



# **Hindustan Media Ventures Limited**

**Annual Report 2008-09**



# HINDUSTAN MEDIA VENTURES LIMITED

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(Formerly known as Searchlight Publishing House Limited)

## BOARD OF DIRECTORS

SHRI S.M. AGARWAL (*Whole time Director*)

SHRI V. K. CHARORIA

SHRI R. K. AGRAWAL

## AUDITORS

M/S. B. GUPTA & CO.

CHARTERED ACCOUNTANTS

4<sup>TH</sup> FLOOR, SUKIRTI

S.P. VERMA ROAD

PATNA

## REGISTERED OFFICE

BUDH MARG, PATNA

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# HINDUSTAN MEDIA VENTURES LIMITED

## DIRECTORS' REPORT

To  
The Shareholders,

Your Directors are pleased to present their Report, together with the Audited Statement of Accounts for the financial year ended on 31<sup>st</sup> March 2009.

### FINANCIAL RESULTS

Your Company's performance during the financial year ended on 31<sup>st</sup> March 2009, is summarized below:

	2008-09 (Rs.)	2007-08 (Rs.)
Total Income	17,77,32,946	16,88,58,334
<b>Profit before Depreciation/Amortization, Interest, Exceptional Items and Tax (EBITDA)</b>	<b>67,61,995</b>	<b>91,72,934</b>
Less: Depreciation	39,31,501	43,22,376
<b>Profit before Exceptional Items and Tax</b>	<b>28,30,494</b>	<b>48,50,558</b>
Less: Exceptional Items		
• Separation Scheme Compensation	-	32,37,649
• Payment of ESI & Bonus pertaining to prior periods	12,99,635	-
<b>Profit before Tax</b>	<b>15,30,859</b>	<b>16,12,909</b>
Less: Provision for Taxation	6,50,945	8,85,000
Add: Deferred Tax Assets/ (Liabilities)	(97,421)	(1,78,928)
<b>Profit after Tax</b>	<b>7,82,493</b>	<b>5,48,981</b>
Add: Profit brought forward from previous year	58,04,986	52,56,005
<b>Balance Carried to Balance-Sheet</b>	<b>65,87,479</b>	<b>58,04,986</b>

### CHANGE OF NAME

During the year under review, pursuant to the special resolution passed by the shareholders at their Annual General Meeting held on 26<sup>th</sup> September 2008, the name of the Company was changed from 'Searchlight Publishing House Limited' to 'Hindustan Media Ventures Limited'. The fresh certificate of incorporation bearing the new name of the Company was issued on 11<sup>th</sup> November 2008 by the Registrar of Companies, Bihar & Jharkhand.

### DIVIDEND

Your Directors do not consider it appropriate to recommend any dividend on Equity Shares for the financial year ended on 31<sup>st</sup> March 2009.

### DEPOSITS

The Company has not accepted any Public Deposits during the year.

### INCREASE IN AUTHORISED SHARE CAPITAL AND ISSUE OF FRESH CAPITAL

During the year under review, the Authorized Share Capital of your Company of Rs. 7 Crore was increased to Rs. 17 Crore by creation of new 1,00,00,000 Equity Shares of Rs.10/- each.

# HINDUSTAN MEDIA VENTURES LIMITED

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Further, in May 2008, 30,00,000 Equity Shares of Rs.10/- each were allotted for cash at par to HTML, on preferential basis. The proceeds of the issue were utilized for acquisition of land in Patna for expansion of printing facilities of your Company.

## DIRECTORS

Shri V.K.Charoria, Director of the Company, retires from office by rotation and being eligible, has offered himself for re-appointment.

## AUDITORS

The Statutory Auditors of your Company, M/s. B. Gupta and Co., Chartered Accountants, Patna shall retire at the conclusion of the ensuing Annual General Meeting; and being eligible, have offered themselves for re-appointment. The retiring Auditors have given a certificate under Section 224 (1B) of the Companies Act, 1956 regarding their eligibility for re-appointment.

## STATUTORY INFORMATION

During the year under review, there was no foreign exchange earning or outgo. Further, there was no employee covered under Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975.

The particulars under Section 217(1)(e) of the Companies Act, 1956, regarding Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo form part of this report as Annexure – A.

## DIRECTOR'S RESPONSIBILITY STATEMENT

Pursuant to the requirements of Section 217(2AA) of the Companies Act 1956, your Directors report that:

- i. in the preparation of the annual accounts for the financial year ended on 31<sup>st</sup> March, 2009, the applicable Accounting Standards have been followed along with proper explanation relating to material departures;
- ii. such accounting policies have been selected and applied consistently and such judgments and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as on 31<sup>st</sup> March, 2009; and of the profit of the Company for the year ended on 31<sup>st</sup> March, 2009;
- iii. proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- iv. the Annual Accounts have been prepared on a going concern basis.

## ACKNOWLEDGEMENT

Your Directors place on record their sincere appreciation for the assistance and co-operation provided by the Bankers, Customers, Suppliers, Employees and Shareholders of the Company.

For and on behalf of the Board

Place: New Delhi  
Date: 9<sup>th</sup> May, 2009

S.M. Agarwal  
R.K. Agrawal  
Directors

# HINDUSTAN MEDIA VENTURES LIMITED

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## *Annexure – A to Directors' Report*

Particulars with respect to Conservation of Energy, Technology Absorption and Foreign Exchange Earnings & Outgo, as per Section 217(1)(e) of the Companies Act, 1956 read with Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988

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### A. CONSERVATION OF ENERGY:-

(a) **Energy conservation measure taken:**

Efforts are made for conservation of energy on an on-going basis. The energy conservation initiatives have resulted in improvement of power factor.

(b) **Additional investment and proposals, if any, being implemented for reduction of consumption of energy:**

None

(c) **Impact of the measure at (a) and (b) above for reduction of energy consumption and consequent impact on the cost of production of goods:**

Improvement in the power factor has resulted in power saving.

(d) **Total energy consumption and energy consumption per unit of production:**

Not Applicable

### B. TECHONOLOGY ABSORPTION

(e) **Efforts made in technology absorption:**

Not Applicable

### C. FOREIGN EXCHANGE EARNINGS AND OUTGO

(f) **Activities relating to exports; initiatives taken to increase exports; development of new export markets for products and services; and export plans:**

Not Applicable

(g) **Total foreign exchange used and earned:**

Foreign exchange used:	Nil
Foreign exchange earned:	Nil

# HINDUSTAN MEDIA VENTURES LIMITED

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## AUDITORS' REPORT

To the Shareholders of

HINDUSTAN MEDIA VENTURES LIMITED

We have audited the attached Balance Sheet of Hindustan Media Ventures Limited as at 31<sup>st</sup> March, 2009 and the Profit and Loss Account of the company for the year ended on that date, annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements. An audit included examining, on a test basis, evidence supporting the amounts and disclosure in the financial statements. An audit also included assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

We report as under:

1. As required by the Manufacturing Companies (Auditor's Report) Order, 2003 issued by the Government of India in terms of Section 227(4A) of the Companies Act, 1956 we enclose in the annexure a statement on the matters specified in paragraphs '4' and '5' of the said order.
2. Attention is invited to S.22 of the Micro, Small and Medium Enterprises Development Act, 2006 read with disclosure requirements of Schedule VI to the Companies Act, 1956 requiring disclosure in the financial statements of all amounts remaining unpaid together with interest thereon, if any, to micro, small or medium enterprises. The said disclosures have not been made in the financial statements dealt with by this report.
3. Further to our comments appearing in the annexure referred to in paragraph '1' above.
  - a. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b. In our opinion, proper books of account, as required by law have been kept by the company, so far as appears from our examination of these books;

## HINDUSTAN MEDIA VENTURES LIMITED

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- c. The Balance Sheet and Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
- d. In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement comply with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956;
- e. As per written representations received from the Directors, taken on record by the Board of Directors in their meeting, none of the directors is disqualified U/S 274(1)(g);
- f. In our opinion and to the best of our information and according to the explanations given to us, the said accounts read with notes thereon in Schedule '18', give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
  - i. in the case of the Balance Sheet of the state of affairs of the company as at 31<sup>st</sup> March, 2009;
  - ii. in the case of the Profit and Loss Account of the profit for the year ended on that date; and
  - iii. in the case of the Cash Flow Statement of ~~the cash flow of the company~~ for the year ended on that date.

For and on behalf of  
**B.Gupta & Co.**  
Chartered Accountants

PATNA,  
Dated: 9<sup>th</sup> May, 2009

[ D. SIRCAR ]  
Partner

# HINDUSTAN MEDIA VENTURES LIMITED

## ANNEXURE TO THE AUDITORS' REPORT

As referred to in paragraph '1' of our report of even date

1. In respect of its fixed assets,
  - a. the Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets;
  - b. the Company has carried out year-end verification, which in our opinion constitutes physical verification at reasonable intervals. According to the information and explanations given to us, no material discrepancies were noticed on such physical verification; and
  - c. there has not been disposal of substantial portion of fixed assets during the year. Sale/ Disposals during the year do not affect the going concern.
2. In respect of its inventories,
  - a. the Company has physically verified certain items at monthly intervals in accordance with a programme of physical verification and also conducted a 100% physical verification at the year end, which in our opinion constitute physical verification at reasonable intervals.
  - b. The procedure of physical verification followed by the management appears to be reasonable and adequate in relation to the size of the Company and the nature of its business.
  - c. The Company has maintained proper records for inventory and discrepancies, though not material, have been properly dealt with in the accounts.
3. In respect of loans, secured or unsecured, taken from or granted to companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956,
  - a. the Company has not granted or taken any loans, ~~secured or unsecured~~, to/from companies, firms or other parties covered in the register maintained U/S 301 of the Act.
  - b. in absence of any loans granted or taken, the question of (i) their being prejudicial to the interest of the Company, (ii) regular repayment of principal along with interest thereon and (iii) steps for recovery of overdues in excess of Rs.1,00,000 (Rupees One Lakh) does not arise.
4. In our opinion there are adequate internal control procedures commensurate with the size of the Company and the nature of its business, for purchase of inventory and fixed assets. As the Company only provides services, the question of internal control on sale of goods does not arise.
5. In respect of transactions entered in the register maintained in pursuance of Section 301 of the Companies Act, 1956,
  - a. to the best of our knowledge and belief and according to the information and explanations given to us transactions that needed to be entered into the register have been so entered.
  - b. There were no transactions in excess of Rupees Five Lakhs during the year. Hence the question of their reasonableness with regard to prevailing market prices does not arise.
6. The Company has not accepted any deposit from the public.
7. In our opinion the Company has an internal audit system commensurate with the size of the Company and the nature of its business.
8. The Central Government has not prescribed maintenance of cost records U/S 209 (1)(d) of the Companies Act for the Company's line of business.

## HINDUSTAN MEDIA VENTURES LIMITED

9. In respect of statutory dues,
  - a. the Company has been regular in depositing undisputed statutory dues including Provident Fund, ESI, Sales Tax and Income-tax;
  - b. (i) the Company has filed a petition before the Hon'ble Patna High Court disputing claims of arrears by the Employees' State Insurance Corporation, amounting to Rs.73.37 Lakhs.  
(ii) an appeal relating to assessment year 2003-04 is pending before that Income Tax Appellate Tribunal against a demand of Rs. 2.14 Lakhs arising out of disallowance of certain expenses claimed by the company.
10. The Company neither has any accumulated losses as at the end of the financial year under review nor has incurred cash losses during the current and immediately preceding financial years.
11. The Company has not borrowed by way of debentures or loans from banks or financial institutions. Hence the question of default in repayment does not arise.
12. The Company has not granted any loans or advances on the basis of security by way of shares, debentures or other securities.
13. As the Company's line of business does not include chit fund, the question of compliance of special statute relating to such funds does not arise.
14. The Company does not deal or trade in shares, securities, debentures and other investments.
15. To the best of our knowledge and belief and according to the information and explanations given to us the Company has not given any guarantee for any loan taken by others from banks or financial institutions.
16. The Company has neither obtained nor applied for any term loans.
17. According to the information and explanations given to us and examination of other records, on an overall basis, funds raised on short term basis have, ~~prima facie, not been used during~~ the year for long term investment and vice versa.
18. During the year, the Company has a preferential allotment of 30,00,000 equity shares of Rs.10/- each to its holding company. The shares of the Company are not listed on any stock exchange. Considering the shareholding pattern before and after the issue, purpose of the issue and other related matters, we are of the opinion that the price at which the shares have been issued are not prima facie prejudicial to the interest of the company.
19. The Company has not issued any debentures. Hence the question of creation of securities in respect thereof, does not arise.
20. The Company has not raised any money by public issue during the year.
21. According to the information and explanations given to us, no fraud on or by the Company was noticed or reported during the year.

For and on behalf of  
**B.Gupta & Co.**  
Chartered Accountants

PATNA,  
Dated: 9<sup>th</sup> May, 2009

[ D. SIRCAR ]  
Partner

# HINDUSTAN MEDIA VENTURES LIMITED

## BALANCE SHEET AS AT MARCH 31, 2009

	Schedule	As at March 31, 2009 (In Rupees)	As at March 31, 2008 (In Rupees)
<b>SOURCES OF FUNDS</b>			
<b>Shareholders' Funds</b>			
Share Capital	1	69,862,500	39,862,500
Share Application Money		--	30,000,000
Reserves and Surplus	2	35,660,703	34,878,210
		105,523,203	104,740,710
<b>Deferred Tax Liabilities (Net)</b>	3	213,942	116,521
		105,737,145	104,857,231
<b>APPLICATION OF FUNDS</b>			
<b>Fixed Assets</b>			
Gross Block	4	129,420,191	116,675,242
Less: Depreciation		53,469,202	50,004,531
Net Block		75,950,989	66,670,711
Capital work-in-progress including capital advances		--	3,599,320
		75,950,989	70,270,031
<b>Current Assets, Loans and Advances</b>			
Inventories	5	10,350,333	16,988,945
Sundry Debtors	6	24,131,220	9,672,496
Cash and bank balances	7	6,413,550	11,505,816
Loans and Advances	8	13,766,287	16,879,724
		54,661,390	55,046,981
<b>Less: Current Liabilities and Provisions</b>			
Current Liabilities	9	19,288,606	14,347,221
Provisions	10	5,586,628	6,112,560
		24,875,234	20,459,781
<b>Net Current Assets</b>		29,786,156	34,587,200
		105,737,145	104,857,231

**Notes to Accounts** 18

The schedules referred to above and notes to accounts form an integral part of the Balance Sheet.

As per our report of even date  
For B. Gupta & Co.  
Chartered Accountants

For and on behalf of  
the Board of  
Directors

Per D. SIRCAR  
Partner  
Membership No. 73514

Place : Patna  
Dated : 9<sup>th</sup> May, 2009

B.P.Jhunjunwala  
Secretary

S.M. AGARWAL  
R.K. AGRAWAL  
Directors

# HINDUSTAN MEDIA VENTURES LIMITED

## PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2009

	Schedules	For the year ended March 31, 2009 (In Rupees)	For the year ended March 31, 2008 (In Rupees)
<b>INCOME</b>			
Turnover	11	176,268,048	168,226,463
Other Income	12	1,464,898	631,871
		<b>177,732,946</b>	<b>168,858,334</b>
<b>EXPENDITURE</b>			
Production Expenses	13	27,402,455	23,725,966
Payments to Employees	14	65,851,409	65,035,998
Other Expenses	15	77,709,911	70,917,772
(Increase)/Decrease in inventories	16	7,176	5,664
		<b>170,970,951</b>	<b>159,685,400</b>
<b>Profit before Depreciation/amortisation, Interest, Exceptional items and Tax (EBITDA)</b>		<b>6,761,995</b>	<b>9,172,934</b>
Depreciation/amortisation		<b>3,931,501</b>	<b>4,322,376</b>
<b>Profit/(Loss) before Exceptional Items &amp; Tax Exceptional items</b>		<b>2,830,494</b>	<b>4,850,558</b>
Separation Scheme Compensation		-	3,237,649
Payment to ESI & Bonus Pertaining to prior periods		<b>1,299,635</b>	-
<b>Profit/(Loss) before tax</b>		<b>1,530,859</b>	<b>1,612,909</b>
Fringe Benefit Tax		<b>(350,693)</b>	<b>(320,000)</b>
Provision for Minimum Alternate Income tax/Taxation		<b>(418,269)</b>	<b>(565,000)</b>
Less: MAT Credit Entitlement Account		<b>118,017</b>	-
Adjustment for Deferred Tax (Liability)/Asset		<b>(97,421)</b>	<b>(178,928)</b>
Total tax (expense)/income		<b>(748,366)</b>	<b>(1,063,928)</b>
<b>Net Profit/(Loss) for the year</b>		<b>782,493</b>	<b>548,981</b>
Balance brought forward from previous year		<b>5,804,986</b>	<b>5,256,005</b>
<b>Surplus carried to Balance Sheet</b>		<b>6,587,479</b>	<b>5,804,986</b>
<b>Earnings per share</b>	17	<b>0.12</b>	<b>0.14</b>
<b>Notes to Accounts</b>	18		

The schedules referred to above and the notes to accounts form an integral part of the Profit & Loss Account.

As per our report of even date

**For B.Gupta & Co.**  
**Chartered Accountants**

**Per D. SIRCAR**  
**Partner**  
Membership No. 73514  
Place: Patna  
Dated: 9<sup>th</sup> May, 2009

B.P. Jhunjunwala  
*Secretary*

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

S.M. AGARWAL  
R. K. AGRAWAL  
*Directors*

# HINDUSTAN MEDIA VENTURES LIMITED

Cash Flow Statement for the year ended March 31, 2009

## A. CASH FLOW FROM OPERATING ACTIVITIES

Profit before taxation  
Adjustments for:  
Depreciation/amortisation  
Miscellaneous Expenses written off  
Prior Period Expenses  
Loss on disposal of fixed assets (net)  
Interest income

## OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES

Movements in working capital:  
(Increase)/Decrease in sundry debtors  
(Increase)/Decrease in inventories  
(Increase)/Decrease in loans and advances  
Increase/(Decrease) in current liabilities and provisions

## CASH GENERATED FROM OPERATIONS

Direct taxes paid  
Cash flow before extraordinary items  
Extraordinary item

Net cash from operating activities

## B. CASH FLOWS FROM INVESTING ACTIVITIES

Purchase of fixed assets  
Proceeds from sale of fixed assets  
Interest received

Net cash (used) in investing activities

## C. CASH FLOWS FROM FINANCING ACTIVITIES

Proceeds from issuance of share capital  
Share Application Money received  
Re-issue of forfeited shares

Net cash from financing activities

## NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)

Cash and cash equivalents at the beginning of the year  
Cash and cash equivalents at the end of the year

## Components of cash and cash equivalents as at

Cash and cheques on hand  
With Scheduled banks - on current accounts  
on deposit accounts

For the year ended March 31, 2009 ( In Rupees )	For the year ended March 31, 2008 ( In Rupees )
1,530,859	1,612,909
3,931,501	4,322,376
-	3,237,649
1,299,635	-
(81,106)	-
(228,772)	(189,607)
6,452,117	8,983,327
(14,458,724)	1,219,465
6,638,612	(4,706,671)
228,121	(1,057,321)
4,994,134	(1,045,539)
3,854,260	3,393,261
1,655,690	(4,075,911)
5,509,950	(682,650)
(1,299,635)	-
4,210,315	(682,650)
(9,770,681)	(22,772,899)
239,328	-
228,772	189,607
(9,302,581)	(22,583,292)
30,000,000	-
(30,000,000)	30,000,000
-	340,356
-	30,340,356
(5,092,266)	7,074,414
11,505,816	4,431,402
6,413,550	11,505,816
31.03.2009	31.03.2008
748,836	834,479
3,128,531	8,285,820
2,536,183	2,385,517
6,413,550	11,505,816

### Note:

The above Cash Flow Statement has been prepared under the "Indirect Method" as stated in Accounting Standard 3 on Cash Flow Statement.

As per our report of even date

For B. Gupta & Co.  
Chartered Accountants

Per D. SIRCAR  
Partner

Membership No. 73514

Place: Patna

Dated: 9<sup>th</sup> May, 2009

B.P. Jhunjunwala  
Secretary

For and on behalf of  
the Board of  
Directors

S.M. AGARWAL

R. K. AGRAWAL

Directors

# HINDUSTAN MEDIA VENTURES LIMITED

## SCHEDULES TO THE ACCOUNTS

### SCHEDULE-1 : SHARE CAPITAL

#### Authorised :

170,00,000 (Previous year 70,00,000) equity shares of Rs. 10 each

#### Issued, Subscribed and Paid-Up:

69,86,250 (Previous year 39,86,250) equity shares of Rs. 10 each fully paid

Of the above:-

69,34,909 equity shares are held by HT Media Limited, the Holding Company

### SCHEDULE-2: RESERVES & SURPLUS

Share Premium Account  
As per last Balance Sheet  
Add: Received during the period

General Reserve Account  
As per last Balance Sheet  
Capital Redemption Reserve  
Profit and Loss Account Balance  
Capital Reserve

### SCHEDULE-3: DEFERRED TAX LIABILITIES/ASSETS (NET):

#### Deferred Tax Liabilities

Differences in depreciation in block of fixed assets as per tax books and financial books

#### Gross Deferred Tax Liabilities

#### Deferred Tax Assets

Carry forward of unabsorbed depreciation  
Differences in VRS Expenses  
Provision for Leave Encashment

#### Gross Deferred Tax Assets

#### Net Deferred Tax (Liability)/Asset

As at March 31, 2009 (In Rupees)	As at March 31, 2008 (In Rupees)
170,000,000	70,000,000
<b>170,000,000</b>	<b>70,000,000</b>
69,862,500	39,862,500
<b>69,862,500</b>	<b>39,862,500</b>
25,826,796	25,500,000
--	326,796
25,826,796	25,826,796
3,187,000	3,187,000
50,000	50,000
6,587,479	5,804,986
9,428	9,428
<b>35,660,703</b>	<b>34,878,210</b>
2,559,190	2,700,625
<b>2,559,190</b>	<b>2,700,625</b>
190,932	1,426,667
709,426	1,157,437
1,444,890	1,157,437
<b>2,345,248</b>	<b>2,584,104</b>
<b>(213,942)</b>	<b>(116,521)</b>

# HINDUSTAN MEDIA VENTURES LIMITED

## SCHEDULES TO THE ACCOUNTS

### SCHEDULE-4 : FIXED ASSETS

*All figures are in Rupees*

	Land Free hold	Land Lease hold	Buildings	Plant & Machinery	Furniture & Fittings	Vehicles	Total	Previous Year
<b>Gross Block</b>								
At 01.04.2008	17,220,595	3,570,918	45,261,279	39,145,419	10,937,119	539,912	116,675,242	97,501,663
Additions	13,216,902	--	--	97,638	55,461	--	13,370,001	19,173,579
Deductions	--	--	--	425,052	--	200,000	625,052	--
<b>At 31.03.2009</b>	<b>30,437,497</b>	<b>3,570,918</b>	<b>45,261,279</b>	<b>38,818,005</b>	<b>10,992,580</b>	<b>339,912</b>	<b>129,420,191</b>	<b>116,675,242</b>
<b>Depreciation/ Amortisation</b>								
At 01.04.2008	--	--	13,855,393	27,453,478	8,238,262	457,398	50,004,531	45,682,155
For the year	--	--	1,718,477	1,675,241	520,118	17,665	3,931,501	4,322,376
Deletions / Adjustments	--	--	--	325,724	--	141,106	466,830	--
<b>At 31.03.2009</b>	<b>--</b>	<b>--</b>	<b>15,573,870</b>	<b>28,802,995</b>	<b>8,758,380</b>	<b>333,957</b>	<b>53,469,202</b>	<b>50,004,531</b>
<b>Net Block</b>								
At 31.03.2009	30,437,497	3,570,918	29,687,409	10,015,010	2,234,200	5,955	75,950,989	66,670,711
At 31.03.2008	17,220,595	3,570,918	31,405,887	11,691,944	2,698,853	82,514	66,670,711	--
Capital Advances	--	--	--	--	--	--	--	3,599,320
<b>Total</b>	<b>30,437,497</b>	<b>3,570,918</b>	<b>29,687,409</b>	<b>10,015,010</b>	<b>2,234,200</b>	<b>5,955</b>	<b>75,950,989</b>	<b>70,270,031</b>

## HINDUSTAN MEDIA VENTURES LIMITED

### SCHEDULES TO THE ACCOUNTS

#### SCHEDULE-5: INVENTORIES

Raw Materials  
Stores and spares  
Work-in-progress

#### SCHEDULE-6: SUNDRY DEBTORS

##### Debts outstanding for a period exceeding six months

Unsecured, considered good

##### Other Debts

Unsecured, considered good

Included in Sundry Debtors are:

Due from the Holding Company of Rs. 22,593,482/-

#### SCHEDULE-7: CASH AND BANK BALANCES

Cash-in-hand  
Balances with scheduled banks:  
    On current accounts  
    On deposit accounts

#### SCHEDULE-8: LOANS AND ADVANCES

Advances recoverable in cash or kind or for value to be received  
Deposits - others  
Advance payment of income tax/tax deducted at source  
MAT Credit Entitlement Account  
Interest accrued on deposits

#### SCHEDULE-9 : CURRENT LIABILITIES

Sundry creditors  
Customers and Agents Balances  
Book Overdraft in Current Accounts with Bank

#### SCHEDULE-10: PROVISIONS

Provision for taxation  
Provision for contingencies (FBT)  
For staff benefit scheme - Leave Encashment

As at March 31, 2009 ( In Rupees )	As at March 31, 2008 ( In Rupees )
2,687,729	3,353,746
7,641,280	13,606,699
21,324	28,500
<b>10,350,333</b>	<b>16,988,945</b>
6,716	--
24,124,504	9,672,496
<b>24,131,220</b>	<b>9,672,496</b>
748,836	834,479
3,128,531	8,285,820
2,536,183	2,385,517
<b>6,413,550</b>	<b>11,505,816</b>
2,198,253	2,379,451
3,001,692	3,007,692
8,371,143	11,374,476
118,017	--
77,182	118,105
<b>13,766,287</b>	<b>16,879,724</b>
19,120,069	13,519,040
168,537	124,270
--	703,911
<b>19,288,606</b>	<b>14,347,221</b>
565,000	1,169,291
345,610	320,000
4,676,018	4,623,269
<b>5,586,628</b>	<b>6,112,560</b>

# HINDUSTAN MEDIA VENTURES LIMITED

## SCHEDULES TO THE ACCOUNTS

### SCHEDULE-11: TURNOVER

Printing Charges received  
Job Revenue  
Sale of waste papers and scrap

### SCHEDULE-12: OTHER INCOME

Interest (Gross of TDS) on:  
Bank deposits  
Others  
Miscellaneous receipts/amounts written back (net)

### SCHEDULE-13: RAW MATERIALS CONSUMED

Inventories as at April 01, 2008  
Purchases  
  
Less: Inventories as at March 31, 2009

### SCHEDULE-14 : PERSONNEL EXPENSES

Salaries, wages and bonus  
Contribution to provident fund  
Contribution to gratuity fund  
Contribution to other funds  
Workmen and staff welfare expenses

### SCHEDULE-15 : OPERATING AND OTHER EXPENSES

Consumption of stores and spares  
Printing and service charges  
Power and fuel  
Freight and forwarding charges (net)  
Rent  
Rates and taxes  
Insurance

#### Repairs and Maintenance:

Plant and Machinery  
Buildings  
Others

Travelling and conveyance  
Communication costs  
Legal and professional fees  
Directors' sitting fees

#### Auditor's remuneration

Audit fee 44,450  
Tax audit fee 8,100  
Taxation matters 2,600  
Certification etc. --

Loss on disposal of fixed assets (net)  
Bank Charges  
Miscellaneous expenses

For the year ended March 31, 2009 ( In Rupees )	For the year ended March 31, 2008 ( In Rupees )
167,448,000	161,448,000
3,435,337	1,067,270
5,384,711	5,711,193
<b>176,268,048</b>	<b>168,226,463</b>
228,772	189,607
733,933	--
502,193	442,264
<b>1,464,898</b>	<b>631,871</b>
3,353,746	4,056,831
26,736,438	23,022,881
<b>30,090,184</b>	<b>27,079,712</b>
2,687,729	3,353,746
<b>27,402,455</b>	<b>23,725,966</b>
59,081,014	58,038,746
3,443,429	3,210,134
1,115,885	1,141,289
405,798	438,375
1,805,283	2,207,454
<b>65,851,409</b>	<b>65,035,998</b>
38,172,118	37,464,981
2,215,764	264,867
13,831,938	13,646,908
618,359	--
506,908	496,482
153,173	147,245
56,721	78,407
3,475,129	4,215,430
1,463,157	3,936,457
150,218	73,168
2,552,047	2,296,133
1,201,029	741,859
457,549	271,143
2,800	1,800
44,450	44,944
8,100	8,427
2,600	2,809
--	--
55,150	--
(81,106)	--
78,974	90,591
12,799,983	7,136,121
<b>77,709,911</b>	<b>70,917,772</b>

## HINDUSTAN MEDIA VENTURES LIMITED

### SCHEDULES TO THE ACCOUNTS

#### SCHEDULE-16: DECREASE/(INCREASE) IN INVENTORIES

Inventories as at March 31, 2009

Work-In-Progress

21,324

28,500

**21,324**

28,500

Inventories as at March 31, 2008

Work-In-Progress

28,500

34,164

**28,500**

34,164

**7,176**

5,664

#### SCHEDULE-17: EARNINGS PER SHARE (EPS)

Net profit before exceptional items and taxes

1,530,859

1,612,909

Less: Adjustment for Deferred Tax Liability

97,421

178,928

Less: Provision for Income Tax

418,269

565,000

Less: Fringe Benefit tax

350,693

320,000

Less: MAT Credit Entitlement Account

(118,017)

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**782,493**

548,981

Net profit before exceptional items but after taxes for calculation of basic and diluted EPS

Weighted average number of equity shares in calculating basic and diluted EPS

**6,649,264**

3,986,250

Weighted average number of equity shares in calculating basic EPS

**6,649,264**

3,986,250

Number of Equity Share at the beginning of the year

(outstanding for 365 days)

3,986,250

--

Number of Equity Shares at the 12th day of May, 2008

(outstanding for 324 days)

2,663,014

--

Basic & diluted earnings per share after exceptional items

**0.12**

**0.14**

# HINDUSTAN MEDIA VENTURES LIMITED

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## Schedule 18 : Notes to Accounts

### 1. Nature of Operations

The Company is a subsidiary of HT Media Limited. It provides support to the parent company in printing Hindustan Times, an English Daily and Hindustan, a Hindi Daily.

The Company derives revenue from printing the publications for the parent company. The Company also derives revenue from printing job work including an English daily and a Hindi weekly, sale of scrap material and interest on deposits.

### 2. Basis of preparation

The financial statements are prepared to comply in all material respects with the mandatory Accounting Standards issued by the Institute of Chartered Accountants of India and the relevant provisions of the Companies Act, 1956. The financial statements are prepared under the historical cost convention on an accrual basis. The accounting policies have been consistently applied by the Company and are in conformity with those used in the previous year.

### 3. Statement of Significant Accounting Policies

#### (a) Fixed Assets

Fixed Assets are stated at cost, less accumulated depreciation. Cost comprises purchase price and any directly attributable cost of bringing the asset to its working condition for its intended use. Financing costs, if any, relating to acquisition of Fixed Assets are also included to the extent they relate to the period till such assets are ready for their intended use.

#### (b) Depreciation

Depreciation on assets is provided on written down value method at the rates and as per the methodology prescribed in Schedule XIV to the Companies Act, 1956.

#### (c) Leases (Where the Company is the lessee)

Leases, where the lessor effectively retains substantially all the risks and benefits of ownership over the leased term, are classified as operating leases. Operating lease payments are recognised as an expense in the Profit and Loss Account on a straight-line basis over the lease term.

#### (d) Inventories

Inventories are valued as follows:

Raw materials, stores and spares	Lower of cost or net realisable value, however material and other items held for
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## HINDUSTAN MEDIA VENTURES LIMITED

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use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost is determined on a weighted average basis.

Scrap At net realisable value.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated cost of completion and making the goods saleable.

### (e) Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

#### *Printing Charges*

Revenue is recognised monthly on the basis of publications printed as per contractual arrangement with HT Media Limited.

#### *Printing Job Work*

Revenue is recognised on completion of company's commitment in the printing job and raising of bills.

#### *Interest on Deposits*

Interest is recognised on a time proportion basis taking into account the amounts outstanding and rates of interest applicable.

#### *Sale of Scrap*

Revenue is recognised when significant risks and rewards of ownership have passed to the buyer.

### (f) Retirement and Other Employee Benefits

- i. Retirement benefits in form of Provident Fund are charged to the Profit and Loss Account on a month to month basis.
- ii. The liability towards gratuity is provided for based on demand received from Life Insurance Corporation of India (LIC) with whom a Group Gratuity Policy has been taken. LIC has ascertained the gratuity liability on actuarial valuation basis.
- iii. Provision for leave encashment is accrued and provided for on the basis of an actuarial valuation carried out by an independent actuary at the year end.

### (g) Deferred Revenue Expenditure

Compensation paid under Voluntary Retirement Scheme to employees is written off over a period of three years commencing from the year of acceptance of employees' option for the scheme.

# HINDUSTAN MEDIA VENTURES LIMITED

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## (h) Income Taxes

Tax expense comprises both current and deferred taxes. Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act. Deferred income tax reflects the impact of current year timing differences between taxable income and accounting income for the year. Deferred tax is measured based on tax rates and the tax laws enacted or substantively enacted at the Balance Sheet date. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. Deferred tax assets are recognised on carry forward of unabsorbed depreciation and tax losses only if there is virtual certainty that such deferred tax assets can be realized against future taxable profits. Unrecognized deferred tax assets of earlier years are re-assessed and recognised to the extent that it has become reasonably certain that future taxable income will be available against which such deferred tax assets can be realised.

In the year in which the Minimum Alternate Tax (MAT) credit becomes eligible to be recognised as an asset in accordance with the recommendations contained in guidance note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the Profit and Loss Account and shown as MAT Credit Entitlement. The same is reviewed at each Balance Sheet date and the carrying amount of MAT Credit Entitlement is written off to the extent there is no longer convincing evidence to the effect that the company will pay normal Income Tax during the specified period.

## (i) Earnings per Share

Basic Earnings per Share is calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting preference dividend and attributable taxes) by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for events of bonus issue; bonus element in a rights issue to existing shareholders; share split; and reverse share split (consolidation of shares).

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

## 4. Benefits to Employees

- (i) Payment made to Life Insurance Corporation of India as premium for Group Gratuity Policy - Rs.11.16 lacs (Previous Year Rs.11.41 lacs).

## HINDUSTAN MEDIA VENTURES LIMITED

(ii) The following information is disclosed in terms of Accounting Standard – 15 [AS-15 (Revised)] issued by the Institute of Chartered Accountants of India.

(Rs in Lacs)			
<b>(a)</b>	<b>Principal Actuarial Assumptions used:</b>	<b>31.03.2009</b>	<b>31.03.2008</b>
	Discount Rate	8.00%	8.00%
	Rate of Return on Plan Assets	0.00%	0.00%
	Salary Escalation	5.50%	5.50%
<b>(b)</b>	<b>Table showing change in Present Value of Obligation</b>	<b>31.03.2009</b>	<b>31.03.2008</b>
	Present Value of Obligation at the beginning of the year	46.23	39.88
	Acquisition adjustment	-	-
	Interest Cost	3.70	3.19
	Past Service Cost (Non-vested Benefit)	-	-
	Past Service Cost (Vested Benefit)	-	-
	Current Service Cost	5.93	6.83
	Curtailement Cost / (Credit)	-	-
	Settlement Cost / (Credit)	-	-
	Benefits paid	(9.09)	(5.37)
	Actuarial (Gain) / Loss on Obligation	(0.02)	1.70
	Present Value of Obligation at the end of the year	46.76	46.23
<b>(c)</b>	<b>Table of Fair Value of Plan Assets</b>	<b>31.03.2009</b>	<b>31.03.2008</b>
	Fair Value of Plan Assets at the beginning of the year	-	-
	Acquisition Adjustment	-	-
	Actual return on Plan Assets	-	-
	Contributions	-	-
	Benefit paid.	-	-
	Fair Value of Plan Assets at the end of the year	-	-
	Funded Status	(46.76)	(46.23)
	Excess of actual over estimated return on plan assets	-	-
<b>(d)</b>	<b>Actuarial Gain / Loss Recognised</b>	<b>31.03.2009</b>	<b>31.03.2008</b>
	Actuarial Gain / (Loss) for the period - Obligation	0.02	(1.70)
	Actuarial (Gain) / Loss for the period – Plan Assets	-	-
	Total (Gain) / Loss for the period	(0.02)	1.70
	Actuarial (Gain) / Loss recognised in the period	(0.02)	1.70
	Unrecognised Actuarial (Gains)/Losses at the end of period	-	-

## HINDUSTAN MEDIA VENTURES LIMITED

<i>(e)</i>	<i>Amount recognised in the Balance Sheet</i>	<i>31.03.2009</i>	<i>31.03.2008</i>
	Present Value of obligation at the end of the period	46.76	46.23
	Fair Value of Plan Assets at the end of the year	-	-
	Funded Status / Difference	(46.76)	(46.23)
	Excess of actual over estimated	-	-
	Unrecognised Actuarial (Gains) / Losses	-	-
	Net asset / (liability) recognised in Balance Sheet	(46.76)	(46.23)
<i>(f)</i>	<i>Expenses recognised in the Income Statement</i>	<i>31.03.2009</i>	<i>31.03.2008</i>
	Current Service Cost	5.93	6.83
	Past Service Cost	-	-
	Interest Cost	3.70	3.19
	Expected Return on Plan Assets	-	-
	Curtailment Cost / (Credit)	-	-
	Settlement Cost / (Credit)	-	-
	Net Actuarial (Gain) / Loss recognised in the period	(0.02)	1.70
	Expenses recognised in Profit and Loss Account	9.62	11.72
<i>(g)</i>	<i>Reconciliation of Expense in Profit and Loss Account</i>	<i>31.03.2009</i>	<i>31.03.2008</i>
	Present Value of Obligation as at the end of period	46.76	46.23
	Present Value of Obligation as at the beginning of period	46.23	39.88
	Benefits paid	9.09	5.37
	Actual Return on Plan Assets	-	-
	Expenses recognised in Profit and Loss Account	9.62	11.72
<i>(h)</i>	<i>Amount for the Current Period</i>	<i>31.03.2009</i>	<i>31.03.2008</i>
	Present Value of Obligation at the end of period	46.76	46.23
	Fair Value of Plan Assets at the end of the period	-	-
	Surplus / (Deficit)	(46.76)	(46.23)
	Experience adjustment on Plan liabilities (Loss)/Gain	-	-
	Experience adjustment on Plan Assets (Loss) / Gain	-	-
<i>(i)</i>	<i>Balance Sheet Reconciliation</i>	<i>31.03.2009</i>	<i>31.03.2008</i>
	Opening Net Liability	46.23	39.88
	Expenses as above	9.62	11.72
	Contribution paid	-	-
	Closing Net Liability	46.76	46.23



# HINDUSTAN MEDIA VENTURES LIMITED

NAME OF THE PARTY	RELATIONSHIP
Paxton Trexim Private Limited Duke Commerce Limited TVM Limited	Companies where common control exists
Shri S.M. Agarwal, Whole Time Director	Key Management Personnel

Notes: 1. # The Hindustan Times Limited (HTL) does not hold any direct investment in the Company. However, HTL's subsidiary HT Media Limited holds shares in the Company.

2. No amount has been written-off/back or provided as doubtful debt or advance in respect of debts/advances due from/to above related parties.

TRANSACTIONS, YEAR-END BALANCES, ETC.	HOLDING COMPANY		FELLOW SUBSIDIARIES		KEY MANAGEMENT PERSONNEL	
	2008-09	2007-08	2008-09	2007-08	2008-09	2007-08
<b>A. Transactions:</b>						
	(Rs in Lacs)					
Reimbursement of expenses incurred on behalf of parties by Company	19.27	8.95	-	-	-	-
Reimbursement of expenses incurred on behalf of Company by parties	1.37	1.07	-	-	-	-
Reimbursement of capital expenses incurred on behalf of parties by Company	60.63	-	-	-	-	-
Printing & Service charges received	1680.58	1620.68	-	-	-	-
Purchase of store material	80.80	115.94	-	-	-	-
Purchase of waste paper	5.73	5.87	-	-	-	-
Payment to employees sent on deputation	324.65	307.52	-	-	-	-
Share Application Money Received	-	300.00	-	-	-	-
Shares allotted against Share Application Money received in earlier year	300.00	-	-	-	-	-
<b>B. Year-end Balances</b>						
	(Rs in Lacs)					
As Debtors	225.93	96.14	-	-	-	-
As Creditors	-	-	-	-	-	-

## HINDUSTAN MEDIA VENTURES LIMITED

C. Others	2008-09	2007-08
Payment made to Directors		(Rs in Lacs)
Salary and Allowances	5.97	5.97
Perquisites	-	0.27
Others	0.43	0.43
<b>Total</b>	<b>6.40</b>	<b>6.67</b>

### 7. Leases

- (a) Rental expenses in respect of operating leases are recognised as an expense in the Profit and Loss Account on a straight line basis over the lease term.
- (b) The Company has taken various residential, office and godown premises under operating lease agreements. These are generally renewable by mutual consent on mutually agreed terms and generally restrict further leasing.
- (c) Lease payments for the year are Rs.5.07 lacs (Previous year Rs.4.96 lacs).

### 8. Impairment

The carrying amounts of assets are reviewed at each Balance Sheet date for any impairment based on internal/external factors. An impairment loss is recognised wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital.

### 9. Capital Commitment

	31.03.2009	31.03.2008
	(Rs in Lacs)	(Rs in Lacs)
Estimated amount of contracts remaining to be executed on capital account and not provided for	-	-

### 10. Claims against the Company not acknowledged as Debts

	31.03.2009	31.03.2008
	(Rs in Lacs)	(Rs in Lacs)
(a) The Company has filed a petition before the Hon'ble Patna High Court against an initial claim for additional contribution of Rs. 73.37 lacs made by Employees State Insurance Corporation (ESIC) relating to the years 1989-90 to 1999-00. The Company has furnished a bank guarantee amounting to Rs. 12.50 lacs to ESIC and the Hon'ble High Court has stayed the matter.	73.37	73.37

## HINDUSTAN MEDIA VENTURES LIMITED

(b) An appeal by the Company is pending before the Commissioner of Income Tax (Appeal), Patna against certain additions made to the total income for Assessment Year 2005-06 during the course of scrutiny assessment U/S 143(3) of the Income-tax Act, 1961. The appeal also lies against the resultant claim of Income Tax and interest.	-	61.31
(c) An appeal by the Company is pending before the Income Tax Appellate Tribunal, Patna against certain additions made to the total income for Assessment Year 2003-04 during the course of scrutiny assessment U/S 143(3) of the Income-tax Act, 1961 and confirmed by the Commissioner of Income Tax (Appeal), Patna. The appeal also lies against the resultant claim of Income Tax and interest.	2.14	-
(d) A few labour cases against the Company are pending at various courts of law.	Amount not ascertainable	Amount not ascertainable

### 11. Additional Information required under Parts II and III of Schedule VI to the Companies Act, 1956

Additional information as required under Schedule VI to the Companies Act, 1956 to the extent applicable to the Company are as under (Rs.)

(a) CIF Value of Imports	Direct	Through Others
Components and Spare Parts	Nil	Nil
Capital Goods	Nil	Nil
(b) Foreign Currency Earned	Nil	Nil
(c) Foreign Currency Used	Nil	Nil

(d) Consumption	Imported		Indigenous		Total	
	Rs.	%	Rs.	%	Rs.	%
Stores & Spare Parts	-	-	38,172,118	100	38,172,118	100
	-	-	(37,464,981)	(100)	(37,464,981)	(100)
Printing Ink	-	-	27,402,455	100	27,402,455	100
	-	-	(23,725,966)	(100)	(23,725,966)	(100)

Note: Amounts within brackets represent previous year's figures

## HINDUSTAN MEDIA VENTURES LIMITED

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12.	Expenses pertaining to the prior years are composed of the following:	2008-09 (Rs.)	2007-08 (Rs.)
	Payment made to ESIC pertaining to earlier years	1,078,432	—
	Bonus paid for the previous year	221,203	—
	Total	1,299,635	—

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13. Previous year's figures have been re-arranged/re-grouped wherever necessary to bring them in conformity with current year's figures.

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Signatures to Schedules 1 to 18

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As per our report of even date

For and on behalf of  
the Board of Directors

For B.Gupta & Co.  
Chartered Accountants

Per D. Sircar  
Partner  
Membership No. 073514

Place: Patna  
Dated: 9<sup>th</sup> May, 2009

B.P.Jhunjunwala  
Secretary

S.M.Agarwal  
R.K.Agrawal  
Directors

