



The Board of Directors
Digicentent Limited
Hindustan Times House,
2nd Floor, 18-20,
Kasturba Gandhi Marg,
New Delhi - 110001

Report on special purpose consolidated Ind AS financial statements

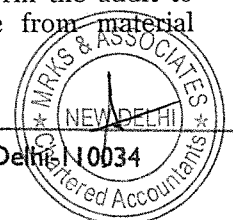
1. This report is issued in accordance with the terms of our agreement dated April 05, 2019.
2. Pursuant to the Scheme of Arrangement among HT Media Limited and Digicentent Limited and their respective Shareholders and Creditors, for demerger and transfer of the "Entertainment and Digital Innovation" of HT Media Limited (Demerged Company) into Digicentent Limited (Resulting Company) under sections 230 to 232 of the Companies Act, 2013 read with Section 66 of the Companies Act, 2013, approved by the Hon'ble Bench of NCLT, New Delhi on March 7, 2019 (certified true copy received on March 27, 2019) and in terms of SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017, the financial results of the Resulting Company to be included in the Advertisement, to be release prior to the listing of equity shares of Resulting Company and the Information Memorandum to be submitted with the Stock Exchanges, should not be for a date earlier than six months prior to the date of listing of the Resulting Company. Accordingly the Resulting Company has approached us to do the Audit of the financials of the Resulting Company as on March 31, 2019 (with Appointed Date being March 31, 2018) after giving effect to the Scheme approved by the Hon'ble New Delhi Bench of NCLT.
3. We have audited the accompanying Special purpose consolidated financial statements of Digicentent Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2019 the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year ended on that date, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

4. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Special purpose consolidated Ind AS financial statements to give a true and fair view of the financial position, financial performance (including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified in the Companies (Indian Accounting Standards) Rules, 2015 (as amended) 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 relevant to the preparation and presentation of the Special Purpose consolidated Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

5. Our responsibility is to express an opinion on these special purpose consolidated Ind AS financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013 ("the Act") and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.



6. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the special purpose financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Management, as well as evaluating the overall presentation of the financial statements.
7. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

8. Based on our audit, we report that:
 - a. We have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit;
 - b. The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Cash Flow Statement and the Statement of Changes in Equity dealt with by this report are in agreement with the books of account;
 - c. In our opinion and to the best of our information and according to the explanations given to us, the special purpose financial statements, together with the notes thereon and attached thereto, fairly present, in all material respects, in conformity with the accounting principles generally accepted in India:
 - (i) in the case of the Balance Sheet, the state of affairs of the Company as at March 31, 2019;
 - (ii) in the case of the Statement of Profit and Loss (including other comprehensive income), the profit for the year ended on that date; and
 - (iii) in the case of the Cash flow statement, of the cash flows for the year ended on that date
 - (iv) in case of equity, changes in equity for the year ended on that date.

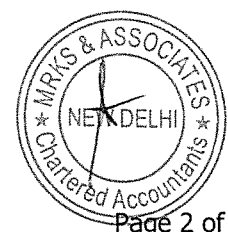
Emphasis of Matter

8. We draw attention to Note 1 and 2.1 to the Ind AS financial statements which describes the basis for preparation of the Ind AS financial statements consequent to the acquisition of Entertainment & Digital Innovation Business of HT Media Limited ('Demerged Unit') by the Company, pursuant to a Scheme of Arrangement approved by the National Company Law Tribunal, New Delhi Bench ('NCLT') vide its order dated March 27, 2019 (the 'Scheme'), which has been effected on April 5, 2019, with the appointed date of March 31, 2018 as compared to acquisition date as per applicable Indian Accounting Standards (Ind AS) prescribed under section 133 of Companies Act, 2013 read with relevant rules issued thereunder.

Other Matters

9. We did not audit the financial statements of one subsidiary included in the consolidated financial statements, whose financial statements reflect total assets of INR 17,156 lakhs as at March 31, 2019, total revenue of INR 24,834 lakhs, total comprehensive loss of INR 769 lakhs (comprising of loss of INR 817 lakhs and other comprehensive income of INR 48 lakhs) and net cash outflows amounting to INR 685 lakhs for the year ended on that date, as considered in the consolidated Ind AS financial statements. These financial statements have been audited by other auditor whose reports have been furnished to us by the Management, and our opinion on the consolidated Ind AS financial statements in so far as it relates to the amounts and disclosures included in respect of this subsidiary is based solely on the report of the other auditor.

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

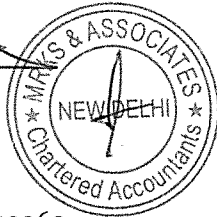


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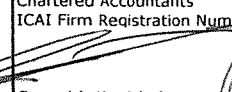
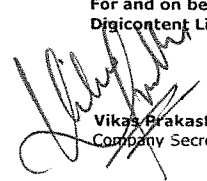
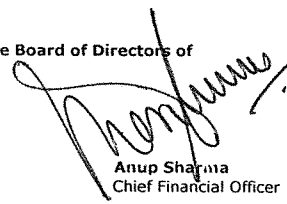
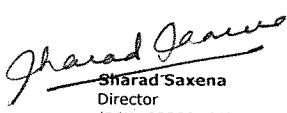

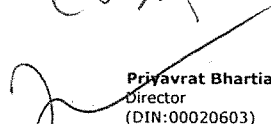
10. Our obligations in respect of this report are entirely separate from, and our responsibility and liability is in no way changed by, any other role we may have (or may have had) as auditors of the Company or otherwise. Nothing in this report, nor anything said or done in the course of or in connection with the services that are the subject of this report, will extend any duty of care we may have in our capacity as auditors of any financial statements of the Company.

11. This report is addressed to the Board of Directors of the Company and has been prepared for and only for the purposes set out in paragraph 2 above. This report should not be otherwise used or shown to or otherwise distributed to any other party or used for any other purpose except with our prior consent in writing. MRKS and Associates neither accepts nor assumes any duty, responsibility or liability to any other party or for any other purpose

For MRKS and Associates
(Chartered Accountants)
Firm Registration Number: 023711N



Saurabh Kuchhal
Partner
Membership Number: 512362
Date: April 16, 2019
Place: New Delhi

Digicontent Limited (formerly known as HT Digital Ventures Limited) Consolidated Balance sheet as at March 31, 2019			
		As at March 31, 2019	As at March 31, 2018 (refer note 2B)
	Note No	INR Lacs	INR Lacs
ASSETS			
1) Non-current assets			
(a) Property, Plant & Equipment	3	219	135
(b) Goodwill	4	7,238	10,857
(c) Other Intangible Assets	4	124	145
(d) Intangible assets under development	4	3	-
(e) Financial assets			
(i) Investments	6A	10	-
(ii) Loans	6B	7	7
(f) Deferred Tax assets (net)	18	1,772	1,307
(g) Income tax assets (net)	5	2,964	2,084
Total Non-current assets		12,337	14,535
2) Current assets			
(a) Financial assets			
(i) Trade Receivables	7	4,648	2,695
(ii) Cash and cash equivalents	8	1,219	1,890
(iii) Loans	6B	2	1
(iv) Other financial assets	9A	1,720	1,486
(b) Contract assets	9B	201	-
(c) Other current assets	10	112	192
Total Current assets		7,902	6,264
TOTAL ASSETS		20,239	20,799
EQUITY AND LIABILITIES			
1) Equity			
(a) Equity share capital	11	-	-
(b) Share suspense account	11	1,164	1,164
(c) Other equity	12	5,325	6,470
Total equity		6,489	7,634
2) Liabilities			
Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	13	8,000	8,000
(ii) Other financial liabilities	15	1,010	218
Total non-current liabilities		9,010	8,218
Current liabilities			
(a) Financial liabilities			
(i) Trade Payables			
a) total outstanding due of micro, small and medium enterprises	14	53	34
b) total outstanding due other than (i)(a) above	14	3,471	4,046
(ii) Other financial liabilities	15	19	6
(b) Other Current Liabilities	17A	619	423
(c) Contract Liabilities	17B	45	-
(d) Provisions	16	533	438
Total current liabilities		4,740	4,947
Total Liabilities		13,750	13,165
TOTAL EQUITY AND LIABILITIES		20,239	20,799
Summary of significant accounting policies 2			
The accompanying notes are an integral part of the financial statements			
As per our report of even date			
For MRKS And Associates Chartered Accountants ICAI Firm Registration Number-223741N  Saurabh Kuchhal Partner Membership Number 51236		For and on behalf of the Board of Directors of Digicontent Limited  Vikas Prakash Company Secretary  Anup Sharma Chief Financial Officer  Sharad Saxena Director (DIN: 02239469)	
Place: New Delhi Date: April 16, 2019 		 Priyavrat Bhartiya Director (DIN:00020603)	

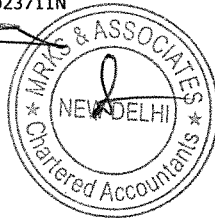
Digicentent Limited (formerly known as HT Digital Ventures Limited)
Consolidated Statement of Profit and Loss for the year ended March 31, 2019

Particulars	Note No	Year ended	Period ended
		March 31, 2019	August 14, 2017 to March 31, 2018 (refer note 28)
		INR Lacs	INR Lacs
I Income			
a) Revenue from operations	19	26,797	-
b) Other Income	20	58	-
Total Income		26,855	-
II Expenses			
a) Employee benefits expense	21	13,900	-
b) Finance costs	22	912	218
c) Depreciation and amortization expense	23	3,765	-
d) Net impairment losses on financial assets		71	-
e) Other expenses	24	9,860	-
Total expenses		28,508	218
III Profit/(loss) before tax and share of profit/ (loss) of associate(I-II)		(1,653)	(218)
IV Earnings before interest, tax, depreciation and amortization (EBITDA) before exceptional items [III-II(a)]		3,024	-
V Income tax expense			
Current tax	18	-	-
Deferred tax charge/(credit)	18	(476)	-
Total tax expense		(476)	-
VI Profit/(loss) for the year after tax before share of profit/ (loss) of associate (III+V)		(1,177)	(218)
VII Share of net profit (loss) of associate accounted for using the equity method		-	(309)
VIII Profit/(loss) for the year after tax and after share of loss of associate (VI+VII)		(1,177)	(527)
IX Other Comprehensive Income	25		
<i>Items that will not be reclassified to profit or loss</i>			
i) Remeasurement of the defined benefit plan gain/(loss)		43	-
ii) Income tax relating to items that will not be reclassified to profit or loss		(11)	-
iii) Share of other comprehensive income of associate accounted for using the equity method (net of tax)		-	55
Other comprehensive income for the year, net of tax		32	55
X Total Comprehensive Income for the year, net of tax(VIII+IX)		(1,145)	(472)
XI Earnings/(loss) per share (INR)			
Basic (Nominal value of share INR 2/-)	26	(2.02)	(0.91)
Diluted (Nominal value of share INR 2/-)	26	(2.02)	(0.91)
Summary of significant accounting policies	2		

The accompanying notes are an integral part of the financial statements
As per our report of even date

For MRKS And Associates
Chartered Accountants
ICAI Firm Registration Number 023711N

Saurabh Kuchhal
Partner
Membership Number 512362



Place: New Delhi
Date: April 16, 2019

For and on behalf of the Board of Directors of Digicentent Limited

Vikas Prakash
Company Secretary

Anup Sharma
Chief Financial Officer

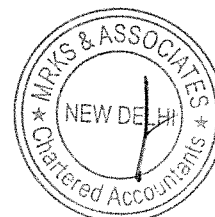
Priyavrat Bhartia
Director
(DIN:00020603)

Sharad Saxena
Director
(DIN: 02239469)

MRKS

Digicontent Limited (formerly known as HT Digital Ventures Limited)
Consolidated Cash Flow Statement for the year ended March 31, 2019

Particulars	March 31, 2019	August 14, 2017 to March 31, 2018 (refer note 28)
	INR Lacs	INR Lacs
Cash flows from Operating activities		
Profit before taxation	(1,653)	(218)
Adjustments to reconcile profit before tax to net cash flows:		
Interest Income from deposits	(35)	-
Depreciation and amortization expense	3,765	-
Finance cost	904	218
Impairment of doubtful debts and advances (including bad debts written off)	71	-
Profit on sale of Fixed Assets (net)	(1)	-
Working capital adjustments:		
Increase in trade receivables	(2,024)	-
Increase in other financial assets	(235)	-
Decrease in current assets	80	-
Increase in contract assets	(201)	-
Decrease in Trade payables and Other financial liabilities	(556)	-
Increase in contract liability	45	-
Increase in Other current liabilities	196	-
Increase in provisions	138	-
Cash generated from Operations	494	-
Income tax paid	(880)	-
Net cash outflow from operating activities (A)	(386)	-
Cash flows from Investing activities		
Interest received on deposits	35	-
Purchase of investments	(10)	-
Purchase of Property, Plant and equipment	(198)	-
Investment in Associate	-	(7,675)
Net cash outflows from investing activities (B)	(173)	(7,675)
Cash flow from Financing activities		
Proceeds from Issue of Equity Shares	-	1
Interest paid	(112)	-
Inter corporate deposits received	-	8,000
Net cash inflow/(outflows) from financing activities (C)	(112)	8,001
Net increase/ (decrease) in cash and cash equivalents (D= A+B+C)	(671)	326
Cash component on acquisition of subsidiary (E)	-	1,564
Cash and cash equivalents at the beginning of the year (F)	1,890	-
Cash and cash equivalents at the end of the year (D+E+F)	1,219	1,890



Digicontent Limited (formerly known as HT Digital Ventures Limited)
Consolidated Cash Flow Statement for the year ended March 31, 2019

Particulars	March 31, 2019	August 14, 2017 to March 31, 2018
	INR Lacs	INR Lacs
Components of Cash & Cash Equivalents as at end of the year		
Cash in hand	1	1
With banks		
- On deposit with original maturity of upto 3 months	1,094	1,749
- On current accounts	124	140
Total cash and cash equivalents	1,219	1,890

Debt reconciliation disclosure pursuant to Amendment to Ind-AS 7:

Particulars	Non Current Borrowings (INR Lacs)
Opening Balance as at April 01, 2018	8,000
Cash Flows:	
-Drawdowns	-
-Repayments	-
Non-Cash movements:	
Closing Balance as at March 31, 2019	8,000

The accompanying notes are an integral part of the financial statements

As per our report of even date

For MRKS And Associates
 Chartered Accountants
 ICAI Firm Registration Number 023711N



Saurabh Kuchhal
 Partner
 Membership Number 512362

For and on behalf of the Board of Directors of Digicontent Limited

[Signature]
Vikas Prakash
 Company Secretary

[Signature]
Anup Sharma
 Chief Financial Officer

Place: New Delhi
Date: April 16, 2019

[Signature]
Priyavrat Bhartia
 Director
 (DIN:00020603)

[Signature]
Sharad Saxena
 Director
 (DIN: 02239469)

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Digicontent Limited (formerly known as HT Digital Ventures Limited)
Consolidated Statement of changes in equity for the year ended March 31, 2019

A. Equity Share Capital (Refer Note 11)

Equity Shares of INR 2 each issued, subscribed and fully paid up

Particulars	Number of shares	(INR Lacs)
		Amount
Balance as at August 14, 2017	-	-
Change during the period	50,000	1
Share cancelled during the year (refer note 28)	(50,000)	(1)
Balance as at March 31, 2018	-	-
Change during the year	-	-
Balance as at March 31, 2019	-	-

B. Share Suspense Account (Refer Note 11)

Particulars	Number of shares	(INR Lacs)
		Amount
Balance as at August 14, 2017	-	-
Change during the period	58,187,078	1,164
Balance as at March 31, 2018	58,187,078	1,164
Change during the year	-	-
Balance as at March 31, 2019	58,187,078	1,164

C. Other Equity attributable to equity holders (Refer Note 12)

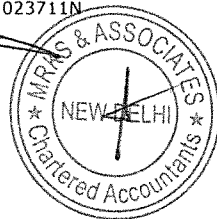
Particulars	(INR Lacs)		Total
	Retained earnings	Capital Reserve	
Balance as at August 14, 2017	-	-	-
Profit/(loss) for the period	(218)	-	(218)
Share of net loss of associate accounted for using the equity method	(309)	-	(309)
Share of other comprehensive income of associate accounted for using the equity method	55	-	55
Capital reserve on account of scheme (Refer Note 28)	-	10,703	10,703
Capital reserve on account of control (Refer Note 30)	-	(3,761)	(3,761)
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

The accompanying notes are an integral part of the financial statements

As per our report of even date

MRKS And Associates
 Chartered Accountants
 ICAI Firm Registration Number 023711N

Saurabh Kuchhal
 Partner
 Membership Number 512362



Place: New Delhi
Date: April 16, 2019

For and on behalf of the Board of Directors of
Digicontent Limited

Vikas Prakash
 Company Secretary

Anup Sharma
 Chief Financial Officer

Priyavrat Bhartia
 Director
 (DIN: 00020603)

Sharad Saxena
 Director
 (DIN: 02239469)

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1. Corporate information

Digicontent Group consists of Digicontent Limited (the 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 (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) 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.

"Entertainment & Digital Innovation Business" includes the following-

Fever Audio Tool	Carries out: <ul style="list-style-type: none">• 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	<ul style="list-style-type: none">• 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 Hindustan Times Limited is the Holding company of Digicontent Limited.

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.

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, 2019 are authorised for issue in accordance with a resolution of the board of directors on April 16, 2019.



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").

These special purpose consolidated financial statements have been prepared to include the same in the Advertisement to be released prior to the listing of its equity shares and for submitting Information Memorandum with the Stock Exchanges.

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:

- 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. Rounding off errors has been ignored.

2.2 Basis of consolidation

The consolidated financial statements comprise the financial statements of the Group and its subsidiaries. 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 Group, 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.
- (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 fixed assets, 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

ii) Associates:

Interests in associates 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.

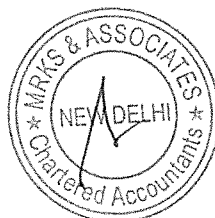
Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired 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.

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.

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 INR, which is also the parent Group'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 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 the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- 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 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.

Other fair value related disclosures are given in the relevant notes :

- Disclosures for valuation methods, significant estimates and assumptions (Note 33)
- Quantitative disclosures of fair value measurement hierarchy (Note 33)
- Financial instruments (including those carried at amortised cost) (Note 33)

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 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 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.

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 are typically contracted for a period of one to twelve months. Revenue in this respect is recognized over the period of the contract, in accordance with the established principles of accrual accounting. 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 service is rendered. Revenue is measured at the fair value of the consideration received or receivable, net of allowances, trade discounts and volume rebates.

Brand Promotion

Revenue from Brand Promotion is recognized as and when services are rendered.



Revenue from service is measured at the fair value of the consideration received or receivable, net of allowances, trade discounts and volume rebates.

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 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

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

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 a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

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 sales 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

Property, plant and equipment and Capital Work-in progress 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 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.

Value for individual assets acquired under Scheme of Arrangement under section 230 to 232 of the Companies Act, 2013, from 'HT Media Limited' during the year is measured at book value and are depreciated over the remaining useful life of the asset.

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:

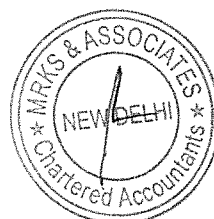
Type of asset	Useful life estimated by management (Years)
Plant and Machinery	3-6
Office Equipment	2-5

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.

Modification or extension to an existing asset, which is of capital nature and which becomes an integral part thereof is depreciated prospectively over the remaining useful life of that asset.

The residual values, useful life and methods of depreciation of property, plant and



equipment are reviewed at each period 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.

Value for individual assets acquired under Scheme of Arrangement under section 230 to 232 of the Companies Act, 2013, from 'HT Media Limited' during the year is measured at book value and are depreciated over the remaining useful life of the asset.

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.

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.

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

Represents goodwill acquired under Scheme of Arrangement under section 391-394 of Companies Act, 1956 and is amortized over a period of 5 years in terms of the scheme.



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

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

Group as a lessee

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Group is classified as a finance lease.

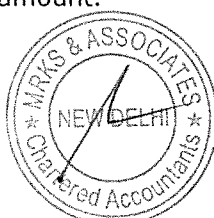
Finance leases are capitalized at the commencement of the lease at the inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability.

Finance charges are recognised in finance costs in the Statement of Profit and Loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the Group's general policy on the borrowing costs. Contingent rentals are recognised as expenses in the periods in which they are incurred. A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Group will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Operating lease payments are recognised as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term

k) 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 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 or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

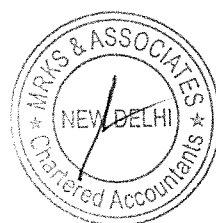
Goodwill is tested for impairment annually and when circumstances indicate that the carrying value may be impaired.

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.

I) 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.

m) 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.

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

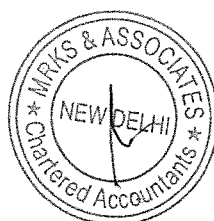
Gratuity is a defined benefit scheme. The defined benefit obligation is Computed by actuaries using the projected unit credit method.

The Group recognizes termination benefit as a liability and an expense when the Group 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 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.

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.

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 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.

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) 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)

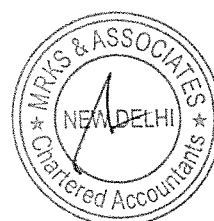
The Group follows 'simplified approach' for recognition of impairment loss allowance on:

- Trade receivables or contract revenue receivables; and

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 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.

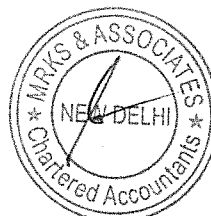
Financial liabilities

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 including bank overdrafts and derivative financial instruments.



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

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, net of outstanding bank overdrafts 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.

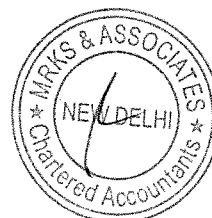
2.3. Significant accounting judgements, estimates and assumptions

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 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 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.

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.

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 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.

2.4. Standards issued but not effective

As on the date of approval of these accounts there are no standards which have been issued but not effective.

Ind AS 116 Leases

MCA has issued Ind AS 116 Leases on 30 March, 2019 effective from annual periods beginning on or after April 01, 2019. Ind AS 116 will supersede the existing Ind AS 17. The new standard requires lessees to recognize most leases on their balance sheets. Lessees will have a single accounting model for all leases, with two exemptions (low value assets and short term leases). Lessor accounting is substantially unchanged as compared to existing Lease Standard Ind AS 17. There will be additional disclosure requirements. Either a so called full retrospective application or a modified retrospective application is required for annual periods beginning on or after April 1, 2019.

The Group is in the process of finalising their analysis at the date of issuing of their financial statements for FY 2018-19. The Group would disclose the known or reasonably estimable information relevant to assessing the possible impact that application of Ind AS 116 will have on their financial statements in the period of initial application.

Companies (Indian Accounting Standards) Second Amendment Rules, 2019 notified on 30 March 2019 brings the following amendments to Ind AS. The amendments are effective from accounting periods beginning on or after 1 April 2019.

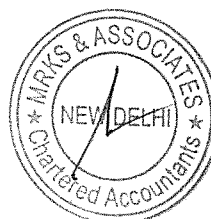
Appendix C to Ind AS 12, Income Taxes has been inserted. The appendix provides accounting for uncertainty over income tax treatments. The appendix corresponds to FRIC 23, Uncertainty over Income Tax Treatments issued by the IFRS Interpretations Committee. Appendix C explains how to recognize and measure deferred and current income tax assets and liabilities where there is uncertainty over a tax treatment. Each Uncertain tax treatment is considered separately or together as a group, depending on which approach better predicts the resolution of uncertainty.

The Group is assessing the potential effect of the above mentioned amendment on its financial statements.

Paragraph 57A has been added to Ind AS 12 to clarify that the income tax consequences of dividends on financial instruments classified as equity should be recognized according to where the past transactions or events that generated distributable profits were recognized.

This amendment is not applicable to the Group.

Amendment to Ind AS 19, Employee Benefits requires an entity to: (i) use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement; and (ii) recognize in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a



surplus, even if that surplus was not previously recognized because of the impact of the asset ceiling.

The application of this amendment is not expected to have a material impact on the Group's financial statements.

Amendment to Ind AS 23, Borrowing Costs to clarify that if a specific borrowing remains outstanding after a qualifying asset is ready for its intended use or sale, it becomes part of general borrowings.

The application of this amendment is not expected to have a material impact on the Group's financial statements.

Amendment to Ind AS 28, Investments in Associates and Joint Ventures clarifies that long-term interests in an associate or joint venture to which the equity method is not applied should be accounted for using Ind AS 109, Financial Instruments.

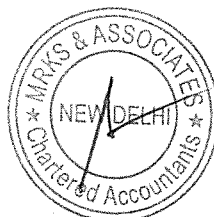
This amendment is not applicable to the Group.

Amendment has been made to Ind AS 103, Business Combinations and Ind AS 111, Joint Arrangements to clarify measurement of previously held interest in obtaining control/ joint control over a joint operation: (i) On obtaining control of a business that is a joint operation, previously held interest in joint operation is re-measured at fair value at the acquisition date; (ii) A party obtaining joint control of a business that is joint operation shall not re-measure its previously held interest in the joint operation.

This amendment is not applicable to the Group.

Amendment to Ind AS 109 enables entities to measure at amortized cost some pre-payable financial assets with negative compensation.

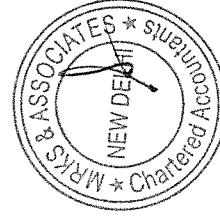
This amendment is not applicable to the Group.



Digicentent Limited (formerly known as HT Digital Ventures Limited)
Notes to consolidated financial statements for the year ended March 31, 2019

Note 3 : Property, Plant & Equipment

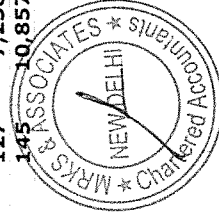
Particulars	Office Equipment		Plant & Equipment		Total	
	INR Lacs	INR Lacs	INR Lacs	INR Lacs	INR Lacs	INR Lacs
Gross Carrying Amount						
As at August 14, 2017	-	-	-	-	-	-
Additions	-	-	-	-	-	-
Acquired pursuant to scheme of arrangements (refer note 28)	-	-	3	3	3	3
Acquisition of subsidiary (refer note 30)	45	45	350	350	395	395
As at March 31, 2018	45	45	353	353	398	398
Additions	2	2	181	181	183	183
Disposals/ Adjustments	-	-	5	5	5	5
As at March 31, 2019	47	47	529	529	576	576
Accumulated Depreciation						
As at August 14, 2017	-	-	-	-	-	-
Charge for the Period	-	-	-	-	-	-
Acquisition of subsidiary (refer note 30)	1	1	262	262	263	263
As at March 31, 2018	1	1	262	262	263	263
Charge for the year	2	2	96	96	98	98
Disposals/ Adjustments	-	-	4	4	4	4
As at March 31, 2019	3	3	354	354	357	357
Net Carrying Amount						
As at March 31, 2019	44	44	175	175	219	219
As at March 31, 2018	44	44	91	91	135	135



Digicentent Limited (formerly known as HT Digital Ventures Limited)
Notes to consolidated financial statements for the year ended March 31, 2019

Note 4 : Intangible Assets
Particulars

	Website Development		Other Intangible Assets		Intangible Assets under development		Total		Goodwill	
	INR Lacs	INR Lacs	Software Licenses	INR Lacs	INR Lacs	INR Lacs	INR Lacs	INR Lacs	INR Lacs	INR Lacs
Gross Carrying Amount										
As at August 14, 2017	-	-	-	-	-	-	-	-	-	-
Additions	-	-	62	-	-	-	62	-	-	-
Acquired pursuant to scheme of arrangements (refer note 28)	-	91	19	-	-	-	110	18,095	-	-
Acquisition of subsidiary (refer note 30)										
As at March 31, 2018	91	91	81	-	-	-	172	18,095	-	-
Additions during the year	-	-	27	-	-	3	30	-	-	-
As at March 31, 2019	91	91	108	-	3	3	202	18,095	-	-
Accumulated Depreciation										
As at August 14, 2017	-	-	-	-	-	-	-	-	-	-
Charge for the period	-	-	-	-	-	-	-	-	-	-
Acquisition of subsidiary (refer note 30)	14	14	13	-	-	-	27	7,238	-	-
As at March 31, 2018	14	14	13	-	-	-	27	7,238	-	-
Charge for the year	15	15	33	-	-	-	48	3,619	-	-
As at March 31, 2019	29	29	46	-	-	-	75	10,857	-	-
Net Carrying Amount										
As at March 31, 2019	62	62	62	-	3	3	127	7,238	-	-
As at March 31, 2018	77	77	68	-	-	-	145	10,857	-	-



Digicontent Limited (formerly known as HT Digital Ventures Limited)

Notes to consolidated financial statements for the year ended March 31, 2019

Note 5 : Income tax assets

(INR Lacs)

Particulars	As At	As at
	March 31, 2019	March 31, 2018
Income tax assets	2,964	2,084
Total Income tax assets	2,964	2,084
Current	-	-
Non-Current	2,964	2,084

Note 6A: Investment

(INR Lacs)

Particulars	As At	As at
	March 31, 2019	March 31, 2018
Investments at Fair Value through profit and loss		
Unquoted		
Investment in equity instruments (fully paid-up)	10	-
Total Other Financial Assets	10	-
Current	-	-
Non - Current	10	-
Aggregate amount of quoted investment	-	-
Aggregate amount of unquoted investment	10	-

Note 6B : Loans

(INR Lacs)

Particulars	As At	As at
	March 31, 2019	March 31, 2018
Security Deposit given	9	8
Total	9	8
Current	2	1
Non - Current	7	7

Particulars	As At	As at
	March 31, 2019	March 31, 2018
Secured, considered good	-	-
Unsecured, considered good	9	8
Total	9	8

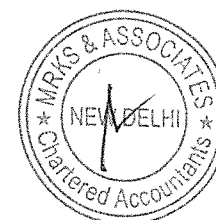
Note 7 : Trade Receivables

(INR Lacs)

Particulars	As At	As at
	March 31, 2019	March 31, 2018
Trade receivables	1,311	2,144
Receivables from related parties (refer note 29A)	3,629	1,039
Provision for doubtful debts	(292)	(488)
Total	4,648	2,695
Current	4,648	2,695
Non - Current	-	-

Particulars	As At	As at
	March 31, 2019	March 31, 2018
Unsecured, considered good	4,648	2,695
Unsecured, considered doubtful	292	488
Total	4,940	3,183
Impairment for unsecured doubtful debts	(292)	(488)
Total Trade Receivables	4,648	2,695

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 please refer note 29A.



Digicontent Limited (formerly known as HT Digital Ventures Limited)
Notes to consolidated financial statements for the year ended March 31, 2019

Note 8: Cash and Cash Equivalents

Particulars	(INR Lacs)	
	As At March 31, 2019	As at March 31, 2018
Balance with banks :		
- On current accounts	124	140
- Deposits with original maturity of less than three months	1,094	1,749
Cash on hand	1	1
Total	1,219	1,890

For the purpose of the statement of cash flows, cash and cash equivalents comprise the following:

Particulars	(INR Lacs)	
	As At March 31, 2019	As at March 31, 2018
Balance with banks :		
- On current accounts	124	140
- Deposits with original maturity of less than three months	1,094	1,749
Cash on hand	1	1
Total	1,219	1,890

Note 9A: Other financial assets

Particulars	(INR Lacs)	
	As At March 31, 2019	As at March 31, 2018
Income accrued but not due	-	33
Other receivables from related party (refer note 29A)	1,720	1,453
Other receivables	-	-
Total	1,720	1,486
Current	1,720	1,486
Non - Current	-	-

Break up of financial assets carried at amortised cost

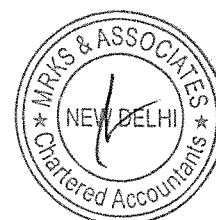
Particulars	(INR Lacs)	
	As At March 31, 2019	As at March 31, 2018
Trade receivables (Note 7)	4,648	2,695
Cash and cash equivalents (Note 8)	1,219	1,890
Other financial assets (Note 9A)	1,720	1,486
Loans (Note 6B)	9	8
Total financial assets carried at amortised cost	7,596	6,079

Note 9B: Contract assets

Particulars	(INR Lacs)	
	As At March 31, 2019	As at March 31, 2018
Income accrued but not due (refer note 39)	201	-
Total	201	-
Current	201	-
Non - Current	-	-

Note 10: Other current assets

Particulars	(INR Lacs)	
	As At March 31, 2019	As at March 31, 2018
Prepaid Expenses	50	11
Other receivables	62	181
Total	112	192



Digicointent Limited (formerly known as HT Digital Ventures Limited)
Notes to consolidated financial statements for the year ended March 31, 2019

**Note 11 : Share Capital
 Authorised Share Capital**

Particulars	Number of shares	Amount (INR Lacs)
*At August 14, 2017		
Increase/(decrease) during the period	50,000	1
At March 31, 2018	50,000	1
Increase/(decrease) during the year	-	-
At March 31, 2019	50,000	1

Terms/ rights attached to equity shares

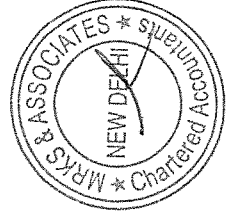
The Company has only one class of equity shares having par value of INR 2 per share. Each holder of equity shares is entitled to one vote per share.

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.

*The face value of equity share of the Company was reduced from Rs. 10 to Rs. 2 by the Board of Directors by passing resolution on January 04, 2018. Therefore, share capital as on August 14, 2017 was Rs. 1 Lakh divided into 10,000 equity shares of Rs. 10 each and then changed to 50,000 equity shares of Rs. 2 each w.e.f. January 04, 2018.

Share Suspense Account

Equity shares of INR 2 each issued, subscribed and fully paid	Number of shares	Amount (INR Lacs)
Share Suspense Account (refer note 28)	58,187,078	1,164
At March 31, 2018	58,187,078	1,164
Increase/(decrease) during the year	-	-
At March 31, 2019	58,187,078	1,164



Digicotent Limited (formerly known as HT Digital Ventures Limited)
Notes to consolidated financial statements for the year ended March 31, 2019

**Issued and subscribed capital
Equity shares of INR 2 each issued, subscribed and fully paid**

Particulars	Number of shares	Amount (INR Lacs)
At August 14, 2017		
Changes during the period	50,000	1
Shares cancelled during the year (Refer Note 28)	(50,000)	(1)
At March 31, 2018		
Changes during the year	-	-
At March 31, 2019		

Reconciliation of the equity shares outstanding at the beginning and at the end of the year

Particulars	As at March 31, 2019		As at March 31, 2018	
	Number of shares	Amount (INR Lacs)	Number of shares	Amount (INR Lacs)
Shares outstanding at the beginning of the period	-	-	50,000	1
Shares Issued during the year	-	-	(50,000)	(1)
Shares cancelled during the year	-	-	-	-
Shares outstanding at the end of the year				

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:

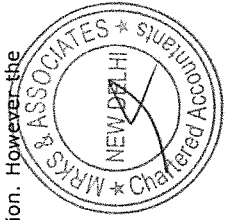
Particulars	As at March 31, 2019		(INR Lacs) As at March 31, 2018	
	Number of shares	% holding	Number of shares	% holding
HT Media Limited*	-	-	-	-
Nil (March 31, 2018- Nil & August 14, 2017 - 50,000) equity shares of INR 2 each fully paid	-	-	-	-

The above mentioned share capital will be cancelled upon issue of share capital as per the scheme of arrangement.

Details of shareholders holding more than 5% shares in the Company

Particulars	As at March 31, 2019		As at March 31, 2018	
	Number of shares	% holding	Number of shares	% holding
Equity shares of INR 2 each fully paid	-	-	-	-
HT Media Limited*				

* HT Media Limited was holding the beneficial ownership of the entire paid up equity shares issued by the Company on its incorporation. However the same stands cancelled pursuant to the Scheme of Arrangement becoming effective w.e.f. March 31, 2018 (close of business hours).



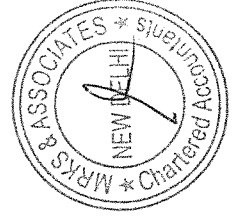
Digicontent Limited (formerly known as HT Digital Ventures Limited)
Notes to consolidated financial statements for the year ended March 31, 2019

Note 12: Other Equity

Particulars	(INR Lacs)	
	As At March 31, 2019	As at March 31, 2018
Retained Earnings	(1,617)	(472)
Capital Reserve	6,942	6,942
Total	5,325	6,470

Particulars	(INR Lacs) Amount
Retained Earnings	
At August 14, 2017	-
Net loss for the year	(218)
Share of net loss of associate accounted for using the equity method	(309)
Share of other comprehensive income of associate accounted for using the equity method	55
At March 31, 2018	(472)
Net loss for the year	(1,177)
Items of other comprehensive income recognised directly in retained earnings	32
- Remeasurements of post-employment benefit obligation, net of tax	
At March 31, 2019	(1,617)

Particulars	(INR Lacs) Amount
Capital Reserve	
At August 14, 2017	-
Pursuant to Scheme of arrangements (refer note 28)	10,703
On acquisition of subsidiary (refer note 30)	(3,761)
At March 31, 2018	6,942
Changes during the year	-
At March 31, 2019	6,942



Digicontent Limited (formerly known as HT Digital Ventures Limited)
Notes to consolidated financial statements for the year ended March 31, 2019

Note 13 : Borrowings

Particulars	(INR Lacs)	
	As at March 31, 2019	As at March 31, 2018
Non- current Borrowings		
Unsecured Loan		
Inter corporate loans*	8,000	8,000
Total	8,000	8,000
Aggregate Secured Loans	-	-
Aggregate Unsecured Loans	8,000	8,000

*Outstanding intercompany loan from HT Media Limited was drawn in various tranches INR 7700 Lacs on December 28, 2017 & INR 300 Lacs 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 14: Trade Payables

Particulars	(INR Lacs)	
	As at March 31, 2019	As at March 31, 2018
Trade Payables		
- Micro, Small and Medium Enterprises (refer note 31)	53	34
- Others	3,295	3,210
- Related Parties (refer note 29A)	176	836
Total	3,524	4,080
Current	3,524	4,080
Non- Current	-	-

Note 15 : Other financial liabilities

Particulars	(INR Lacs)	
	As at March 31, 2019	As at March 31, 2018
Interest accrued but not due on borrowings	1,010	218
Other Capex vendors	19	6
Total	1,029	224
Current	19	6
Non- Current	1,010	218

Break up of financial liabilities carried at amortised cost

Particulars	(INR Lacs)	
	As at March 31, 2019	As at March 31, 2018
Trade payables (Note 14)	3,524	4,080
Others (Note 15)	1,029	224
Total financial liabilities carried at amortised cost	4,553	4,304

Note 16 : Provisions

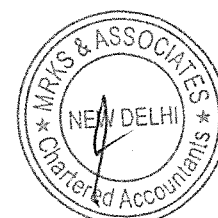
Particulars	(INR Lacs)	
	As at March 31, 2019	As at March 31, 2018
Provision for Gratuity (refer note 27)	468	373
Provision for Leave Benefits (refer note 27)	65	65
Total	533	438

Note 17A : Other current liabilities

Particulars	(INR Lacs)	
	As at March 31, 2019	As at March 31, 2018
Customers and Agents Balances	15	36
Unearned Revenue	-	39
Statutory dues	604	346
Advance from customers	-	2
Total	619	423

Note 17B : Contract liabilities

Particulars	(INR Lacs)	
	As at March 31, 2019	As at March 31, 2018
Unearned Revenue (refer note 39)	45	-
Total	45	-
Current	45	-
Non Current	-	-



Digicontent Limited (formerly known as HT Digital Ventures Limited)
Notes to consolidated financial statements for the year ended March 31, 2019

Note 18 : Deferred Tax assets (net)

The major components of income tax expense for the year ended 31 March 2019 are :

Statement of profit and loss :

Profit or loss section

Particulars	(INR Lacs)	
	As at March 31, 2019	As at March 31, 2018
Current income tax :		
Current income tax charge	-	-
Deferred tax :		
Deferred tax credit	(443)	-
Adjustments in respect of previous year	(33)	-
Income tax expense reported in the statement of profit or loss	(476)	-

OCI section :

Deferred tax related to items recognised in OCI during in the year ended March 31, 2019

Particulars	(INR Lacs)	
	As at March 31, 2019	As at March 31, 2018
Net loss/(gain) on remeasurements of defined benefit plans	(11)	-
Income tax charged to OCI	(11)	-

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for March 31, 2019 and March 31, 2018:

Particulars	(INR Lacs)	
	As at March 31, 2019	As at March 31, 2018
Accounting loss before income tax	(1,653)	(218)
At India's statutory income tax rate of 26%	(430)	(57)
At the effective income tax rate	(430)	(57)
Non-recognition of Deferred tax Asset	-	57
Impact due to change in tax rate	(13)	-
Tax true up impact	(33)	-
Income tax expense reported in the statement of profit and loss	(476)	-

Deferred tax

Deferred tax relates to the following:

Particulars	(INR Lacs)	
	As at March 31, 2019	As at March 31, 2018
Deferred tax liabilities		
Pursuant to acquisition of Subsidiary (HTDSL)	-	152
Gross deferred tax liabilities	-	152
Deferred tax assets		
Differences in depreciation in block of fixed assets as per tax books and financial books	135	-
Carried forward losses and unabsorbed depreciation	1,377	1,242
Provision for doubtful debts and advances	79	123
Effect of expenditure debited to Statement of profit and loss in the current year but allowed for tax purposes in following year	181	94
Gross deferred tax assets	1,772	1,459
Deferred Tax assets (net)	1,772	1,307

Reconciliation of deferred tax assets (net):

Particulars	(INR Lacs)
Opening balance as of 14 August 2017	-
Deferred tax on acquisition of subsidiary (refer note 30)	1,307
Tax income/(expense) during the period recognised in profit or loss	-
Closing balance as at 31 March 2018	1,307
Tax income/(expense) during the year recognised in profit or loss	476
Tax income/(expense) during the year recognised in OCI	(11)
Closing balance as at March 31, 2019	1,772



Digicontent Limited (formerly known as HT Digital Ventures Limited)
Notes to consolidated financial statements for the year ended March 31, 2019

Particulars	(INR Lacs)	
	Year ended March 31, 2019	For the period August 14, 2017 to March 31, 2018
Sale of services	26,797	-
Total	26,797	-

Particulars	(INR Lacs)	
	Year ended March 31, 2019	For the period August 14, 2017 to March 31, 2018
Interest Income on		
Bank Deposit	35	-
Other non - operating income		
Unclaimed balances/unspent liabilities written back (net)	1	-
Net gain on disposal of property, plant and equipment	1	-
Miscellaneous Income	21	-
Total	58	-

Particulars	(INR Lacs)	
	Year ended March 31, 2019	For the period August 14, 2017 to March 31, 2018
Salaries, wages and bonus	13,251	-
Contribution to provident and other funds	471	-
Gratuity expense (Refer Note 27)	139	-
Workmen and Staff welfare expenses	39	-
Total	13,900	-

Particulars	(INR Lacs)	
	Year ended March 31, 2019	For the period August 14, 2017 to March 31, 2018
Interest on debts and borrowings	904	218
Bank Charges*	8	-
Total	912	218

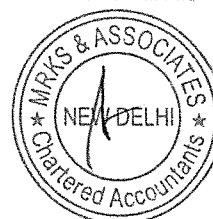
*INR 118/- Bank charges for the period ended March 31, 2018 has been rounded off to Nil

Particulars	(INR Lacs)	
	Year ended March 31, 2019	For the period August 14, 2017 to March 31, 2018
Depreciation of tangible assets (Note 3)	98	-
Amortization of intangible assets (Note 4)	3,667	-
Total	3,765	-

Particulars	(INR Lacs)	
	Year ended March 31, 2019	For the period August 14, 2017 to March 31, 2018
Advertising and sales promotion	265	-
Power and fuel	3	-
Communication Costs	43	-
Legal and professional fees	264	-
Newsservice and dispatches	2,858	-
Repairs and maintenance		
Plant and machinery	1,419	-
Rates and taxes	24	-
Insurance	81	-
Service Charges on Ad Revenue	4	-
Rent & maintenance	3,314	-
Travelling and conveyance	1,434	-
Miscellaneous expenses	131	-
Exchange differences (net)	3	-
Payment to auditor (refer details below)	17	-
Total	9,860	-

Particulars	(INR Lacs)	
	Year ended March 31, 2019	For the period August 14, 2017 to March 31, 2018*
As auditor :		
- Audit fee	12	-
- Tax audit fee	2	-
In other capacities :		
- Other services	2	-
Reimbursement of expenses	1	-
Total	17	-

* INR 20,000/- paid to auditors as audit fee for the period ended March 31, 2018 has been rounded off to Nil.



Digicontent Limited (formerly known as HT Digital Ventures Limited)
Notes to consolidated financial statements for the year ended March 31, 2019

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, 2019

Particulars	Retained earnings	(INR Lacs)
		Total
Re- measurement gains(losses) on defined benefit plans	43	43
Income tax relating to items that will not be reclassified to profit or loss	(11)	(11)
Total	32	32

During the period ended March 31, 2018

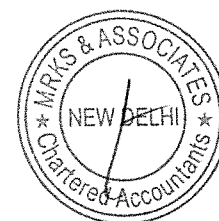
Particulars	Retained earnings	(INR Lacs)
		Total
Income tax relating to items that will not be reclassified to profit or loss	-	-
Share of other comprehensive income of associate accounted for using the equity method	-	55
Total	-	55

Note 26: EPS Computation

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 period after considering the impact of the Scheme. As at March 31, 2019, there are no dilutive potential Equity Shares outstanding.

The following reflects the income and share data used in the basic and diluted EPS computations:

Particulars	Year ended	For the period
	March 31, 2019	August 14, 2017 to March 31, 2018
Loss attributable to equity holders (INR Lacs)	(1,177)	(527)
Number of outstanding Equity shares for basic and diluted EPS	58,187,078	58,187,078
Earnings per share (Face value of Rs. 2/- Each)		
Basic EPS (INR)	(2.02)	(0.91)
Diluted EPS (INR)	(2.02)	(0.91)



Note 27 : Defined Benefits Plan

A. Gratuity

Particulars	(INR Lacs)	
	As at March 31, 2019	As at March 31, 2018
Gratuity	468	373
Total	468	373
Current	468	373
Non- Current	-	-

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 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).

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, 2019 :

Particulars	(INR Lacs)	
	As at March 31, 2019 Present value of Obligation	As at March 31, 2018 Present value of Obligation
Opening Balance	725	-
Current Service Cost	109	-
Interest Expense or cost	58	-
Re-measurement (or Actuarial) (gain) / loss arising from:		
- change in financial assumptions	20	-
- experience variance (i.e. Actual experience vs. assumptions)	(72)	-
Benefits Paid	(103)	-
Acquired pursuant to scheme of arrangements (refer note 28)	-	11
Liability on acquisition of subsidiary (refer note 30)	-	714
Total	737	725

Fair Value of Plan Assets

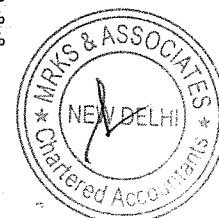
Particulars	(INR Lacs)	
	As at March 31, 2019	As at March 31, 2018
Opening Balance	352	-
Investment Income	28	-
Employer's contribution	-	-
Benefits Paid	(102)	-
Return on plan assets, excluding amount recognised in net interest expenses	(9)	-
Plan assets on acquisition of subsidiary (refer note 30)	-	352
Total	269	352

The major categories of plan assets of the fair value of the total plan assets are as follows:

Particulars	India gratuity Plan	
	As at March 31, 2019	As at March 31, 2018
Investment in Funds managed by insurer	100%	100%

The principal assumptions used in determining gratuity obligation for the Group's plans are shown below:

Particulars	As at	
	March 31, 2019	March 31, 2018
Discount Rate	7.75%	8.00%
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%



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Notes to consolidated financial statements for the year ended March 31, 2019

A quantitative sensitivity analysis for significant assumption as at March 31, 2019 is as shown below:

Particulars	(INR Lacs)	
	As at March 31, 2019	As at March 31, 2018
Defined Benefit Obligation (Base)	738	726

Particulars	(INR Lacs)			
	As at March 31, 2019		As at March 31, 2018	
Assumptions	Decrease	Increase	Decrease	Increase
Discount Rate (-/+ 1%)	85	(73)	77	(66)
Salary Growth Rate (-/+ 1%)	(75)	86	(68)	78
Attrition Rate (-/+ 50%)	(15)	12	(14)	12

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 year.

The following payments are maturity profile of Defined Benefit Obligations in future years:

Particulars	(INR Lacs)	
	As at March 31, 2019	As at March 31, 2018
Within the next 12 months (next annual reporting period)	62	43
Between 2 and 5 years	189	181
Between 6 and 10 years	259	453
Beyond 10 years	1,525	1,220
Total expected payments	2,035	1,897

Average duration of the defined benefit plan obligation

Particulars	As at March 31, 2019	As at March 31, 2018
Weighted Average duration	16 Years	16 Years

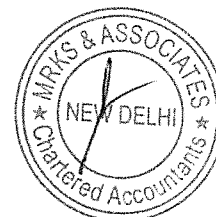
B. Defined Contribution Plan

Particulars	As at March 31, 2019	As at March 31, 2018
Contribution to Provident and Other funds Charged to Statement of Profit and Loss	471	-

C. Leave Encashment (unfunded)

The Group 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:

Particulars	(INR Lacs)	
	As at March 31, 2019	As at March 31, 2018
Liability at the beginning of the period	65	-
Benefits paid during the year	(6)	-
Provided during the year	6	-
Liability on account of control	-	65
Liability at the end of the year	65	65



Digicontent Limited (formerly known as HT Digital Ventures Limited)
Notes to consolidated financial statements for the year ended March 31, 2019

Note 28:

Pursuant to scheme of Arrangement ('the Scheme') between the Company and HT Media Limited and their respective creditors and shareholders, Entertainment & Digital Innovation Business of HT Media Limited 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 the 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 order sanctioning the Scheme has been filed with the Registrar of Companies, NCT of Delhi & Haryana on April 05, 2019. Accordingly, the Scheme has been given effect from March 31, 2018 (closing business hours) i.e. Appointed Date.

In terms of the Scheme, effective from March 31, 2018 (closing business hours):

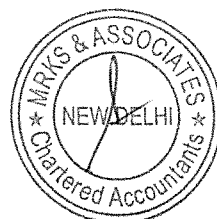
- a) The assets and liabilities of the Entertainment & Digital Innovation Business of HT Media Limited have been transferred to the Company at the same book value as appearing in the books of HT Media Limited on the close of business on March 31, 2018 (appointed date).
- b) In terms of sanctioned scheme, the company has issued & allotted to the shareholders of the HT Media Limited one (1) fully paid up equity share of INR 2 each for every four (4) equity shares held by them in HT Media Limited on April 12, 2019, the record date. Accordingly, 58,187,078 shares of INR 2 (Shares capital amounting to INR 1,164 lacs) have been accounted in share suspense account as of close of financial year and have been considered for the purpose of calculation of earnings per shares in subsequent to appointed date.
- c) The excess of the book value of the assets and liabilities over the consideration mentioned in (b) above is accounted for as Capital reserve.
- d) The existing paid share capital of INR 1 Lac (comprising of 50,000 equity shares having face value of INR 2 each) is deemed to have been cancelled and transferred to capital reserve upon scheme becoming effective w.e.f appointed date.

The transaction as per Scheme of arrangement is in the nature of business acquisition under Common Control as defined under Ind AS 103 "Business Combinations". Entries have been passed in the books of accounts of the Company to give effect to the Scheme, with effect from the appointed date as per the NCLT order. The details of the assets and liabilities acquired in terms of the Scheme are as follows:

Particulars	(INR Lacs)
Non-current Assets	Total
Property, Plant and Equipment	3
Intangible assets	62
Investment in Subsidiary (HTDS)	9,905
Total Non-current assets	9,970
Current Investments	
a) Financial Assets	
i) Trade Receivables	767
ii) Other financial assets	1,543
iii) Loans	1
b) Other Current Assets	5
Total Current Assets	2,316
Total Assets(A)	12,286
Current Liabilities	
(a) Financial liabilities	
(i) Trade Payables	402
a) Provisions	11
b) Other Current Liabilities	7
Total Current Liabilities	420
Total Liabilities(B)	420
Net assets acquired by the Company (A-B)	11,866
Less: Purchase Consideration (issued one (1) shares of four (4) shares held by shareholders of HT Media Limited)	1,164
Capital Reserve (The deficit of "Purchase Consideration" over net assets of Entertainment & Digital Business of HT Media Limited)	10,702
Add: Share cancellation	1
Total capital reserve	10,703

- e) Revenue and expenses relating to Entertainment & Digital Innovation Business of HT Media Limited, for the period beginning with April 1, 2018 upto March 31, 2019 i.e. twelve months, were transferred to the Company by HT Media Limited and recorded by the Company. The details are as follows:

Particulars	(INR Lacs)
Income	Total
Revenue from operations	2,004
Total Income	2,004
Expenses	
Employee benefits expense	964
Depreciation and amortization expense	30
Other expenses	603
Total expenses	1,597
Profit before tax (I-II)	407



Digicointent Limited (formerly known as HT Digital Ventures Limited)
Notes to consolidated financial statements for the year ended March 31, 2019

Note 29: Related party transactions

i) List of Related Parties and Relationships:-

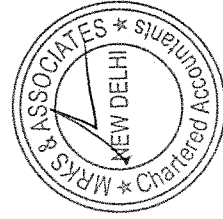
Holding Company of Parent Company	Earthstone Holding (Two) Private Limited (formerly known as Earthstone Holding (Two) Limited)
Holding Company (with whom transactions have occurred during the year)	The Hindustan Times Limited
	HT Media Limited (till March 31, 2018)
Fellow Subsidiaries (with whom transactions have occurred during the year)	HT Media Limited (w.e.f March 31, 2018 Close of business hours)
	Hindustan Media Ventures Limited
	HT Digital Media Holdings Limited
	Firefly e-Ventures Ltd
	HT Mobile Solutions Ltd
	HT Overseas Pte. Ltd.
	India Education Services Private limited
	Topmovies Entertainment Limited

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.



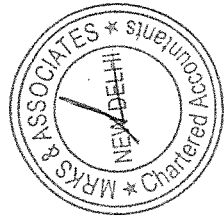
Digicontent Limited (formerly known as HT Digital Ventures Limited)
Notes to consolidated financial statements for the year ended March 31, 2019

Note.29A : Related party Transactions

Particulars	Holding Company		Fellow Subsidiaries		Total
	March 31, 2019 (INR Lacs)	March 31, 2018 ^ (INR Lacs)	March 31, 2019 ^ (INR Lacs)	March 31, 2018 ^ (INR Lacs)	
Transactions during the year with related parties					
REVENUE TRANSACTIONS					
INCOME					
Digital Services	-	-	68	20	88
Service fees received	-	-	1,771	-	1,771
Interest received on Inter Corporate Loan given	-	-	-	5	5
Multi-Media Content Management Services	-	11,715	18,880	6,763	18,479
Share of Revenue received on Joint Sale	-	2	98	12	110
EXPENSE					
Advertisement Expenses	-	20	44	-	64
Share of Revenue given on Joint Sale	-	-	84	-	84
Infrastructure Support Services	-	2,670	2,456	629	3,299
Rent & maintenance	800	-	-	-	800
Media Marketing Commission & Collection Charges Paid	-	1	-	-	1
Interest accrued on Inter Corporate Deposit	-	218	904	-	1,122
OTHERS					
Reimbursement of expenses incurred on behalf of the Group by parties	-	138	210	122	460
Reimbursement of expenses incurred on behalf of the party by the Group	-	-	33	-	33
Payments made by parties for the Group	-	95	-	-	95
Purchase of shares in HT Digital Streams Limited	-	-	-	7,675	7,675
Purchase of intangible assets	-	-	-	2	2
Issue of Equity Share capital	-	1	-	-	1
Cancellation of equity shares	-	1	-	-	1
Inter Corporate Deposit received by the Group	-	8,000	-	-	8,000
Inter Corporate Loan given during the year	-	-	-	250	250
Inter Corporate Loan received back during the year	-	-	-	250	250
BALANCE OUTSTANDING					
Equity Share capital	-	-	-	-	-
Share suspense account*	809	809	-	-	1,618
Trade Receivables	-	-	3,629	1,039	4,668
Trade Payables	-	-	176	836	1,012
Other receivables	-	-	1,720	1,453	3,173
Inter Corporate Deposit & Interest accrued on it	-	-	9,010	8,218	17,228

* Represents face value of equity shares of Digicontent Limited to be issued to Holding company.

^ Represents transaction occurred during the financial year 2017-18 with HT Media Limited being the Holding company (till March 31, 2018). Pursuant to the Scheme as more elaborated in Note 28, HT Media Limited ceased to be the Holding Company effective close of the business hours of March 31, 2018 and became a fellow subsidiary. Accordingly, the closing balances pertaining to HT Media Limited as on March 31, 2018 have been represented under fellow subsidiary



Note 30: Business Combination
(a) Summary of acquisition

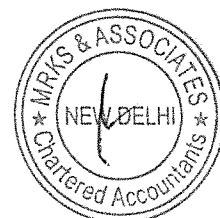
As on December 28, 2017, the Company had purchased 42.83% shares of HT Digital Streams Limited (HTDSL) from Hindustan Media Ventures Limited (HMVL). Accordingly Company has carried out associate accounting for the period from December 28, 2017 to March 31, 2018.

Pursuant to Scheme of arrangement (refer note 28) HT Media Limited transferred 57.17% of shareholding in HT Digital Streams Limited (HTDSL) to the Company as on appointed date i.e. March 31, 2018. Accordingly, HTDSL is now a subsidiary of the Company (holding 100% share capital of HTDSL). HTDSL involved in the business of dissemination of content of general interest, globally through various digital and electronic media; and management of advertising time and space on its news websites.

The assets and liabilities recognised as a result of the acquisition of HTDSL are as follows:

Particulars	(INR Lacs)
	Total
Non-current Assets	
i) Property, Plant and Equipment	132
ii) Goodwill*	10,857
iii) Other Intangible Assets	83
iv) Financial assets	
a) Loans	7
b) Deferred Tax assets (net)	1,307
c) Income tax assets	2,084
Total Non- current assets	14,470
Current Investments	
a) Financial Assets	
(i) Trade Receivables	1,956
(ii) Cash and cash equivalents	1,564
(iii) Other financial assets	29
b) Other Current Assets	187
Total Current Assets	3,735
Total Assets(A)	18,205
Current Liabilities	
(a) Financial liabilities	
(i) Trade Payables	3,791
(ii) Other financial liabilities	5
b) Provisions	427
c) Other Current Liabilities	417
Total Current Liabilities	4,640
Total Liabilities(B)	4,640
Net identifiable net assets/ (liabilities) at fair value (A-B)	13,565
Less: Investment in HTDSL	(17,326)
Capital Reserve	(3,761)

*Note: Represents carrying value of goodwill acquired by HT Digital Streams Limited ("HTDSL"), a subsidiary company, under Scheme of Arrangement under section 391-394 of Companies Act, 1956 between HT Digital Streams Limited and HT Media Limited ("HTML") and Hindustan Media Ventures Limited ("HMVL"), the Multimedia Content Management Undertaking of HTML & HMVL. as a 'going concern' on slump exchange basis, with effect from closing hours of March 31, 2016 ('Appointed Date'). As per the terms of the scheme and approval thereof by the Hon'ble High Courts of Delhi and Patna, the aforesaid goodwill is being amortised in the books of HTDSL over a period of 5 years starting from appointed date.



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b) Revenue and expenses relatable to HT Digital Streams Limited, for the period beginning with April 1, 2018 upto March 31, 2019 i.e. twelve months, on account of 100% subsidiary of the Company and recorded by the Company. The details are as follows:

Particulars	(INR Lacs) Total
Income	
Revenue from operations	24,794
Other Income	40
Total Income	24,834
Expenses	
Employee benefits expense	12,937
Finance costs	7
Depreciation and amortization expense	3,735
Net impairment losses on financial assets	7
Other expenses	9,314
Total expenses	26,000
Profit before tax (I-II)	(1,166)



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Note 31: Based on the information available with the Group, Details of dues to Micro and Small Enterprises as defined under the MSMED Act, 2006

Particulars	(INR Lacs)	
	As at March 31, 2019	As at March 31, 2018
Principal Amount	53	34
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 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, trade and other payables, less cash and cash equivalents.

Particulars	(INR Lacs)	
	As at March 31, 2019	As at March 31, 2018
Borrowings (Note 13)	8,000	8,000
Trade payables (Note 14)	3,524	4,080
Other financial liabilities (Note 15)	1,029	224
Other Current Liabilities (Note 17A)	619	423
Contract Liabilities (Note 17B)	45	-
Less: cash and cash equivalents (Note 8)	(1,219)	(1,890)
Net debt	11,998	10,837
Equity	6,489	7,634
Total capital	6,489	7,634
Capital and net debt	18,487	18,471
Gearing ratio	65%	59%



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Note 33 : 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:

Particulars	Carrying Value		Fair value		Fair value mechanism Hierarchy level
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	
Financial assets measured at fair value					
Unquoted Equity Investments (refer note 6A)	10	-	10	-	Level 3*
Financial liabilities for measured at amortised cost					
Long term borrowings (refer note 13)	8,000	8,000	8,000	8,000	Level 2

* The Group has done above mentioned investment close to year end March 31, 2019. The cost of acquisition itself represents fair value. Accordingly, Level 3 disclosure are not relevant as on March 31, 2019.

The management assessed that cash and cash equivalents, trade receivables, trade payables and other current financial assets approximate their carrying amounts largely due to the short-term maturities of these instruments.

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 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.

Note 34: 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.

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 Group's Foreign currency risk, interest rate risk, credit risk and liquidity risk.

This is based on the financial assets and financial liabilities held at 31 March 2019 and 31 March 2018.

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 rates relates primarily to the Group has with fixed interest rates debts obligation.

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. Currently, the Group is not 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.

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 Group does not have any foreign currency risk exposure.

Foreign currency sensitivity

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 Group does not have any foreign currency risk exposure.

Particulars	Change in foreign currency rate		Effect on profit before tax	
	As at March 31, 2019	As at March 31, 2018	As at March 31, 2019	As at March 31, 2018
	(INR Lacs)			
Change in USD rate				
Trade Receivables	+/-1%	+/-1%	1	4

Trade 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 9. The Group does not hold collateral as security.

The Group 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.

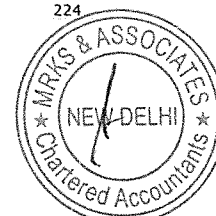
Liquidity risk

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, 2019 based on the carrying value of borrowings reflected in the financial statements.

The table below summarizes the maturity profile of the Group's financial liabilities

	With in 1 year	More than 1 years	(INR Lacs)	
			Total	Total
As at March 31, 2019				
Borrowings (refer note 13)	-	8,000	8,000	8,000
Trade and other payables (refer note 14)	3,524	-	3,524	3,524
Other financial liabilities (refer note 15)	19	1,010	1,029	1,029
As at March 31, 2018				
Borrowings (refer note 13)	-	8,000	8,000	8,000
Trade and other payables (refer note 14)	4,080	-	4,080	4,080
Other financial liabilities (refer note 15)	6	218	224	224



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Note 35 :

Additional information as required under Schedule III of the Companies Act, 2013, of the enterprises consolidated as subsidiaries/ associates/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 (INR lacs)	As % of consolidated profit or loss	Amount (INR lacs)	As % of consolidated other comprehensive income	Amount (INR lacs)	As % of total comprehensive income	Amount (INR lacs)
Current year : As on March 31, 2019								
I. Parent :								
Digicontent Limited	(97)	(6,307)	31	(360)	(51)	(16)	33	(376)
II Subsidiaries :								
Indian								
HT Digital Streams Limited (subsidiary w.e.f March 31, 2018)	197	12,796	69	(817)	151	48	67	(769)
Total	100	6,489	100	(1,177)	100	32	100	(1,145)

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 (INR lacs)	As % of consolidated profit or loss	Amount (INR lacs)	As % of consolidated other comprehensive income	Amount (INR lacs)	As % of total comprehensive income	Amount (INR lacs)
Previous year : As on March 31, 2018								
I. Parent :								
Digicontent Limited	(78)	(5,931)	41	(218)	-	-	97	(218)
II Subsidiaries :								
Indian								
HT Digital Streams Limited (Subsidiary w.e.f March 31, 2018)	178	13,565	-	-	-	-	(96)	-
IV Associate (Investment as per Equity Method)								
Indian								
HT Digital Streams Limited (Associate w.e.f December 28, 2017 upto March 31, 2018)	-	-	59	(309)	100	55	(11)	(254)
Total	100	7,634	101	(527)	100	55	(9)	(472)



Digicontent Limited (formerly known as HT Digital Ventures Limited)
Notes to consolidated financial statements for the year ended March 31, 2019

Note 36: Capital Commitments

Particulars	(INR Lacs)	
	As at March 31, 2019	As at March 31, 2018
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of capital advances)	53	-

Note 37: 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".

Note 38: Group Information

Information about subsidiaries

The consolidated financial statements of the company includes subsidiaries listed in the table below (refer note 30) :

Name	Principal activity	Country of incorporation	% equity interest	
			As at March 31, 2019	As at March 31, 2018
HT Digital Streams Limited	Digital services	India	100	100

Note 39 Disclosure: Ind AS 115 Revenue from Contracts with Customers

Transition disclosure

Effective April 1, 2018, the Group has adopted Ind AS 115 "Revenue from Contracts with Customers" using the cumulative catch-up transition method applicable to contracts to be completed as on April 1, 2018. Accordingly, the comparative figures in the above results have not been adjusted retrospectively. The effect of adoption of Ind AS 115 on the above financial results is insignificant.

Contract Assets and Contract Liabilities

The Group has changed the presentation of certain amounts in the balance sheet to reflect terminology of Ind AS 115:

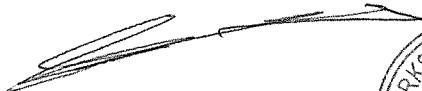
a) Contract assets recognized in current year represents income accrued but not due amounting to Rs 201 lakhs as at March 31, 2019. In year ended March 31, 2018, income accrued but not due was presented as part of Other financial assets amounting to Rs. 28 Lakhs. The same has been reclassified to Contract assets as on April 01, 2018 (transition date to Ind AS 115).

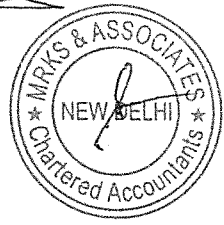
b) Contract liabilities recognized in current year represents unearned revenue amounting to Rs 45 lakhs as at March 31, 2019. In year ended March 31, 2018, unearned revenue was presented as part of Other current liabilities amounting to Rs. 39 Lakhs. The same has been reclassified to Contract liabilities as on April 01, 2018 (transition date to Ind AS 115). The entire Rs. 39 Lakhs has been recognized as revenue in the current reporting period

As per our report of even date

For MRKS And Associates

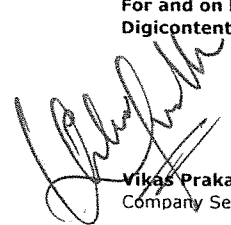
Chartered Accountants
 ICAI Firm Registration Number 023711N

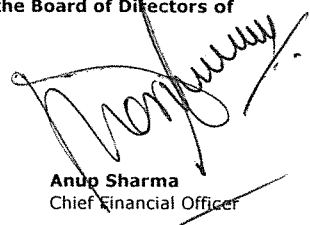

Saurabh Kuchhal
 Partner
 Membership Number 512362

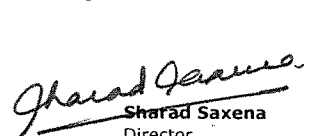



Place: New Delhi
Date: April, 16, 2019

For and on behalf of the Board of Directors of Digicontent Limited


Vikas Prakash
 Company Secretary


Anup Sharma
 Chief Financial Officer


Sharad Saxena
 Director
 (DIN: 02239469)


Priyavrat Bhartia
 Director
 (DIN: 00020603)

