adjusted for allowances, trade discounts, volume rebates, if any, as specified in the contract with the customer. Revenue excludes taxes collected from customers. The Company has concluded that it is the principal in all of its revenue arrangements since it is the primary obligor in all the revenue arrangements as it has pricing latitude and is also exposed to inventory and credit risks.

Goods and Service tax / Service tax is not received by the Company on its own account. Accordingly, it is excluded from revenue.

Contract asset and unbilled receivables
Contract asset represents the Company's right to consideration in exchange for services that the Company has transferred to a customer when that right is conditioned on something other than the passage of time.

When there is unconditional right to receive cash, and only passage of time is required to do invoicing, the same is presented as unbilled receivable.

A contract liability is recognised if a payment is received or a payment is due (whichever is earlier) from a customer before the Company transfers the related goods or services. Contract liabilities are recognised as revenue when the Company performs under the contract (i.e., transfers control of the related goods or services to the customer).

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The specific recognition criteria described below must also be met before revenue is recognised.

Revenue from services
Revenue from services is recognised basis music and video content monetised during the month through various publishers (websites).

Revenue from SMS pushes/voice calls
Revenue is recognised after the delivery of SMS pushes/voice calls.

Revenue from Content
Revenue is recognised basis of log records of operators.

Revenue from Digital Services/Social Media
Revenue from social media is recognised based on actual output delivered in a month to the client as per the terms of the RO/email from client/agreement.

Interest income
Interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in other income in the statement of profit and loss.

e) Taxes

Current income tax

Tax expense is the aggregate amount included in the determination of profit or loss for the period in respect of current tax and deferred tax.

Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961.

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Appendix C to Ind AS 12, Income Taxes dealing with accounting for uncertainty over income tax treatments is applicable from accounting periods beginning on or after 1 April 2019. It does not have any material impact on financial statements of the Company.

Deferred tax
Deferred tax is provided considering temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences except:

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• When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss

• In respect of taxable temporary differences associated with investments in subsidiaries and associates, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

• When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss. Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

GST / value added taxes paid on acquisition of assets or on incurring expenses

Expenses and assets are recognised net of the amount of sales tax / value added taxes/ goods and service tax paid, except:

- When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable
- When receivables and payables are stated with the amount of tax included

The net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

f) Property, plant and equipment

Property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the

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plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met.

Cost comprises the purchase price, borrowing costs (if any) if capitalization criteria are met and any directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Recognition:

The cost of an item of property, plant and equipment shall be recognised as an asset if, and only if:

a) it is probable that future economic benefits associated with the item will flow to the entity;
and
b) the cost of the item can be measured reliably.

All other expenses on existing assets, including day-to day- repairs and maintenance expenditure and cost of replacing arts, are charged to the Statement of Profit and Loss for the period during which such expenses are incurred.

Depreciation on property, plant and equipment is provided on a Straight Line Method over its economic useful lives of the assets as follows:

Type of asset	**Useful lives estimated by management (Years)**
General plant and machinery	3 - 6
Furniture and fixtures	2-10
Leasehold improvements	amortized over the lease period

The Company, based on technical assessment made by the management depreciates certain plant and machinery over estimated useful lives which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

Property, Plant and Equipment which are added/disposed off during the year, depreciation is provided on pro-rata basis with reference to the month of addition/deletion.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised.

Subsequent expenditure can be capitalised only if it is probable that future economic benefits associated with the expenditure will flow to the company.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

g) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses. Internally generated

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intangibles, excluding capitalized development costs, are not capitalized and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortization period or method, as appropriate, and are treated as changes in accounting estimates. The amortization expense on intangible assets with finite lives is recognized in the Statement of Profit and Loss.

Intangible assets with indefinite useful lives are not amortized, but are tested for impairment annually either individually or at the cash generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the income statement when the asset is derecognized.

Intangible assets with finite lives are amortised on straight line basis using the estimated life as follows:

Intangible Assets	**Useful Life (in Years)**
Software Licenses	6
Non- compete fees	Amortized over the agreement period

h) Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

i) Impairment of non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from

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other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded Company's or other available fair value indicators.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the entity operates, or for the market in which the asset is used.

Impairment losses of continuing operations, including impairment on inventories, are recognised in the statement of profit and loss.

An assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the Statement of Profit or Loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

Intangible assets with indefinite useful lives are tested for impairment annually at the CGU level, as appropriate, and when circumstances indicate that the carrying value may be impaired.

j) Employee benefits

Short term employee benefits and defined contribution plans:

All employee benefits payable/available within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages and bonus etc. are recognised in the statement of profit and loss in the period in which the employee renders the related service.

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the

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deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

Gratuity

Gratuity is a defined benefit scheme. The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognised in profit or loss on the earlier of:
- The date of the plan amendment or curtailment, and
- The date that the Company recognises related restructuring cost

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset.

The Company recognises the following changes in the net defined benefit obligation as an expense in the Statement of profit and loss:
- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

Termination benefits

Termination benefits are payable when employment is terminated by the company before the normal retirement date. The Company recognises termination benefits at the earlier of the following dates: (a) when the Company can no longer withdraw the offer of those benefits; and (b) when the Company recognises costs for a restructuring that is within the scope of Ind AS 37 and involves the payment of terminations benefits. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value.

Compensated Absences

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The Company treats leaves expected to be carried forward for measurement purposes. Such compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred. The Company presents the entire leave as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for 12 months after the reporting date. Where Company has the unconditional legal and contractual right to defer the settlement for a period beyond 12 months, the same is presented as non- current liability.

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k) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement

All financial assets (Other than trade receivable which is recognised at transaction price as per Ind AS 115) are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Subsequent measurement
For purposes of subsequent measurement, Debt instruments are measured at amortised cost.

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

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Impairment of financial assets

In accordance with Ind-AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

a) Financial assets that are debt instruments, and are measured at amortised cost e.g. loans, debt securities, deposits, trade receivables and bank balance
b) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind-AS 115 (referred to as 'contractual revenue receivables' in these financial statements).

The Company follows 'simplified approach' for recognition of impairment loss allowance on:

- Trade receivables or contract revenue receivables;

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

As a practical expedient, the Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss. This amount is reflected under the head 'other expenses' in the Profit and Loss. The balance sheet presentation for various financial instruments is described below:

Financial assets measured as at amortised cost, contractual revenue receivables and lease receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount. For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

The Company does not have any purchased or originated credit-impaired (POCI) financial assets, i.e., financial assets which are credit impaired on purchase/ origination.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, as appropriate. All financial liabilities

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are recognised initially at fair value and, in the case of and payables, net of directly attributable transaction costs.

The Company's financial liabilities mainly include trade and other payables.

Subsequent measurement

Trade and other payables are subsequently measured at amortised cost using the effective interest method.

De-recognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit or Loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

I) Leases

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

<u>Company as a lessee</u>

The Company recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Company is reasonably certain to exercise that

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option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. The Company recognises the amount of the re-measurement of lease liability due to modification as an adjustment to the right-of-use asset and statement of profit and loss depending upon the nature of modification. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognises any remaining amount of the re-measurement in statement of profit and loss.

The Company has elected not to apply the requirements of Ind AS 116 to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognised as an expense on a straight-line basis over the lease term.

As a practical expedient a lessee (the company) has elected, by class of underlying asset, not to separate lease components from any associated non-lease components. A lessee (the company) accounts for the lease component and the associated non-lease components as a single lease component.

Company as a lessor

At the inception of the lease the Company classifies each of its leases as either an operating lease or a finance lease. The Company recognises lease payments received under operating leases as income on a straight- line basis over the lease term. In case of a finance lease, finance income is recognised over the lease term based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the lease.

Transition to Ind AS 116

Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has notified Ind AS 116 Leases which replaces the existing lease standard, Ind AS 17 leases and other interpretations. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. It introduces a single, on-balance sheet lease accounting model for lessees.

The Company has adopted Ind AS 116, effective annual reporting period beginning April 1, 2019 and applied the standard to its leases, retrospectively, with the cumulative effect of initially applying the Standard, recognised on the date of initial application (April 1, 2019). Accordingly, the Company has not restated comparative information. As on April 1, 2019, the Company has recognized a right of use asset at an amount equivalent to the lease liability and consequently there is no adjustment to the opening balance of retained earnings as on April 1, 2019. On application of Ind AS 116, the nature of expenses has changed from lease rent in previous periods to depreciation cost for the right-to-use asset, and finance cost for interest accrued on lease liability.

Identification of lease:

- The Company has *reassessed* whether a contract is, or contains, a lease at the date of

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initial application.

Leases previously classified as operating leases:

- The Company has *recognised* a lease liability at the date of initial application for leases previously classified as an operating lease applying Ind AS 17 (other than those which does not satisfy the lease definition criteria under Ind AS 116). The Company has *measured* lease liability at the present value of the remaining lease payments, discounted using the Company's incremental borrowing rate at the date of initial application.

- The Company has *recognised* a right-of-use asset at the date of initial application for leases previously classified as an operating lease applying Ind AS 17 (other than those which does not satisfy the lease definition criteria under Ind AS 116). The Company has *opted to measure* right-of-use asset at an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in the balance sheet immediately before the date of initial application.

- The Company has relied on its assessment of whether leases are onerous applying Ind AS 37, Provisions, Contingent Liabilities and Contingent Assets, immediately before the date of initial application as an alternative to performing an impairment review.

- The Company has *opted* not to apply the above transition requirements to leases for which the lease term ends within 12 months of the date of initial application.

Leases previously classified as finance leases:

- For leases that were classified as finance leases applying Ind AS 17, the carrying amount of the right-of-use asset and the lease liability at the date of initial application is the carrying amount of the lease asset and lease liability immediately before that date measured applying Ind AS 17.

There is no impact on transition as on 1 April 2019.

m) Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalent consists of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

n) Measurement of EBITDA

The Company has elected to present earnings before interest, tax, depreciation and amortization (EBITDA) as a separate line item on the face of the statement of profit and loss. The company measures EBITDA on the basis of profit/ (loss) from continuing operations. In its measurement, the Company does not include depreciation and amortization expense, finance costs and tax expense.

o) Contingent Liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events

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beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements. Contingent assets are only disclosed when it is probable that the economic benefits will flow to the entity.

p) Earnings Per Share

Basic earnings per share

Basic earnings per share are calculated by dividing:

-the profit attributable to equity holders of the Company
-by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares.

Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- The after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and

- The weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

q) Equity-settled transactions

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model. The Company has availed option under Ind-AS 101, to apply intrinsic value method to the options already vested before the date of transition and applied Ind-AS 102 Share-based payment to equity instruments that remain unvested as of transition date.

That cost is recognised, together with a corresponding increase in share-based payment (SBP) reserves in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest. The Statement of Profit and Loss expense or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Company's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions.

No expense is recognised for awards that do not ultimately vest because non-market performance and/or service conditions have not been met. Where awards include a market or non-vesting condition, the transactions are treated as vested irrespective of whether the

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market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

When the terms of an equity-settled award are modified, the minimum expense recognised is the expense had the terms had not been modified, if the original terms of the award are met. An additional expense is recognised for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee as measured at the date of modification. Where an award is cancelled by the entity or by the counterparty, any remaining element of the fair value of the award is expensed immediately through profit or loss.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

2.3 Significant accounting judgments, estimates and assumptions

The preparation of the Company's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

The areas involving critical estimates or judgment are as below:

Taxes

Uncertainties exist with respect to the interpretation of complex tax regulations, changes in tax laws, and the amount and timing of future taxable income. Given the wide range of business relationships and the long-term nature and complexity of existing contractual agreements, differences arising between the actual results and the assumptions made, or future changes to such assumptions, could necessitate future adjustments to tax income and expense already recorded. The Company establishes provisions, based on reasonable estimates. The amount of such provisions is based on various factors, such as experience of previous tax assessments and differing interpretations of tax regulations by the taxable entity and the responsible tax authority. Such differences of interpretation may arise on a wide variety of issues depending on the conditions prevailing in the respective domicile of the Companies.

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

Further details on taxes are disclosed in Note 15.

Defined benefit plans

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

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The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

The mortality rate is based on publicly available mortality tables for the specific countries. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates for the respective countries.

Further details about gratuity obligations are given in Note 24.

Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. For more information refer Note 25.

Impairment of financial assets

The impairment provisions for financial assets are based on assumptions about risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

Impairment of Non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or CGU's fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent markets transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded subsidiaries or other available fair value indicators.

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Notes to financial statements for the year ended March 31, 2020

Note 3 : Property, plant and equipment

(Rs. in '000)

Particulars	Improvement to leasehold premises	Plant and machinery	Furniture and fixtures	Total
Cost				
As at April 1, 2018	**472**	**13,452**	**17**	**13,941**
Additions during the year	-	-	-	-
Less : Disposals/ adjustments	-	234	-	**234**
As at March 31, 2019	**472**	**13,218**	**17**	**13,707**
As at April 1, 2019	**472**	**13,218**	**17**	**13,707**
Additions during the year	-	-	-	-
Less : Disposals/ adjustments	-	3,560	-	**3,560**
As at March 31, 2020	**472**	**9,658**	**17**	**10,147**
Accumulated Depreciation/ Impairment				
As at April 1, 2018	**449**	**11,540**	**6**	**11,995**
Charge for the year	4	1,176	2	1,182
Less : Disposals/ adjustments	-	192	-	**192**
As at March 31, 2019	**453**	**12,524**	**8**	**12,985**
As at April 1, 2019	**453**	**12,524**	**8**	**12,985**
Charge for the year	**4**	**92**	**2**	**97**
Less : Disposals/ adjustments		**3,405**		**3,405**
As at March 31, 2020	**457**	**9,211**	**10**	**9,678**
Net Block				
As at March 31, 2020	**15**	**447**	**7**	**469**
As at March 31, 2019	**19**	**694**	**9**	**722**

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Notes to financial statements for the year ended March 31, 2020

Note 4 : Intangible assets

(Rs. in '000)

Particulars	Software licenses	Non compete fees	Total
Gross carrying amount			
As at April 1, 2018	**11,430**	**1,391**	**12,821**
Additions during the year	-	-	-
Less : Disposals/ adjustments	-	-	-
As at March 31, 2019	**11,430**	**1,391**	**12,821**
As at April 1, 2019	**11,430**	**1,391**	**12,821**
Additions during the year	-	-	-
Less : Disposals/ adjustments	-	-	-
As at March 31, 2020	**11,430**	**1,391**	**12,821**
Accumulated Amortization/ Impairment			
As at April 1, 2018	**10,596**	**1,387**	**11,983**
Charge for the year	290	-	**290**
As at March 31, 2019	**10,886**	**1,387**	**12,273**
As at April 1, 2019	**10,886**	**1,387**	**12,273**
Charge for the year	249	-	**249**
As at March 31, 2020	**11,135**	**1,387**	**12,522**
Net carrying amount			
As at March 31, 2020	**295**	**4**	**299**
As at March 31, 2019	**544**	**4**	**548**

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Notes to financial statements for the year ended March 31, 2020

Note 5A : Investments (Rs. in '000)

Particulars	As at March 31, 2020	As at March 31, 2019
Investments at fair value through profit and loss		
Unquoted		
Investment in equity instruments and warrants (refer note 25)	6,000	-
Total investments	**6,000**	**-**
Current	-	-
Non - current	**6,000**	**-**

Note 5B :Loans (Rs. in '000)

Particulars	As at March 31, 2020	As at March 31, 2019
Unsecured considered good at amortised cost		
Inter- corporate loan given (refer note 26A) (also refer note 32)	30,000	-
Security deposit	150	150
Total Loans	**30,150**	**150**
Current	30,150	150
Non - Current	-	-

Particulars	As at March 31, 2020	As at March 31, 2019
Secured, considered good	-	-
Unsecured, considered good	30,150	150
Total	**30,150**	**150**

Note 5C : Other financial assets (Rs. in '000)

Particulars	As at March 31, 2020	As at March 31, 2019
Other financial assets (at amortised cost)		
Interest accrued on fixed deposits	-	331
Interest accrued on inter-company deposits (refer note 26A)	211	-
Unbilled revenue	24,196	1,893
Other receivables from related party (refer note 26A)	19,722	17,853
Total Other Financial Assets	**44,129**	**20,077**
Current	44,129	20,077
Non - Current	-	-

Note 6 : Income tax assets (net) (Rs. in '000)

Particulars	As at March 31, 2020	As at March 31, 2019
Income tax assets (net) [related to current tax]	44,544	41,282
Current	-	-
Non-Current	**44,544**	**41,282**

Note 7A : Trade Receivables (Rs. in '000)

Particulars	As at March 31, 2020	As at March 31, 2019
Trade receivables	4,234	17,092
Receivables from related parties (refer note 26A)	189	93,097
Total trade receivables	**4,423**	**110,189**
Current	**4,423**	**110,189**
Non - Current	-	-

(Rs. in '000)

Particulars	As at March 31, 2020	As at March 31, 2019
Secured, considered good	-	-
Unsecured, considered good	4,423	110,189
Unsecured, considered doubtful	9,614	9,092
Total	**14,037**	**119,281**
Loss allowance for bad & doubtful debts	**9,614**	**9,092**
Total trade receivables	**4,423**	**110,189**

No trade receivable is due from directors or other officers of the Company either severally or jointly with any other person.

Note 7B : Cash and cash equivalents (Rs. in '000)

Particulars	As at March 31, 2020	As at March 31, 2019
Balance with banks :		
- On current accounts	833	12
- Deposit with original maturity of three months or less	22,500	57,000
Total	**23,333**	**57,012**

Short-term deposits are made for varying periods of between one day and three months, depending on the immediate cash requirements of the Company and earn interest at the respective short-term deposit rates.

Note 8 : Other Bank balances (Rs. in '000)

Particulars	As at March 31, 2020	As at March 31, 2019
Bank balances other than (7B) above		
- Deposits with original maturity of more than three months but less than 12 months	-	22,500
Total	**-**	**22,500**

Note 9 : Other current assets (Rs. in '000)

Particulars	As at March 31, 2020	As at March 31, 2019
Advances to vendors (includes Rs Nil (PY - Rs. 576 thousand) advance given to related parties) (refer note 26A)	33,617	18,054
Balance with statutory/government authorities	86,352	59,283
Total	**119,969**	**77,337**

Break up of financial assets carried at amortised cost

(Rs. in '000)

Particulars	As at March 31, 2020	As at March 31, 2019
Trade receivables (Note 7A)	4,423	110,189
Cash and cash equivalents (Note 7B)	23,333	57,012
Other bank balances (Note 8)	-	22,500
Loans (Note 5B)	30,150	150
Other financial assets (Note 5C)	44,129	20,077
Total financial assets carried at amortised cost	**102,035**	**209,928**

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Notes to financial statements for the year ended March 31, 2020

Note 10 : Share capital

Authorised share capital

Equity share capital

Particulars	No. of shares	(Rs. in '000)
At April 1, 2018	41,000,000	410,000
Increase/(decrease) during the year	-	-
At March 31, 2019	41,000,000	410,000
Increase/(decrease) during the year	-	-
At March 31, 2020	41,000,000	410,000

Terms/ rights attached to equity shares
The Company has only one class of equity share having par value of Rs.10 each per share. Each holder of equity share is entitled to one vote per share. The Company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders

(B) Instruments entirely equity in nature
Optionally Convertible Cumulative Preference Shares (OCCPS) of Rs. 0.10 each

Particulars	No. of shares	(Rs. in '000)
At April 1, 2018	50,000,000	5,000
Increase/(decrease) during the year	-	-
At March 31, 2019	50,000,000	5,000
Increase/(decrease) during the year	-	-
At March 31, 2020	50,000,000	5,000

Issued and subscribed capital

Equity shares capital

Equity shares of Rs. 10 each issued, subscribed & fully paid	No. of shares	(Rs. in '000)
Balance as at April 1, 2018	35,458,598	354,586
Changes during the year	-	-
Balance as at March 31, 2019	35,458,598	354,586
Changes during the year	-	-
Balance as at March 31, 2020	35,458,598	354,586

Reconciliation of the equity shares outstanding at the beginning and at the end of the year :

Particulars	March 31, 2020		March 31, 2019	
	No. of shares	Amount (Rs. in '000)	No. of shares	Amount (Rs. in '000)
Shares outstanding at the beginning of the year	35,458,598	354,586	35,458,598	354,586
Equity shares issued during the year	-	-	-	-
Shares outstanding at the end of the year	35,458,598	354,586	35,458,598	354,586

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Notes to financial statements for the year ended March 31, 2020

Shares held by holding/ ultimate holding Company and/ or their subsidiaries/ associates
Out of equity and preference shares issued by the Company, shares held by its holding Company, ultimate holding Company and their subsidiaries/ associates are as below:

Particulars	31-Mar-20 (Rs. in '000)	31-Mar-19 (Rs. in '000)
Equity Shares of Rs. 10 each of fully paid:		
HT Digital Media Holdings Limited # 32,171,158 (March 31,2019 - # 32,171,157) equity shares of Rs. 10 each fully paid	321,712	321,712
HT Media Limited, Holding Company of HT Digital Media Holdings Limited # 2,990,653 (March 31,2019 - # 2,990,653) equity shares of Rs. 10 each fully paid	29,907	29,907

Details of shareholders holding more than 5% shares in the Company

Particulars	As at March 31, 2020		As at March 31, 2019	
	No. of shares	% holding in the No in class	No. of shares	% holding in the No in class
Equity Shares with voting rights:				
HT Digital Media Holdings Limited # 32,171,158 (March 31,2019 - # 32,171,157) equity shares of Rs. 10 each fully paid	32,171,158	90.73%	32,171,157	90.73%
HT Media Limited, Ultimate Holding Company # 2,990,653 (March 31,2018 - # 2,990,653) equity shares of Rs. 10 each fully paid	2,990,653	8.43%	2,990,653	8.43%

As per records of the Company, including its register of shareholders/members and other declaration received from the shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

Aggregate number of equity shares issued as bonus, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date:

Particulars	31-Mar-20 No. of shares	31-Mar-19 No. of shares
197,850 number of equity shares and 98,926 number of equity shares with voting rights were allotted during year ended March 31, 2014 and year ended March 31, 2015 respectively as fully paid-up pursuant to contracts for consideration other than cash	296,776	296,776

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Notes to financial statements for the year ended March 31, 2020

Note 11 : Other equity (Rs. in '000)

Particulars	As at March 31, 2020	As at March 31, 2019
Securities premium	23,911	23,911
Capital reserve	(1,243)	(1,243)
Retained earnings & general reserves	(176,009)	(190,883)
Share based payment reserve	-	-
Total	**(153,341)**	**(168,215)**

Securities premium

Particulars	(Rs. in '000)
At April 1, 2018	**23,911**
Changes during the year	-
At March 31, 2019	**23,911**
Changes during the year	-
At March 31, 2020	**23,911**

Retained earnings & general reserves (Rs. in '000)

Particulars	Retained earnings	General reserves	Total
At April 1, 2018	**(273,784)**	**34**	**(273,750)**
Net Profit for the year	82,011	-	**82,011**
Forfeiture of outstanding share based options	652		**652**
Items of gain of other comprehensive income recognised directly in retained earnings			
- Remeasurements of defined benefits obligation, net of tax	204	-	**204**
At March 31, 2019	**(190,917)**	**34**	**(190,883)**
Net Profit for the year	14,915	-	**14,915**
Items of gain of other comprehensive income recognised directly in retained earnings			
- Remeasurements of defined benefits obligation, net of tax	(41)	-	**(41)**
At March 31, 2020	**(176,043)**	**34**	**(176,009)**

Share based payment reserve

Particulars	(Rs. in '000)
At April 1, 2018	**652**
Forfeiture of outstanding share based options	(652)
At 31 March 2019	-
Changes during the year	-
At 31 March 2020	-

Capital reserve*

Particulars	(Rs. in '000)
At April 1, 2018	**(1,243)**
Changes during the year	-
At 31 March 2019	**(1,243)**
Changes during the year	-
At 31 March 2020	**(1,243)**

* In relation to merger of HT Campus undertaking of Firefly e-Ventures Limited.

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Notes to financial statements for the year ended March 31, 2020

Note 12A : Trade payables **(Rs. in '000)**

Particulars	As at March 31, 2020	As at March 31, 2019
Trade Payables		
(i) Total outstanding dues of micro enterprises and small enterprises (refer note 30)	-	137
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		
- payable to related parties (refer note 26A)	-	104,650
- Payable to others	111,035	91,933
Total	**111,035**	**196,720**
Current	**111,035**	**196,720**
Non- Current	-	-

Note 12B : Other financial liabilities **(Rs. in '000)**

Particulars	As at March 31, 2020	As at March 31, 2019
Other financial liabilities at amortised cost		
Employee payables	1,141	1,246
Security deposit	7,000	-
Total financial liabilities carried at amortised cost	**8,141**	**1,246**
Current	**8,141**	**1,246**
Non- Current	-	-

Note 13 : Provisions **(Rs. in '000)**

Particulars	As at March 31, 2020	As at March 31, 2019
Provision for employee benefits		
Provision for compensated absences (refer note 24)	90	81
Provision for gratuity (refer note 24)	478	303
Total Provisions	**568**	**384**
Current	**96**	**86**
Non- current	**472**	**298**

Note 14 : Other liabilities **(Rs. in '000)**

Particulars	As at March 31, 2020	As at March 31, 2019
Customers and agents balances (Includes Rs. Nil thousand (PY - Rs. 235 thousand) pertaining to related parties) (refer note 26A)	1,689	1,449
Statutory dues	779	740
Total other current liabilities	**2,468**	**2,189**
Current	**2,468**	**2,189**
Non- Current	-	-

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Notes to financial statements for the year ended March 31, 2020

Note 15 : Income Tax
The major components of income tax expense for the year ended March 31, 2020 and March 31, 2019 are :

Statement of profit and loss :

(Rs. in '000)

Particulars	As at March 31, 2020	As at March 31, 2019
Current income tax	-	-
Deferred tax charge/(credit)	5,949	(57,093)
Adjustments in respect of previous year	1,017	-
Income tax expense reported in the statement of profit and loss	**6,966**	**(57,093)**

OCI section :
Deferred tax related to items recognised in OCI during in the year ended March 31, 2020:

(INR Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Income tax credit on remeasurements of defined benefit plans	(14)	-
Income tax charged to OCI	**(14)**	**-**

Reconciliation of deferred tax assets (net):

Particulars	As at March 31, 2020	As at March 31, 2019
Opening balance	57,093	-
Tax income/(expense) during the year recognised in profit or loss	(6,952)	57,093
Closing balance	**50,141**	**57,093**

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for March 31, 2020 and March 31, 2019:

(Rs. in '000)

Particulars	As at March 31, 2020	As at March 31, 2019
Accounting profit before tax	21,881	24,918
Accounting profit before income tax	**21,881**	**24,918**
At India's statutory income tax rate of 26%	**5,689**	**6,479**
Effects of		
Unrecognised deferred tax (net for the year ended 31 March)	260	-
Deferred tax recognised on Brought forward losses & Unabsorbed depreciation	-	(45,503)
Deferred tax recognised on temporary differences pertaining to previous years	-	(15,727)
Current year tax loss on which deferred tax is recognised	-	(2,342)
Adjustments in respect of previous year	1,017	-
	6,966	**(57,093)**

Deferred tax relates to the following:

(Rs. in '000)

Particulars	As at March 31, 2020	As at March 31, 2019
Temporary differences arising on:		
Unabsorbed brought forward losses	22,774	28,264
Provision for defined benefit obligation	147	100
Unabsorbed depreciation carried forward	17,239	17,239
Impairment of doubtful debts and advances	2,500	2,364
Difference in WDV of tangible and intangible fixed assets as per books of account and tax books	2,119	2,747
Effect of expenditure debited to Statement of profit and loss in the current year but allowed for tax purposes in following year	5,362	6,379
Deferred tax Asset (net)	**50,141**	**57,093**

Deductible temporary differences, unused tax losses, and unused tax credits for which no deferred tax asset is recognised in the balance sheet as on 31 March 2020:

(Rs. in '000)

Particulars	As at March 31, 2020	As at March 31, 2019
Temporary differences arising on:		
Unabsorbed brought forward losses	90,097	93,626
Fair value of investment through profit and loss	260	
Provision for defined benefit obligation	-	-
Unabsorbed depreciation carried forward	-	-
Impairment of doubtful debts and advances	-	-
Difference in WDV of tangible and intangible fixed assets as per books of account and tax books	-	-
Deferred tax Asset (net)	**90,357**	**93,626**

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Notes to financial statements for the year ended March 31, 2020

Note 16 : Revenue from operations **(Rs. in '000)**

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Sales of services - digital services	227,548	181,274
Total	**227,548**	**181,274**

Note 17 : Other income **(Rs. in '000)**

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Interest income on EIR method		
- Bank deposits	2,451	2,157
- Interest on inter corporate deposit	234	-
- Income tax refund	-	3,554
Other non - operating income		
Unclaimed balances/liabilities written back (net)	4,042	1,700
Net impairment gain on financial assets	-	475
Net gain on disposal of property, plant and equipment	-	2
Foreign exchange fluctuation income	412	475
Miscellaneous income	-	127
Total	**7,139**	**8,490**

Note 18 : Employee benefits expense **(Rs. in '000)**

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Salaries, wages and bonus	8,455	9,249
Contribution to provident and other funds (refer note 24)	323	351
Gratuity expense (refer note 24)	121	176
Workmen and staff welfare expenses	15	49
Total	**8,914**	**9,825**

Note 19 : Finance costs **(Rs. in '000)**

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Bank charges	125	53
Total	**125**	**53**

Note 20 : Depreciation and amortization expense **(Rs. in '000)**

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Depreciation on property, plant and equipment (Refer Note 3)	97	1,182
Amortization of intangible assets (Refer Note 4)	249	290
Total	**346**	**1,472**

Note 21 : Other expenses **(Rs. in '000)**

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Power and fuel	-	7
Rent	-	1,840
Rates and taxes	1,163	271
Insurance	87	30
Repairs and maintenance:		
- Plant and machinery	364	844
- Building	-	55
Travelling and conveyance	2,235	1,749
Communication costs	504	970
Legal and professional fees	1,413	1,255
Payment to auditor (refer details below)	900	1,100
Net impairment loss on financial assets	534	-
Loss on sale/discard of property, plant and equipment	133	-
Services for mobile and music content	194,741	142,140
Loss on account of fair value of investments classified at FVTPL	1,000	-
Miscellaneous expenses	347	3,235
Total	**203,421**	**153,496**

Payment to auditors **(Rs. in '000)**

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
As auditor :		
- Audit fee	700	800
- Tax audit fee	150	200
- Reimbursement of expenses	50	100
Total	**900**	**1,100**

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Notes to financial statements for the year ended March 31, 2020

Note 22 : Other Comprehensive Income
The disaggregation of changes to OCI by each type of reserve in equity is shown below :

During the year ended March 31, 2020

		(Rs. in '000)
Particulars	**Retained earnings**	**Total**
Re- measurement gains(losses) on defined benefit plans	(55)	(55)
Income tax relating to items that will not be reclassified subsequently to profit or loss	14	14
Total	**(41)**	**(41)**

During the year ended March 31, 2019

		(Rs. in '000)
Particulars	**Retained earnings**	**Total**
Re- measurement gains(losses) on defined benefit plans	204	204
Income tax relating to items that will not be reclassified subsequently to profit or loss	-	-
Total	**204**	**204**

Note 23 : Earnings per share (EPS)
Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the Company by the weighted average number of Equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

The following reflects the income and share data used in the basic and diluted EPS computations:

		(Rs. in '000 except earnings per share)
Particulars	**Year ended March 31, 2020**	**Year ended March 31, 2019**
Profit/ (loss) attributable to equity holders for basic earnings	14,915	82,011
Profit attributable to equity holders adjusted for the effect of dilution	**14,915**	**82,011**
Weighted average number of equity shares for basic EPS (No.)	35,458,598	35,458,598
Weighted average number of equity shares adjusted for the effect of dilution (No.)	**35,458,598**	**35,458,598**
Earning per share		
Basic EPS (Rs.)	**0.42**	**2.31**
Diluted EPS (Rs.)	**0.42**	**2.31**

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Notes to financial statements for the year ended March 31, 2020

Note 24 : Employee Benefits

A. Define Benefit Plan: Gratuity **(Rs. in '000)**

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Gratuity	478	303
Total	**478**	**303**
Current	**7**	**5**
Non- current	**471**	**298**

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of services gets a gratuity on separation at 15 days salary (last drawn salary) for each completed year of service. The liability is provided as per actuarial valuation.

The gratuity plan is governed by the Payment of Gratuity Act, 1972. The Company has purchased insurance policy, which is basically a year-on-year cash accumulation plan in which the interest rate is declared on yearly basis and is guaranteed for a period of one year. The insurance company, as part of the policy rules, makes payment of all gratuity outgoes happening during the year (subject to sufficiency of funds under the policy). The policy, thus, mitigates the liquidity risk. However, being a cash accumulation plan, the duration of assets is shorter compared to the duration of liabilities. Thus, the Company is exposed to movement in interest rate (in particular, the significant fall in interest rates, which should result in a increase in liability without corresponding increase in the asset.

The following tables summaries the components of net benefit expense recognised in the statement of profit or loss and amounts recognised in the balance sheet for the respective plans:

Gratuity Plan

Changes in the defined benefit obligation and fair value of plan assets as at March 31, 2020 :

Present value of Obligation **(Rs. in '000)**

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Opening Balance	303	967
Current Service Cost	97	99
Interest Expense or cost	24	77
Re-measurement (or Actuarial) (gain) / loss arising from:		
- change in financial assumptions	74	8
- experience variance (i.e. Actual experience vs assumptions)	(20)	(212)
Benefits Paid	-	(636)
Total	**478**	**303**

The principal assumptions used in determining gratuity obligation for the Company's plans are shown below:

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Discount Rate	6.85%	7.85%
Salary Growth Rate	7.50%	7.50%
Withdrawal Rate		
Up to 30 years	3.00%	3.00%
31 - 44 years	2.00%	2.00%
Above 44 years	1.00%	1.00%

A quantitative sensitivity analysis for significant assumption as at 31 March 2020 is as shown below:

(Rs. in '000)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Defined Benefit Obligation (Base)	478	303

Impact on defined benefit obligation **(Rs. in '000)**

Particulars	Year ended March 31, 2020		Year ended March 31, 2019	
Assumptions	**Decrease**	**Increase**	**Decrease**	**Increase**
Discount Rate (-/+ 1%)	91	74	59	48
Salary Growth Rate (-/+ 1%)	(74)	(90)	(48)	(59)
Attrition Rate (-/+ 50%)	7	7	1	1

The sensitivity analysis above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

The following represents the maturity profile of the defined benefit plan in future years:

(Rs. in '000)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Upto 1 year (next annual reporting period)	7	5
From 2 and upto 5 years	41	31
From 6 and upto 10 years	61	47
Beyond 10 years	1,689	1,374
Total expected payments	**1,798**	**1,457**

Average duration of the defined benefit plan obligation is 18 years (Previous year- 17 years)

B. Defined Contribution Plan

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Contribution to Provident and Other funds		
Charged to Statement of Profit and Loss	323	351

C. Leave Encashment (unfunded)

The Company recognises the leave encashment expenses in the Statement of profit & loss based on actuarial valuation.
The expenses recognised in the statement of profit & loss and the leave encashment liability at the beginning and at the end of the year :

(Rs. in '000)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Liability at the beginning of the year	81	210
Provided during the year	9	(129)
Liability at the end of the year	**90**	**81**

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Notes to financial statements for the year ended March 31, 2020

Note 25 : Fair value
Set out below, is a comparison by class of the carrying amounts and fair value of the companies financial instruments, other than those with carrying amounts that are reasonable approximations of fair values:

(Rs. in '000)

Particulars	Carrying Value		Fair value		Fair value mechanism
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	Hierarchy
Financial assets measured at fair value through profit and loss (FVTPL)					
Investment in equity instruments and warrants - Unquoted (refer note 5A)	6,000	-	6,000	-	Level 3

The management assessed that fair value of loans given, trade receivables, cash and cash equivalents, other bank balances, other current financial assets, trade payables and other current financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments. The fair value of the financial assets and liabilities is the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:
- The fair value of the investment in unquoted equity shares has been estimated using a Discounted Cash Flow (DCF) model and/or comparable investment price such as last round of funding made in the investee Company. The valuation requires management to make certain assumptions about the model inputs, including forecast cash flows, discount rate, credit risk and volatility. The probabilities of the various estimates within the range can be reasonably assessed and are used in management's estimate of fair value for these unquoted investments.

The significant unobservable inputs used in the fair value measurement categorized within Level 3 of the fair value hierarchy together with a quantitative sensitivity analysis as at 31 March 2020 is shown below:

Particulars	Valuation technique	Significant unobservable inputs	Range (weighted average)	Impact of Increase in inputs to fair value(INR Lakhs)	Impact of Decrease in inputs to fair value(INR Lakhs)
Investment in equity instruments and warrants Unquoted at Level 3 (refer note below)	Discounted cash flow/Option Pricing Model	Volatility (+/- 5%)	43.8%	3	(2)
		Environment Risk (+/- 5%)	15%	(4)	4

Reconciliation of fair value measurement of investment in unquoted equity shares measured at FVTPL (Level III) :

Particulars	Total (Rs. in '000)
As at March 31, 2018	-
Purchases	-
Impact of fair value movement	-
Transfers*	-
As at March 31, 2019	-
Purchases	7,000
Impact of fair value movement	(1,000)
Transfers*	-
As at March 31, 2020	**6,000**

*During the year an Investment having book value of INR Nil (previous year Nil) has been transferred from Level 2 to Level 3

Note 26: Related party transactions

I) List of Related Parties and Relationships:-

Parties having direct or indirect control over the Company (Holding Company)	Earthstone Holding (Two) Private Limited (Ultimate controlling party is the Promoter Group)
	The Hindustan Times Limited#
Holding Company of HT Digital Media Holdings Limited	HT Media Limited
Holding Company	HT Digital Media Holdings Limited
Fellow Subsidiaries (with whom transactions have occurred during the year)	HT Learning Centers Limited

The Hindustan Times Limited (HTL) does not hold any direct investment in the Company. However, HTL's subsidiary HT Media Limited holds shares in the Company.

ii) Transactions with related parties
Refer Note 26A

iii) Terms and conditions of transactions with related parties
The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash (other than Inter-corporate Deposit refer note 5B).

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HT Mobile Solutions Limited
Notes to financial statements for the year ended March 31, 2020

Note 26A : Related party transactions

(Rs. in '000)

Particulars	Holding Company of HT Digital Media Holdings Limited		Holding Company		Fellow Subsidiaries		Total	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
INCOME								
Interest earned on inter corporate loan	-	-	-	-	234	-	**234**	-
EXPENSE								
Office rent and other expenses	-	1,840	-	-	-	-	-	**1,840**
Advertising and Sales Promotion	844						**844**	-
OTHERS								
Reimbursement of expenses incurred on behalf of the Company	201	631	-	-	-	6,922	**201**	**7,553**
Reimbursement of expenses incurred on behalf of the parties by company		867	-	-	-	-	-	**867**
Inter corporate deposit given by the company	-	-	-	-	30,000	-	**30,000**	-
BALANCE OUTSTANDING								
Equity Share Capital	29,907	29,907	321,712	321,712	-	-	**351,619**	**351,619**
Inter corporate deposit given & interest accrued on it	-	-	-	-	30,211	-	**30,211**	-
Trade and other receivable	179	-	-	-	19,733	19,505	**19,912**	**19,505**
Trade payable and other liabilities	-	12,369	-	-	-	494	-	**12,863**

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Notes to financial statements for the year ended March 31, 2020

Note 27: Financial risk management objectives and policies
The company's principal financial liabilities comprise trade and other payables. The main purpose of these financial liabilities is to finance the company's operations. The company's principal financial assets include investments, loans given, trade and other receivables, and cash and cash equivalents that derive directly from its operations.

Market risk
Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and equity price risk.
The sensitivity analyses in the following sections relate to the position as at March 31, 2020 and March 31, 2019.
The analysis exclude the impact of movements in market variables on: the carrying values of gratuity and other post retirement obligations and provisions.
The sensitivity of the relevant profit and loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at March 31, 2020 and March 31, 2019.

(i) Interest rate risk
Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

(ii) Foreign currency risk
Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a foreign currency).

Foreign currency sensitivity
The following tables demonstrate the sensitivity to a reasonably possible change in exchange rates, with all other variables held constant. The impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities.

(Rs. in '000)

Particulars	Change in USD rate		Effect on profit before tax	
	Year ended March 31, 2020	Year ended March 31, 2019	Year ended March 31, 2020	Year ended March 31, 2019
Change in USD rate				
Trade receivables	+/(-) 1%	+/(-) 1%	-	148
Unbilled revenue	+/(-) 1%	+/(-) 1%	222	-

(iii)Equity price risk
The Company invests in listed and non-listed equity securities which are susceptible to market price risk arising from uncertainties about future values of the investment securities. The Company manages the equity price risk through diversification and by placing limits on individual and total equity instruments. Reports on the equity portfolio are submitted to the Company's senior management on a regular basis. The Company's Investment Committee reviews and approves all equity investment decisions.

Credit risk
Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions and foreign exchange transactions.

Trade receivables and other financial assets
An impairment analysis is performed at each reporting date on an individual basis for major clients. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in Note 7A and Note 5C. The Company does not hold collateral as security.

The Company evaluates the concentration of risk with respect to trade receivables and contract as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets.

Financial instruments and cash deposits
Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made as per guidelines and within limits approved by Board of Directors. Board of Directors/ Management reviews and update guidelines, time to time as per requirement. The guidelines are set to minimize the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

Liquidity risk
The Company monitors its risk of a shortage of funds using a liquidity planning tool.

The table below summarizes the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

(Rs. in '000)

	With in 1 year	More than 1 years	Total
As at March 31, 2020			
Trade and other payables (refer note 12A)	111,035	-	111,035
Other financial liabilities (refer note 12B)	8,141	-	8,141
As at March 31, 2019			
Trade and other payables (refer note 12A)	196,720	-	196,720
Other financial liabilities (refer note 12B)	1,246	-	1,246

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HT Mobile Solutions Limited
Notes to financial statements for the year ended March 31, 2020

Note 28 : Segment information

The Company's operations comprise of only one segment i.e. "Rendering of Digital Services". The management also reviews and measures the operating results taking the whole business as one segment and accordingly make decision about the resources allocation. In view of the same, separate segment information is not required to be given as per the requirement of Ind-AS 108 on "Operating Segments"

Information about major customers:
There are certain customers which represent 10% or more of the Company's total revenue with total amounting to Rs. 214,348 thousands and Rs. 167,206 thousands for the year ended March 31, 2020 and March 31, 2019 respectively.

Note 29: Capital management
For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves. The primary objective of the Company's capital management is to maximize the shareholder value.

The Company manages its capital structure through equity funding and it's own operations. It does not have any debt.

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2020 and March 31, 2019.

Note 30: Based on the information available with the Company, details of dues to Micro and Small Enterprises as defined under the MSMED Act, 2006 :

(Rs. in '000)

Particulars	March 31, 2020	March 31, 2019
Principal Amount	-	137
Interest due thereon at the end of the accounting year	-	-
The amount of interest paid by the buyer in terms of Section 16, of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
The amount of interest due and payable for the period for delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006.	-	-
The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under Section 23 of MSMED Act, 2006.	-	-

Note 31 : Scheme of amalgamation between Firefly e-Ventures Limited (FEVL), HT Digital Media Holdings Limited (HTDH), HT Education Liited (HTEL), HT Learning Centers Limited (HTLC), India Education Services Privale Limited (IESPL), Topmovies Entertainment Limited (TMEL) with HT Mobile Solutions Limited (HTMSL)

A scheme of amalgamation u/s 230-232 of the Companies Act, 2013 which provides for merger of Firefly e-Ventures Limited (FEVL), HT Digital Media Holdings Limited (HTDMH), HT Education Limited (HTEL), HT Learning Centers Limited (HTLC), India Education Services Private Limited (IESPL) and Topmovies Entertainment Limited (TMEL) with HT Mobile Solutions Limited (HTMS) ("Scheme"), has been approved by the respective Board of Directors of companies at their meetings held on March 18, 2020.

Pending filing of the Scheme with Hon'ble NCLT, New Delhi Bench, impact thereof has not been considered in HTMS's standalone results for FY 19-20.
On effectiveness of the Scheme, the loan given by HTMS to HTLC will get eliminated in the books of accounts of HTMS.

Note 32 Disclosure required under section 186(4) of the Companies Act, 2013

Included in loans and advances, loan to fellow subsidiary the particulars of which are disclosed in below as required by Sec 186(4) of Companies Act 2013:

(Rs. in '000)

Name of the Loanee	Rate of Interest	Due Date	Secured/ Unsecured	Purpose of Loan	March 31, 2020	March 31, 2019
HT Learning Centers Limited (Fellow Subsidiary)	9.60% p.a. compounded annually	Repayable on demand	Unsecured	To meet the business requirements and other general corporate purposes.	30,000	-

For further details of loans and advances provided to related parties, refer note 5B.

Note 33 Standards issued but not effective
"Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2020."

Note 34: Management has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amount of assets of the Company. In developing the assumptions relating to the possible future uncertainties because of this pandemic, the Company, as at the date of adoption of these financial results has used internal and external sources of information. The Company has performed sensitivity analysis on the assumptions used and based on current estimates expects that the carrying amount of assets will be recovered. The impact of COVID-19 on the Company's financial results may differ from that estimated as at the date of adoption of audited financial statements for the year ended 31 March 2020.

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Notes to financial statements for the year ended March 31, 2020

Note 35: Previous year figures have been regrouped and reclassified wherever necessary to conform to the current year classification.

See accompanying notes to the financial statements.

In terms of our report of even date attached

For B S R and Associates
Chartered Accountants
(ICAI Firm registration Number: 128901W)

Rajesh Arora
Partner
Membership No. 076124

Place: Gurugram
Date: June 25, 2020

For and on behalf of the Board of Directors of HT Mobile Solution Limited

Piyush Gupta
Director
(DIN: 03155591)

Umesh Sharma
Director
(DIN: 01490553)

Zairus Master
Chief Executive Officer

Rahul Garg
Chief Financial Officer

Place: New Delhi
Date: June 25, 2020

HT MOBILE SOLUTIONS LTD. NEW DELHI