



## INDEPENDENT AUDITOR'S REPORT

To the Members of Digicontent Limited

### Report on the Ind AS Financial Statements

#### Opinion

We have audited the accompanying Ind AS Financial Statements of Digicontent Limited (Formally known as HT Digital Ventures Limited), which comprise the balance sheet as at March 31, 2019, and the statement of Profit and Loss, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as the Ind AS financial statements )

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, and profit/loss, changes in equity and its cash flows for the year ended on that date.

#### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Ind AS financial statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the year ended March 31, 2019. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

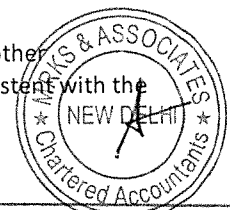
We do not observed any Key Audit Matters that, in our professional judgment, were of most significance on our audit of Ind AS Financial Statements of the year ended March 31, 2019.

#### Other Information

The Company's Board of Directors is responsible for the other information. The Other Information comprises the information included in the other reports, but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the



financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. Based on the work we have performed, we conclude that there is a no material misstatement of this other information.

### **Responsibility of Management for Ind AS Financial Statements**

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 Ind AS financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Those Board of Directors are also responsible for overseeing the company's financial reporting process.

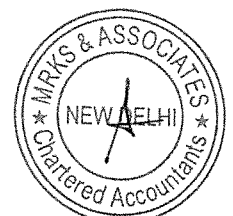
### **Auditor's Responsibilities for the Audit of the Ind AS Financial Statements**

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

### **Report on Other Legal and Regulatory Requirements**

As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order

1. As required by Section 143 (3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;



- c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
- d) in our opinion, the aforesaid Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- e) on the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act;
- f) On the basis of the information and explanation provided to us by the Company the internal financial control framework, in our opinion, the Company has, in all material aspects, adequate internal financial controls systems in place and such controls are operating effectively as at 31st March 2019. A separate report on this clause has been attached as Annexure B to this report as prescribed by the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.
- g) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigations which would impact its financial position;
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
  - iii. There were no amounts, required to be transferred to the investor Education and Protection Fund by the Company.

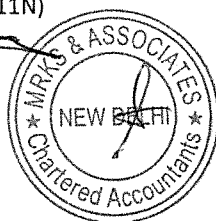
For MRKS AND ASSOCIATES  
Chartered Accountants  
(ICAI Registration No. 023711N)

Saurabh Kuchhal  
Partner

Membership No. 512362

Date: 04-Apr-19

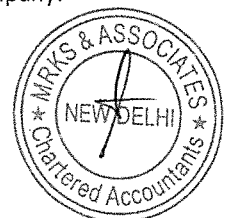
Place: Delhi



**Annexure A to the Independent Auditor's Report of even date on the Financial Statements of Digicent Limited (Formally known as HT Digital Ventures Limited) for the year ended March 31, 2019**

Report on the statement of matters specified in paragraphs 3 and 4 of the Order.

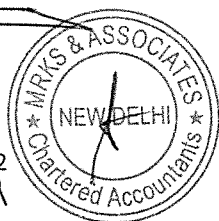
- (i) The Company does not own any Fixed Assets; accordingly, the provisions of clause 3 (i) of the Order are not applicable to the Company.
- (ii) The Company does not have any inventories; accordingly, the provisions of clause 3 (ii) of the Order are not applicable to the Company.
- (iii) According to information and explanations given to us, the Company has not granted loans secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause (iii) (a), (b), (c) of the order is not applicable to the company.
- (iv) According to information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Companies Act, in respect of loans, investments, guarantees and security as applicable .
- (v) According to information and explanations given to us, the Company has not accepted any deposits during the year. Accordingly, the provisions of clause 3 (v) are not applicable to the Company.
- (vi) According to the information and explanations given to us, the company is not required to maintained cost records as specified by central government under sub-section (1) of section 148 Companies Act, 2013. Accordingly, the provisions of clause 3 (vi) are not applicable to the Company.
- (vii) (a) According to the information and explanations given to us, the Company is generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales tax, service tax, duty of customs, duty of excise, value added tax, goods and service tax, cess and any other statutory dues with the appropriate authorities, to the extent applicable to it. There are no arrears of outstanding statutory dues as at March 31, 2019 for a period of more than six months from the date they became payable.  
  
(b) According to the information and explanations given to us, the Company does not have any dues of income tax or sales tax or service tax or duty of customs or duty of excise or value added tax or goods and service tax or cess which have not been deposited on account of any dispute.
- (viii) According to the information and explanations given to us, the Company does not have any loan or borrowing from financial institution, bank, government and does not issued debentures, Accordingly, the provisions of clause 3 (viii) are not applicable to the Company.



- (ix) According to the information and explanations given to us, the Company has not raised moneys by way of public issue, follow-on offer (including debt instruments) and raised any term loan during the year under audit.
- (x) In our opinion and according to the information and explanations given to us, no fraud by the Company and no significant fraud on the Company by its officers/ employees has been noticed or reported during the year, that ultimately causes the financial statements to be materially misstated .
- (xi) According to the information and explanations given to us, the provisions of clause (xi) in relation to managerial remuneration are not applicable to the company.
- (xii) The Company is not a Nidhi Company. Accordingly, the provisions of clause 3 (xii) are not applicable to the Company.
- (xiii) According to the information and explanations given to us, all transactions with the related parties are in compliance with Section 188 and 177 of Companies Act, 2013 to the extent applicable and the details have been disclosed in the Financial Statements as required by the accounting standards and Companies Act, 2013.
- (xiv) According to the information and explanations given to us, the Company has not made any preferential allotment / private placement of shares or fully or partly convertible debentures during the year under review.
- (xv) According to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with them and hence provisions of Section 192 of the companies Act is not applicable to the company.
- (xvi) According to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For MRKS AND ASSOCIATES  
Chartered Accountants  
(ICAI Registration No. 023711N)

Saurabh Kuchhal  
Partner  
Membership No. 512362  
Date: 04-11-19  
Place: Delhi



**Annexure B to the Independent Auditor's Report of even date on The Financial Statements of Digicent Limited (Formally known as HT Digital Ventures Limited ) for the year ended March 31, 2019**

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Digicent Limited ("the Company") as of March 31, 2019 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

**Meaning of Internal Financial Controls Over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that:



(1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

(2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of Management and directors of the Company; and

(3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

#### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

#### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For MRKS AND ASSOCIATES  
Chartered Accountants  
(ICAI Registration No. 023711N)

Saurabh Kuchhal  
Partner  
Membership No. 512362  
Date: 04-April-19  
Place: New Delhi



**Digicontent Limited** (formerly known as HT Digital Ventures Limited)  
**Balance sheet as at March 2019**

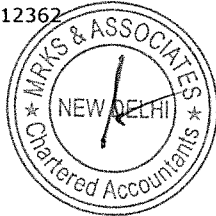
	Note No	As at March 31, 2019 INR Lacs	As at March 31, 2018 INR Lacs
<b>I ASSETS</b>			
<b>1) Non-current assets</b>			
(a) Financial assets			
(i) Investments	3	7,675.00	7,675.00
(ii) Loans	4C	0.20	-
(b) Income-tax assets	3B	1.77	-
<b>Total Non-current assets</b>		<b>7,676.97</b>	<b>7,675.00</b>
<b>2) Current assets</b>			
(a) Financial assets			
(i) Cash and cash equivalents	4A	340.72	326.00
(ii) Other financial assets	4B	0.41	0.05
<b>Total current assets</b>		<b>341.13</b>	<b>326.05</b>
<b>TOTAL ASSETS</b>		<b>8,018.10</b>	<b>8,001.05</b>
<b>II EQUITY AND LIABILITIES</b>			
<b>1) Equity</b>			
(a) Equity share capital	5	1.00	1.00
(b) Other equity	6	(1,112.24)	(218.64)
<b>Total equity</b>		<b>(1,111.24)</b>	<b>(217.64)</b>
<b>2) Liabilities</b>			
<b>Non-current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	7	8,000.00	8,000.00
(ii) Other financial liabilities	8C	1,010.27	218.49
<b>Total non-current liabilities</b>		<b>9,010.27</b>	<b>8,218.49</b>
<b>Current liabilities</b>			
(a) Financial liabilities			
(i) Trade Payables	8A	6.82	0.20
(b) Other current liabilities		112.25	-
<b>Total current liabilities</b>		<b>119.07</b>	<b>0.20</b>
<b>Total liabilities</b>		<b>9,129.35</b>	<b>8,218.69</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>8,018.10</b>	<b>8,001.05</b>
<b>Summary of significant accounting policies</b>	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 04, 2019

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

**Priyavrat Bhartia**  
Director  
(DIN: 00020603)

**Sharad Saxena**  
Director  
(DIN: 02239469)

*Signature*



**Digicontent Limited** (formerly known as HT Digital Ventures Limited)  
**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
		INR Lacs	INR Lacs
<b>I Income</b>			
a) Other Income	9	17.71	0.05
<b>Total Income</b>		<b>17.71</b>	<b>0.05</b>
<b>II Expenses</b>			
a) Finance costs	10	904.04	218.49
b) Other expenses	11	7.27	0.20
<b>Total expenses</b>		<b>911.31</b>	<b>218.69</b>
<b>III Profit before exceptional items and tax from operations(I-II)</b>		<b>(893.60)</b>	<b>(218.64)</b>
IV Exceptional items Gain/(Loss)		-	-
<b>V Profit before tax from operations(III+IV)</b>		<b>(893.60)</b>	<b>(218.64)</b>
<b>VI Earnings before interest, tax, depreciation and amortization (EBITDA) before exceptional items</b>		<b>10.44</b>	<b>(0.15)</b>
<b>VII Tax expense</b>			
Current tax		-	-
Deferred tax charge/(credit)		-	-
<b>Total tax expense</b>		<b>-</b>	<b>-</b>
<b>VIII Profit for the year (VIII+IX)</b>		<b>(893.60)</b>	<b>(218.64)</b>
<b>IX Other Comprehensive Income</b>		-	-
<b>X Total Comprehensive Income for the year, net of tax(X+IX)</b>		<b>(893.60)</b>	<b>(218.64)</b>
<b>XI Earnings/(loss) per share for continuing and discontinued operations</b>			
Basic EPS (INR) (Nominal value of share INR 2/-)	12	(1,787.20)	(437.28)
Diluted EPS (INR) (Nominal value of share INR 2/-)	12	(1,787.20)	(437.28)
Summary of significant accounting policies	2		

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

**For Saurabh Kuchhal**  
Partner  
Membership Number 512362



Place: New Delhi  
Date: April 04, 2019

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

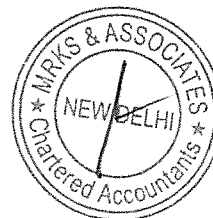
**Priyavrat Bhartia**  
Director  
(DIN: 00020603)

**Sharad Saxena**  
Director  
(DIN: 02239469)

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**Digicontent Limited** (formerly known as HT Digital Ventures Limited)  
**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
<b>Operating activities</b>		
<b>Profit before tax</b>	<b>(893.60)</b>	<b>(218.64)</b>
Interest Income from deposits	(17.71)	(0.05)
Finance cost	904.04	218.49
<u>Adjustments to reconcile profit before tax to net cash flows:</u>		
<b>Working capital adjustments:</b>		
Decrease/(Increase) in trade receivables	-	-
Decrease/(Increase) in inventories	-	-
Increase in current and non-current financial assets and other current and non-current assets	(0.56)	(0.05)
Increase in current and non-current financial Liabilities and Other Current and non-current liabilities & Provision	6.62	0.20
Income tax paid	<b>(1.21)</b>	<b>(0.05)</b>
<b>Net cash flows from operating activities (A)</b>	<b>(2.98)</b>	<b>(0.05)</b>
<b>Investing activities</b>		
Investment in Associate	-	(7,675.00)
Interest paid	(112.26)	-
Interest Income from deposits	17.71	0.05
<b>Net cash flows/(used in) investing activities (B)</b>	<b>17.71</b>	<b>(7,674.95)</b>
<b>Financing activities</b>		
Issue of Equity Shares	-	1.00
Inter corporate deposits received	-	8,000.00
<b>Net cash flows from financing activities (C)</b>	<b>-</b>	<b>8,001.00</b>
<b>Net increase/ (decrease) in cash and cash equivalents (D= A+B+C)</b>	<b>14.73</b>	<b>326.00</b>
<b>Cash and cash equivalents at the beginning of the Year (E)</b>	<b>326.00</b>	<b>-</b>
<b>Cash and cash equivalents at year end (D+E)</b>	<b>340.72</b>	<b>326.00</b>



**Digicent Limited (formerly known as HT Digital Ventures Limited)**  
**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
<b>Components of Cash &amp; Cash Equivalents as at end of the year</b>		
Cash and cheques on hand		
With banks		
- on deposit accounts	257.01	320.00
- on current accounts	83.71	6.00
<b>Total cash and cash equivalents</b>	<b>340.72</b>	<b>326.00</b>
<b>Cash and cash equivalents as per Cash Flow Statement</b>	<b>340.72</b>	<b>326.00</b>

The accompanying notes are an integral part of the financial statements


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


Particulars	Non Current Borrowings (INR Lacs)
<b>Opening Balance as at August 14, 2017</b>	-
<b>Cash Flows:</b>	
-Drawdowns	8,000.00
-Repayments	-
<b>Non-Cash movements:</b>	-
<b>Closing Balance as at March 31, 2018</b>	<b>8,000.00</b>
Change during the year	-
<b>Closing Balance as at March 31, 2019</b>	<b>8,000.00</b>

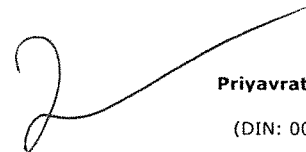
As per our report of even date

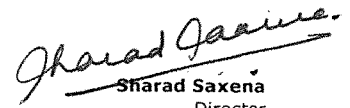
For and on behalf of the Board of Directors of Digicent Limited

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

  
**Saurabh Kuchhal**  
Partner  
Membership Number 512362



  
**Priyavrat Bhartia**  
Director  
(DIN: 00020603)

  
**Sharad Saxena**  
Director  
(DIN: 02239469)

Place: New Delhi  
Date: April 04, 2019



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

**A. Equity Share Capital ( Refer Note 5)**

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

Particulars	Number of shares	(INR Lacs) Amount
<b>Balance as at August 14, 2017</b>		
Changes in share capital during the period	50,000	1.00
<b>Balance as at March 31, 2018</b>	<b>50,000</b>	<b>1.00</b>
Changes in share capital during the year		
<b>Balance as at March 31, 2019</b>	<b>50,000</b>	<b>1.00</b>

**B. Other Equity attributable to equity holders (Refer Note 6)**

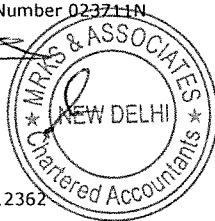
Particulars	Reserves & Surplus Retained earnings	(INR Lacs) Total
<b>Balance as at August 14, 2017</b>		
Profit/(Loss) during the period	(218.64)	(218.64)
<b>Balance as at March 31, 2018</b>	<b>(218.64)</b>	<b>(218.64)</b>
Profit/(Loss) during the year	(893.60)	(893.60)
<b>Balance as at March 31, 2019</b>	<b>(1,112.24)</b>	<b>(1,112.24)</b>

The accompanying notes are an integral part of the financial statements

As per our report of even date

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

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



**Saurabh Kuchhal**  
 Partner  
 Membership Number 512362

Place: New Delhi  
 Date: April 04, 2019

**Priyavrat Bhartia**  
 Director  
 (DIN: 00020603)

**Sharad Saxena**  
 Director  
 (DIN: 02239469)

## **1. Corporate information**

Digicontent Limited ("DCL" or "the Company"), a wholly owned subsidiary of HT Media Limited(HTML), is company domiciled in India and incorporated on under the provisions of the Companies Act, 2013. The registered office of the Company is located at 18-20, K.G. Marg, New Delhi-110001.

## **2. Significant accounting policies followed by company**

### **2.1 Basis of preparation**

The standalone financial statements of the Company have been prepared in accordance with the Indian Accounting Standards ('Ind AS') specified in the Companies (Indian Accounting Standards) Rules, 2015 (as amended) under Section 133 of the Companies Act 2013 (the "accounting principles generally accepted in India").

The accounting policies are applied consistently to all the periods presented in the financial statements.

The standalone financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value:

- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments).

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lacs as per the requirement of Schedule III, unless otherwise stated.

The standalone financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency.

Information on related party relationship of the company is provided in Note No 13.

The financial statement of the company for the year ended March 31, 2019 are authorised for issue in accordance with a resolution of the Board of Directors on April 04, 2019.

### **2.2 Summary of significant accounting policies**

#### **a) Current versus non- current classification**

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle



- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The Company has identified twelve months as its operating cycle.

## **b) Foreign currencies**

### **Transactions and Balances**

Transactions in foreign currencies are initially recorded by the Company at their respective functional currency spot rates at the date the transaction first qualifies for recognition. However, for practical reasons, the Company uses monthly average rate if the average approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on the settlement of monetary items or on restatement of the Company's monetary items at rates different from those at which they were initially recorded during the period, or reported in previous financial statements, are recognized as income or as expenses in the period in which they arise. They are deferred in equity if they relate to qualifying cash flow hedges.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

## **c) Fair value measurement**

The Company measures financial instruments, such as, derivatives and certain investments at fair value at each reporting/ balance sheet date.

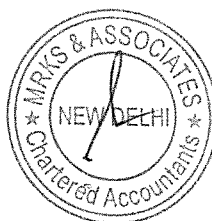
Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its



highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which 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 Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

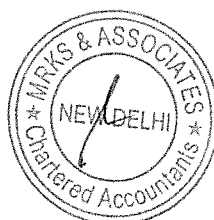
#### **d) Revenue recognition**

Effective April 1, 2018 the Company has adopted Ind AS 115 "Revenue from Contracts with Customers" using the cumulative catch-up transition method which is applied to contracts that were not completed as of April 1, 2018.

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government. The Company has concluded that it is the principal in all of its revenue arrangements since it is the primary obligor in all the revenue arrangements as it has pricing latitude and is also exposed to inventory and credit risks.

#### **Interest income**

For all debt instruments measured at amortised cost, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in finance income in the statement of profit and loss.



## **e) Taxes**

### **Current income tax**

Tax expense comprises current and deferred tax.

Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961.

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

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. 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.

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.

### **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
- The net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.





#### **f) Borrowing costs**

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

#### **g) Provisions**

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

#### **h) Financial Instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

##### **Financial assets**

Initial recognition and measurement

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

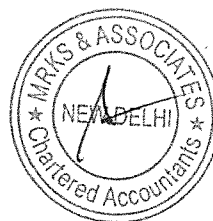
Subsequent measurement

For purposes of subsequent measurement, Debt instruments are measured at amortized cost.

A 'debt instrument' is measured at the amortized cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized using the effective interest rate (EIR) method. Amortized cost is calculated by taking



into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables.

#### Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognized (i.e. removed from the Company's consolidated balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognize the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

#### Impairment of financial assets

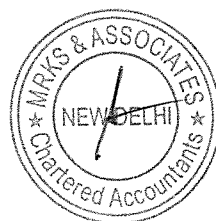
In accordance with Ind-AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- a) Financial assets that are debt instruments, and are measured at amortized cost e.g., loans, debt securities, deposits, trade receivables and bank balance
- b) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind-AS 115 (referred to as 'contractual revenue receivables' in these financial statements)

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables or contract revenue receivables.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk



since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

As a practical expedient, the Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed. ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the Statement of Profit and Loss. This amount is reflected under the head 'other expenses' in the Statement of Profit and Loss. The balance sheet presentation for various financial instruments is described below:

- Financial assets measured as at amortized cost, contractual revenue receivables and lease receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount. For assessing increase in credit risk and impairment loss. The Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

The Company does not have any purchased or originated credit-impaired (POCI) financial assets, i.e., financial assets which are credit impaired on purchase/ origination.

## **Financial liabilities**

### Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings.

### 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.

#### **i) Cash and cash equivalents**

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalent consists of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

#### **j) Measurement of EBITDA**

The Company has elected to present earnings before interest expense, tax, depreciation and amortization (EBITDA) as a separate line item on the face of the statement of profit and loss. The Company measures EBITDA on the face of profit/ (loss) from continuing operations. In the measurement, the Company does not include depreciation and amortization expense, finance costs and tax expense.

#### **k) Earnings per Share**

##### **Basic earnings per share**

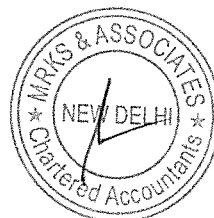
Basic earnings per share are calculated by dividing:

-the profit attributable to owners of the Company

-by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares.

##### **Diluted earnings per share**

Diluted earnings per share adjust the figures used in the determination of basic earnings per share to take into account:



-the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and

-the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

#### **1) Investments in associates**

An associate is an entity over which the Company has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

The considerations made in determining significant influence are similar to those necessary to determine control over subsidiaries.

The Company has elected to recognize its investments in associate companies at cost in accordance with the option available in Ind-AS 27, 'Separate Financial Statements'. The Company has not prepared and presented consolidated financial statements for year ended March 31, 2019 pursuant to compliance with the conditions specified in Rule 6 of Companies (Accounts) Rules, 2014 as amended from time to time.

Investment carried at cost will be tested for impairment as per Ind-AS 36.

#### **2.3. Significant accounting judgements, estimates and assumptions**

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

**There is no significant accounting judgement, estimates and assumption.**

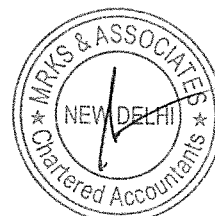
#### **2.4. Standards issued but not effective**

As on the date of approval of these accounts below is the standard which had 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 1 April 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 Company is in the process of finalising their analysis at the date of issuing of their financial statements for FY 2018-19. The Company 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 recognise 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 Company 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 recognised according to where the past transactions or events that generated distributable profits were recognised.

This amendment is not applicable to the Company.

**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) recognise 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 recognised because of the impact of the asset ceiling.

The application of this amendment is not expected to have a material impact on the Company'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.

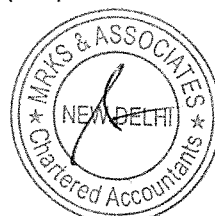
The application of this amendment is not expected to have a material impact on the Company's financial statements.

**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 Company.

**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 remeasured at fair value at the acquisition date; (ii) A party obtaining joint control of a business that is joint operation shall not remeasure its previously held interest in the joint operation.

This amendment is not applicable to the Company.



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

This amendment is not applicable to the Company.



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

**Note 3 : Investments**

Particulars	(INR Lacs)	
	Year ended March 31, 2019	March 31, 2018
<b>Investment in Associate ( at cost)</b>		
<i>Unquoted</i>		
HT Digital Streams Limited	7,675.00	7,675.00
85.88 Lakhs equity shares of INR 10/- each fully paid up		
<b>Total</b>	<b>7,675.00</b>	<b>7,675.00</b>
<b>Provision for impairment in value of investment (B)</b>		
<b>Total Investment in Associate (A) - (B)</b>	<b>7,675.00</b>	<b>7,675.00</b>
Current		
Non - Current	7,675.00	7,675.00
<b>Aggregate book value of unquoted investments</b>	<b>7,675.00</b>	<b>7,675.00</b>
<b>Aggregate amount of impairment in value of investments</b>		

**Note 3B : Income tax assets**

Particulars	(INR Lacs)	
	Year ended March 31, 2019	March 31, 2018
Income tax assets (net)	1.77	-
<b>Total</b>	<b>1.77</b>	<b>-</b>

**Note 4A : Cash and Cash Equivalents**

Particulars	(INR Lacs)	
	Year ended March 31, 2019	March 31, 2018
<b>Balance with banks :</b>		
- On current accounts	83.71	6.00
- Deposits with original maturity of less than three months	257.01	320.00
<b>Total</b>	<b>340.72</b>	<b>326.00</b>

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

Particulars	(INR Lacs)	
	Year ended March 31, 2019	March 31, 2018
<b>Balance with banks :</b>		
- On current accounts	83.71	6.00
- Deposits with original maturity of less than three months	257.01	320.00
<b>Total</b>	<b>340.72</b>	<b>326.00</b>

**Note 4B : Other financial assets**

Particulars	(INR Lacs)	
	Year ended March 31, 2019	March 31, 2018
Interest accrued but not due	0.41	0.05
<b>Total</b>	<b>0.41</b>	<b>0.05</b>
Current	0.41	0.05
Non - Current	-	-

**Note 4C : Loans**

Particulars	(INR Lacs)	
	Year ended March 31, 2019	March 31, 2018
<b>Unsecured considered good</b>		
Security deposit given	0.20	-
<b>Total</b>	<b>0.20</b>	<b>-</b>
Current	-	-
Non - Current	0.20	-

**Break up of financial assets carried at amortised cost**

Particulars	(INR Lacs)	
	Year ended March 31, 2019	March 31, 2018
Cash and cash equivalents (Note 4A)	340.72	326.00
Other financial assets (Note 4B)	0.41	0.05
Loans (Note 4C)	0.20	-
<b>Total financial assets carried at amortised cost</b>	<b>341.33</b>	<b>326.05</b>





**Note 5 : Share Capital**  
**Autorisated Share Capital**  
**Particulars**

Particulars	Number of shares	Amount (INR Lacs)
At August 14, 2017	-	-
*Changes during the period	50,000	1.00
At March 31, 2018	50,000	1.00
Changes during the year	-	-
At March 31, 2019	50,000	1.00

Upon effectiveness of the Scheme (refer note 17), the Authorized Capital of the Company will be increased to Rs. 12,00,00,000 (Rupees Twelve Crore Only) divided into 6,00,00,000 (Six Crore) equity shares of Rs. 2/- (Rupees Two Only) each

\*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 4th January, 2018. Therefore, share capital as on 14th August, 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. 4th January, 2018.

**Terms / rights attached to equity shares**

**Issued and subscribed capital**

Equity shares of INR 2 each Issued, subscribed and fully paid	Number of shares	Amount (INR Lacs)
At August 14, 2017	-	-
Changes during the period	50,000	1.00
At March 31, 2018	50,000	1.00
Changes during the year	-	-
At March 31, 2018	50,000	1.00

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

Particulars	March 31, 2019 Number of shares	Amount (INR Lacs)	March 31, 2018 Number of shares	Amount (INR Lacs)
Shares outstanding at the beginning of the year	50,000	1.00	-	-
Shares Issued during the year	-	-	50,000	1.00
Shares outstanding at the end of the year	50,000	1.00	50,000	1.00

**Shares held by holding/ ultimate holding company and/ or their subsidiaries/ associates**

Out of equity shares issued by the company, shares held by its holding company, subsidiary of holding company are as below:

Particulars	March 31, 2019 Number of shares	Amount (INR Lacs)	March 31, 2018 Number of shares	Amount (INR Lacs)
HT Media Limited, the holding company	1.00	1.00	-	-
50,000 (March 31, 2018- 50,000 & August 14, 2017 - 50,000) equity shares of INR 2 each fully paid	-	-	50,000	1.00

**Details of shareholders holding more than 5% shares in the company**

Particulars	March 31, 2019 Number of % holding shares	March 31, 2018 Number of % holding shares
Equity shares of INR 2 each fully paid	50,000 100.00%	50,000 100.00%
HT Media Limited, the holding company	-	-

As per records of the Company, including its register of shareholders/members and other declaration received from the shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.



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

**Note 6: Other Equity**

Particulars	(INR Lacs)	
	ended March 31, 2019	March 31, 2018
Retained Earnings		
P&L Account Opening Balance	(218.64)	-
Transferred from Profit and Loss Account during the year	(893.60)	(218.64)
<b>Total</b>	<b>(1,112.24)</b>	<b>(218.64)</b>

**Note 7 : Borrowings**

Particulars	(INR Lacs)	
	ended March 31, 2019	March 31, 2018
<b>Non- current Borrowings</b>		
<b>Unsecured Loan</b>		
Inter corporate deposits*	8,000.00	8,000.00
<b>Aggregate Secured Loans</b>	-	-
<b>Aggregate Unsecured Loans</b>	<b>8,000.00</b>	<b>8,000.00</b>

\*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 8A: Trade Payables**

Particulars	(INR Lacs)	
	ended March 31, 2019	March 31, 2018
Trade Payable		
- Micro, Small and Medium Enterprises		
- Others	6.82	0.20
<b>Total</b>	<b>6.82</b>	<b>0.20</b>
<b>Current</b>	<b>6.82</b>	<b>0.20</b>
<b>Non- Current</b>	-	-

**Note 8B : Other financial liabilities**

Particulars	(INR Lacs)	
	ended March 31, 2019	March 31, 2018
<b>Other financial liabilities</b>		
Interest accrued but not due on borrowings and others	1,010.27	218.49
<b>Total</b>	<b>1,010.27</b>	<b>218.49</b>
<b>Current</b>	-	-
<b>Non- Current</b>	<b>1,010.27</b>	<b>218.49</b>

**Break up of financial liability carried at amortised cost**

Particulars	(INR Lacs)	
	Year ended March 31, 2019	March 31, 2018
Borrowings (Note 7)	8,000.00	8,000.00
Trade Payable (Note 8A)	6.82	0.20
Other financial liabilities (Note 8B)	1,010.27	218.49
<b>Total financial liability carried at amortised cost</b>	<b>9,017.09</b>	<b>8,218.69</b>

**Note 8C : Other current liabilities**

Particulars	(INR Lacs)	
	ended March 31, 2019	March 31, 2018
Statutory dues	112.25	-
<b>Total</b>	<b>112.25</b>	-



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

Note 9 : Other Income		(INR Lacs)	
Particulars	Year ended March 31, 2019	August 14, 2017 to March 31, 2018	
Interest income on			
- Bank deposits	17.71	0.05	
<b>Total</b>	<b>17.71</b>	<b>0.05</b>	

Note 10 : Finance costs		(INR Lacs)	
Particulars	Year ended March 31, 2019	August 14, 2017 to March 31, 2018	
Interest on debts and borrowings	904.03	218.49	
<b>Total</b>	<b>904.04</b>	<b>218.49</b>	

Note 11 : Other expenses		(INR Lacs)	
Particulars	Year ended March 31, 2019	August 14, 2017 to March 31, 2018	
Payment to auditors	0.50	0.20	
Legal and professional fees	6.27	-	
Miscellaneous expenses	0.50	-	
<b>Total</b>	<b>7.27</b>	<b>0.20</b>	

Particulars	December 31, 2018	August 14, 2017 to March 31, 2018	
<b>As auditor :</b>			
- Audit fee	0.50	0.20	
<b>Total</b>	<b>0.50</b>	<b>0.20</b>	

**Note 12: EPS Computation**

Basic EPS amounts are calculated by dividing the profit for the period attributable to equity holders by the weighted average number of Equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

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

Particulars	Year ended March 31, 2019	August 14, 2017 to March 31, 2018	
<b>Profit attributable to equity holders (INR Lacs)</b>		<b>(894)</b>	<b>(219)</b>
<b>Weighted average number of Equity shares for basic and diluted EPS</b>	<b>50,000</b>	<b>50,000</b>	
Effect of dilution			
<b>Weighted average number of Equity shares adjusted for the effect of dilution</b>	<b>50,000</b>	<b>50,000</b>	
<b>Earnings per share for continuing and discontinued operations</b>			
Basic EPS (INR)	(1,787.20)	(437.28)	
Diluted EPS (INR)	(1,787.20)	(437.28)	



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

**Note 13: Related party transactions**

**i) List of Related Parties and Relationships:-**

Name of related parties where control exists whether transactions have occurred or not.	HT Media Limited (Holding Company) The Hindustan Times Limited Earthstone Holding (Two) Limited
Associate	HT Digital Streams Limited
Fellow Subsidiaries	Hindustan Media Ventures Limited

**ii) Transactions with related parties**

Refer table below:

**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. There have been no guarantees provided or received for any related party receivables or payables.

**Transactions during the year with related parties**

Particulars	Holding Company		Fellow Subsidiary	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
	(INR Lacs)	(INR Lacs)	(INR Lacs)	(INR Lacs)
Interest accrued on Inter Corporate Deposit	904.03	219.49	-	-
Purchase of shares in HT Digital Streams Limited	-	-	-	7,675.00
Issue of Equity Share capital	-	1.00	-	-
Inter Corporate Deposit received by the Company	-	8,000.00	-	-
<b>BALANCE OUTSTANDING</b>				
Equity Share capital	1.00	1.00	-	-
Inter Corporate Deposit & Interest accrued on it	9,123.52	8,219.49	-	-

**Note 14: Capital management**

For the purpose of the companies capital management, capital includes issued equity capital and all other equity reserves. The primary objective of the companies capital management is to maximise the shareholder value.

The company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The company monitors capital using a gearing ratio, which is net debt divided by total capital and net debt. The company includes within net debt, interest bearing loans and borrowings, trade and other payables, less cash and cash equivalents.

Particulars	(INR Lacs)	
	March 31, 2019	March 31, 2018
Borrowings (Note 7)	8,000.00	8,000.00
Trade payables (Note 8A)	6.82	0.20
Other financial liabilities (Note 8B)	1,010.27	218.49
Less: cash and cash equivalents (Note 8)	(340.72)	(326.00)
<b>Net debt</b>	<b>8,676.37</b>	<b>7,892.69</b>
Equity	1.00	1.00
<b>Total capital</b>	<b>1.00</b>	<b>1.00</b>
<b>Capital and net debt</b>	<b>8,677.37</b>	<b>7,893.69</b>
<b>Gearing ratio</b>	<b>100%</b>	<b>100%</b>



**Note 15: Financial risk management objectives and policies**

The companies principal financial liabilities comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the companies operations and to support its operations. The companies principal financial assets include loans, trade and other receivables, and cash and cash equivalents that derive directly from its operations.

**Market risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises Foreign currency risk, interest rate risk, credit risk and liquidity risk.

**Foreign currency risk**

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. Currently the company does not have any foreign currency risk exposure.

**Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The company has no exposure to the risk of changes in market interest rates relates primarily to the company 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, company 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.

**Liquidity risk**

The Company monitors its risk of a shortage of funds using a liquidity planning tool.

No loans will mature in less than one year at March 31, 2019 based on the carrying value of borrowings reflected in the financial statements.

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

	With in 1 year	More than 1 years	(INR Lacs) Total
<b>As at March 31, 2019</b>			
Borrowings (refer note 7)	-	8,000.00	8,000.00
Trade and other payables (refer note 8A)	6.82	-	6.82
Other financial liabilities (refer note 8B)	-	1,010.27	1,010.27
<b>As at March 31, 2018</b>			
Borrowings (refer note 7)	-	8,000.00	8,000.00
Trade and other payables (refer note 8A)	0.20	-	0.20
Other financial liabilities (refer note 8B)	-	218.49	218.49

The accompanying notes are an integral part of the financial statements

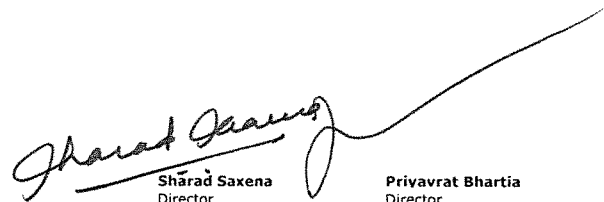
**For MRKS And Associates**

Chartered Accountants  
ICAI Firm Registration Number 023711N

Saurabh Kuchhal  
Partner  
Membership Number 512362

Place: New Delhi  
Date: April 04, 2019

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



Shrad Saxena  
Director  
(DIN: 02239469)

Priyavrat Bhartia  
Director  
(DIN: 00020603)

