Tarakki Ka Naya Nazariya

हिन्दुस्तान
अतुल्य ग्राम
बदलेगा लोहवन, बदलेगा हिन्दुस्तान

आपके क्षेत्र* का नं.1 अखबार

Source : IRS 2014 *Delhi+Uttarakhand+Uttar Pradesh+Bihar+Jharkhand

HINDUSTAN MEDIA VENTURES LIMITED
ANNUAL REPORT 2016-17

The World of HMVL

Incorporated in 1918 as 'The Behar Journals Limited', Hindustan Media Ventures Limited (HMVL) has a rich legacy dating back almost a century. In 1987, our name was changed to 'Searchlight Publishing House Limited'. Subsequently, we reinvented ourselves with the present name in 2008. We offer a 360-degree perspective of the world while shaping the argumentative Indian's opinion. We lend a strong voice to the masses, which aids in building consensus and driving social change. We create cutting-edge content with expertise and provide insightful information to our readers.

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Our Brands

हिन्दुस्तान

Hindustan is our flagship brand. It is the second-most read newspaper in India providing international, national and local news

हिन्दुस्तान LIVE

An extension of Hindustan, covering city-based news and events

अनोखी

A weekly supplement of Hindustan, dealing with issues close to women

तन-मन

A magazine focused on matters relating to health and lifestyle

हिन्दुस्तान जॉब सर्च

A weekly supplement for jobs

मूवी मैजिक

A weekly supplement featuring stories from the world of glamour and movies

जानो इंग्लिश

Aims at improving proficiency of English

नई दिशाएं

A weekly supplement on higher and professional education

कादम्बिनी

A monthly magazine with cultural and literary content

नंदन

A children's magazine that shapes the outlook and opinion of young readers

Tarakki Ka Naya Nazariya

Hindustan has walked a long way through the path of progress, making a positive impact on the lives of its readers.

We continue to influence public opinion and empower millions of Indians, giving them a voice. Today, the Company is putting concerted efforts to add greater value by venturing into newer possibilities. Hindustan, through its unbiased news reporting, thought leadership stances and reader connect initiatives, is shaping a social transformation. Leveraging on fresh thinking and innovation, Hindustan is cultivating a synergy between traditional and modern mediums of media consumption. In addition, we are connecting advertisers with our large readership base, promoting an overall environment of progress.

We are in step with the rise in digital content. We stand committed to delivering on our core promise of 'Tarakki' with a 'Naya Nazariya'. This, we are doing by unveiling important stories, promoting new campaigns and events, incorporating new platforms in digital media and events. This is what distinguishes us from the competition. We are committed to our stand of transformation through 'Tarakki', a transformation where possibilities are endless.

Leading in the Hindi heartland

Our prominence in Delhi-NCR, Uttarakhand, Uttar Pradesh, Bihar and Jharkhand is unchanllenged. With 20 editions in the Hindi heartland, Hindustan is the second widely read newspaper in India. Not surprisingly, HMVL is one of the leading print media companies in India.

No. 1
In Bihar, Jharkhand and Uttarakhand

No. 2
In Uttar Pradesh

152
Sub-editions

20
Printing locations

20
Editions

Chairperson's Message

Dear Shareholders,

The Indian economy is one of the world's fastest growing economy – it grew by 7.1% in 2016-17, coming on the back of a 7.6% growth the previous year. The government has built on these numerical advantages with major reforms such as the Insolvency and Bankruptcy Code (IBC), the Goods and Services Tax (GST), and the Real Estate Regulation Act (RERA) that hold the promise of significant benefits in the medium to long-term.

Last year, our total revenue increased by 4.8% from ₹ 979 crore to ₹ 1,025 crore and our operating profit registered a 6.1% growth from ₹ 281 crore to ₹ 298 crore.

Campaigns that set us apart

Our Hindi business has always been characterised by campaigns that span editorial and advertising objectives and, more importantly, are socially relevant. FY 2016-17 was no different. We had national and regional campaigns on varied issues, from demonetisation, to protecting the Himalayas, to combating the drug menace. All of these are hot-button issues for our audience.

A 360-degree approach

Our Hindi business isn't just about print. A recent study by Google and KMPG, of around 7000 Indians across urban and rural areas, showed that 70% of Indians would prefer online content in a regional language. India now has more than 300 million smart phone users, and many of them are in the Hindi-belt. Not surprisingly, our Hindi website livehindustan.com grew significantly last year. It ended March'17 with 50 million monthly page views and 6.1 million monthly unique visitors.

In addition to print and online, Hindustan also engages with its audience and advertisers through events. Through our activities such as 'Hindustan Aao Rajneeti Karein', 'Hindustan Shikhar Samagam', 'Mission Engineering', and 'Hindustan Kisan Mela', we built deeper relationships with readers and advertisers.

Our success has been built on several pillars, the most important of which, is support from our readers and advertisers.

Responsibility towards society

As a responsible corporate citizen, your Company is committed to giving back to society. Our social endeavours spanned the fields of healthcare, education, skill development and infrastructure.

Outlook

The regional language print business continues to grow, and the regional language Internet media business is an emerging one that holds much promise. Hindustan Media Ventures has a leadership position in both and we expect to build our readership across platforms, and also revenues, on the strength of this. Our initiatives in this area include strengthening our digital platform, with an emphasis on real-time delivery of news over mobile phones, continuous renewal of our print product, and launching new events to enhance engagement with our audience and advertisers.

Consolidated efforts

Our success has been built on several pillars, the most important of which, is support from our readers and advertisers. The Board of Directors has been a constant source of encouragement and sage advice. I'd like to thank the members of the board, our employees who constantly strive to do better, our readers and advertisers, and all shareholders for their valuable contribution to our journey.

Thanking you,

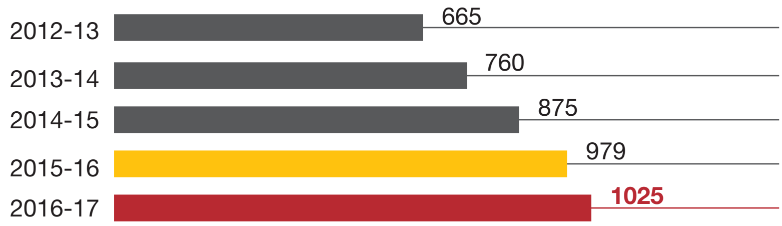
Shobhana Bhartia
Chairperson

Financial Highlights

Revenue

(₹ In crore)

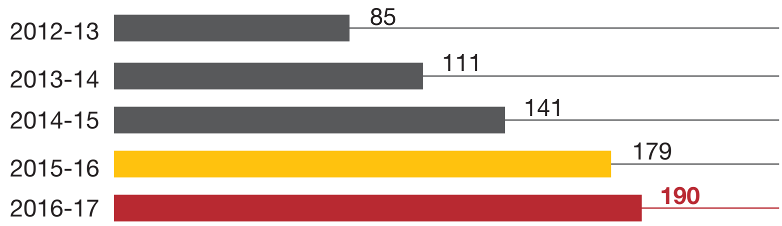
11% 4-year CAGR



Profit After Tax

(₹ In crore)

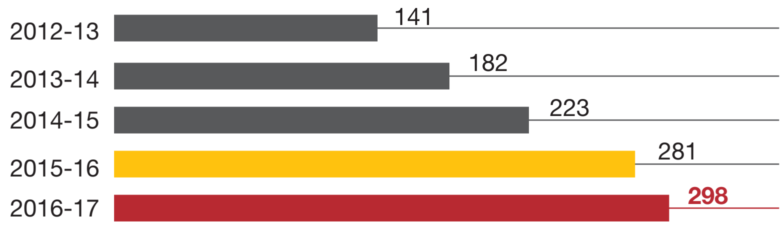
22% 4-year CAGR



EBITDA

(₹ In crore)

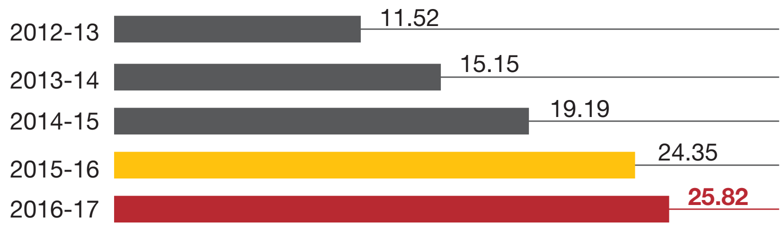
21% 4-year CAGR



Earnings Per Share

(₹)

22% 4-year CAGR



All figures are based on Consolidated Financial Statements

Commitment towards Community Development

As a responsible corporate citizen, HMVL is committed to support people's initiatives to build a better tomorrow. Our efforts this year were focused on community development, improving infrastructure and building opportunities for skill development and women empowerment.

We continued our initiatives, which we started in the last financial year, at Lohavan and Gossna villages in Mathura district (U.P.).

Infrastructure

We built a Chaupal in Lohavan, as a meeting point for the villagers. The Chaupal will give the place to residents of Lohavan to gather at one spot to celebrate, learn, showcase their talent and sell their produce.

A 4-metre wide bitumen road was constructed to provide a clear access to Lohavan. Key landmarks in Lohavan were decorated by laying paver blocks in open courtyards.

We also installed an additional 100 solar lights in the two villages. Now, with installation of 200 solar lights, visibility at night has improved significantly in both the villages.

We refurbished and improved infrastructure in six schools of Lohavan and Gossna. The attendance in schools has increased significantly after the renovation.

An RO water plant was installed in Gossna village. At present, two ROs have been installed, one in each village.

Women empowerment

A skill development programme for women was conducted with the NGO, SEWA Ahmedabad; and this year, we sent 23 women for the week-long training session.

We are also administrating a beautician training course in both the villages.

HMVL has tied up with the NGO, Kadam India for artisan and functional merchandise (bags, and wind-cheaters for our circulation team requirements) training.

Skill development

We are making youth job-ready in the computer and English skills training centre – Hindustan Atulya Training Centre. This centre has been established with the help of NGO, Agrasar and HT's in-house programme English Mate.

We offered a scholarship programme for medical technician's course to 18 youths in the village, partnering with Vivo Healthcare.

Deeper commitment and association

To help build empathy and partnership between HMVL and the residents of Lohavan and Gossna, a guest house has been set up at Lohavan. All recruits in the group spend time with the residents in the villages and work for their upliftment.

Going beyond villages

Besides, our continued commitment towards the two villages, HMVL also supported these initiatives:

Healthy Hindustan:

HMVL conducted health camps across NCR, UP and Uttarakhand, offering opportunities to the disadvantaged people to avail quality primary medical care, free of cost.

Ahvaan:

HMVL supported the initiatives of Delhi-based NGO, Ahvaan to make the classrooms in government schools more colourful and bright. We helped decorate learning spaces for children by providing good quality school furniture for primary classes.

Corporate Information

BOARD OF DIRECTORS
Smt. Shobhana Bhartia
Chairperson

Shri Ajay Relan

Shri Ashwani Windlass

Dr. Mukesh Aghi

Shri Piyush G. Mankad

Shri Shardul S. Shroff

Shri Priyavrat Bhartia
Managing Director

Shri Shamit Bhartia
Managing Director

Shri Benoy Roychowdhury
Whole-time Director

CHIEF EXECUTIVE OFFICER
Shri Vivek Khanna

CHIEF FINANCIAL OFFICER
Shri Ratul Bhaduri

COMPANY SECRETARY
Shri Tridib Barat

AUDITORS
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Management Discussion and Analysis

Economic Overview

Global Economy

After remaining subdued for a prolonged period, the global economy is gradually moving towards sustainable growth. According to the International Monetary Fund (IMF), CY 2016 witnessed a global growth of 3.1% which is expected to touch 3.5% by CY 2017 and 3.6% in CY 2018.

Advanced economies put up a better show during the second half of CY 2016. Firms in the US grew more confident of future demands and the unemployment rate in the US was also low. The demand for domestic products increased in the UK, following Brexit. Eurozone also witnessed a push in domestic demand during the second half of CY 2016, after a sustained period of low growth and deflationary tendencies. However, the growing trend towards protectionism is a major challenge for global trade.

Economic activity is projected to pick up in emerging markets and developing economies, on the strength of partial recovery in commodity prices. Growth is expected to remain strong in China and many other commodity importers. Growth patterns in these economies are divergent, but the overall picture is one of cautious optimism.

Indian Economy

In FY 2016-17, India's GDP grew by 7.1%, backed by macroeconomic stability.

The Government of India implemented many policy reforms during the year. The reforms include the creation of Monetary Policy Committee, Insolvency and Bankruptcy Code, redesigning of the Fiscal Responsibility and Budget Management (FRBM) framework, passage of the Goods and Services Tax (GST) and finally, the demonetisation of high-denomination notes to move towards a digital economy.

Although the move to ban high currency notes caused temporary hardship, it was aimed to yield long-term benefits such as greater formalisation and digitalisation of the economy. On the other hand, implementation of GST is widely seen as a seminal reform to consolidate and improve the indirect tax structure of the country.

Going forward, India is expected to grow sustainably owing to sound macro-economic stability, government impetus towards reforms and a predominantly large young consumer base.

Overview of Media & Entertainment Industry

India's Media & Entertainment (M&E) industry grew by 9.1% in CY 2016, driven by growth in advertising revenue (11.2% approx.). The growth was shaped by strong fundamentals and a steady increase in consumption, although demonetisation shaved off growth across all sub segments at the end of the year. *(Source: KPMG India – FICCI, Indian Media and Entertainment Industry Report, 2017)*

The print segment continued to grow at a steady pace of 7% inspite of English language newspapers bearing the brunt of increased digital penetration and the impact of demonetisation. Continued readership growth in the regional market (especially in Tier II and Tier III cities) is expected to drive future growth of the segment.

Digital advertising continued its high growth trajectory with 28% growth in 2016. The ongoing shift in consumption towards digital media - on the back of accelerated growth in internet penetration, mobile devices and falling data costs - has caught the advertisers' interests.

India's media and entertainment industry: Size

(₹ in billion)

Overall industry size (For calendar years)	2011	2012	2013	2014	2015	2016	Growth in 2016 over 2015
TV	329.0	370.1	417.2	474.9	542.2	588.3	8.6%
Print	208.8	224.1	243.1	263.4	283.4	303.3	7.0%
Films	92.9	112.4	125.3	126.4	138.2	142.3	3.0%
Radio	11.5	12.7	14.6	17.2	19.8	22.7	14.6%
Music	9.0	10.6	9.6	9.8	10.8	12.2	13.0%
OOH	17.8	18.2	19.3	22.0	24.4	26.1	7.0%
Animation and VFX	31.0	35.3	39.7	44.9	51.1	59.5	16.4%
Gaming	13.0	15.3	19.2	23.5	26.5	30.8	16.2%
Digital Advertising	15.4	21.7	30.1	43.5	60.1	76.9	28.0%
Total	**728.4**	**821.0**	**918.1**	**1,025.5**	**1,156.5**	**1,262.1**	**9.1%**

Source: KPMG in India's analysis and estimates, 2016–17
FY – Financial Year
CY – Calendar Year

Print Media

In India, the print industry witnessed significant volatility in 2016. The government's drive to demonetise the high denomination currencies temporarily impacted advertising revenue. However, factors like the 7th Pay Commission payout, a productive festive season, steady revival of the consumption cycle driven by better monsoons, lent momentum to the industry.

Size of India's print industry

Values in ₹ billion

Overall industry size (For calendar years)	2011	2012	2013	2014	2015	2016	Growth in 2016	CAGR % 2011-2016
Advertising	139.4	149.6	162.6	176.4	189.3	201.3	6.3%	7.6%
Circulation	69.4	74.5	80.6	87.0	94.1	102.0	8.4%	8.0%
Total	**208.8**	**224.1**	**243.2**	**263.4**	**283.4**	**303.3**	**7.0%**	**7.8%**

Note: Above numbers exclude the revenue from digital mediums

Source: KPMG in India's analysis, 2016-17

Overall, print industry grew by 7% in CY 2016 with circulation revenue growing at 8.4% and advertising revenue at 6.3%. The regional language newspapers grew by 9.4% followed by Hindi and English newspapers at 8.3% and 3.7%, respectively, on the back of higher circulation growth rates as more people from Tier-II and Tier-III cities got into the fold. People in Tier-I cities switched to digital platforms, which dented the growth of English newspapers. *(Source: KPMG India – FICCI, Indian Media and Entertainment Industry Report, 2017)*

Year-on-Year language-wise Ad Revenue

Values in ₹ billion

Languages	2011	2012	2013	2014	2015	2016	Growth in 2016	CAGR % 2011-2016
English	57.2	59.4	62.5	65.5	68.6	71.0	3.5%	4.4%
Hindi	40.6	44.5	49.5	54.4	58.8	63.0	7.1%	9.2%
Other regional languages	41.6	45.7	50.6	56.5	61.9	67.3	8.7%	10.1%
Total print market	**139.4**	**149.6**	**162.6**	**176.4**	**189.3**	**201.3**	**6.3%**	**7.6%**

Note – Above numbers exclude the revenue from digital mediums

Source: KPMG in India's analysis, 2016-17

Although the industry is facing a constant threat from the digital medium, which has resulted in a swing of consumption habits of the readers, it continues to grow. The growth catalysts are demographic and socio-economic factors, rising literacy levels, improved penetration and hyper-localisation.

Growth Drivers of Print Industry

Rise in readership

Literacy level across states witnessed significant growth, including literacy among women. According to Census 2011, India's literacy rate stands at 74%, with rural literacy rate at 68.9% and urban literacy rate at 84.9%. Growing literacy rate, along with the fact that in India, unlike other countries, newspapers are relatively low-priced has helped in increasing penetration and expanding the target market for the industry.

Regional Focus and Hyperlocalisation

The diverse cultures and languages in the country ensure a strong depth in language readership, particularly, Hindi, Marathi, Urdu, Gujarati, Malayalam, Tamil and Telugu, among others. Around 65% of India's population is residing in rural areas and like to consume news in their first language, which drives the preference towards regional newspapers.

The regional focus has also led to hyperlocalisation. Regional newspapers are publishing more local news, which advances its circulation. These newspapers have provided a medium to express grievances and aspirations of the rural people. The local focus has led to the publishing of multi-edition newspapers, syndicating national content with regional news and expanding content diversity with supplements. This hyperlocalisation has helped in adding more local advertisers to the overall pie.

Advancement of Technology and Efficiency in Distribution Chain

Availability of good quality paper and advanced technology has made printing and distribution of newspapers in variety of languages commercially feasible. This is leading to the constant expansion of newspapers even into small cities and towns.

India's newspaper distribution chain is unique and multi-tiered. Newspapers are sold through an extensive network of agents and vendors who even offer door-to-door services to the readers.

Advertising in Print Medium

As digital medium is expanding globally, the readership of English print medium is facing the headwind. However, advertisers are still spending on Hindi and regional print because of increasing readership. Hindi and regional language newspapers in India are better positioned with a share of nearly 65% of the overall print ad spend in CY 2016.

Print media language market mix

Values in ₹ billion

Overall industry size (For calendar years)	2011	2012	2013	2014	2015	2016	Growth in 2016	CAGR % 2011-2016
English	83.5	86.5	91.5	96.2	100.9	104.6	3.8%	4.7%
Advertising	57.2	59.4	62.5	65.5	68.6	71.0	3.5%	4.4%
Circulation	26.3	27.1	29.0	30.7	32.3	33.6	4.0%	5.0%
Hindi	62.3	68.3	75.5	83.5	91.3	98.8	8.7%	9.9%
Advertising	40.6	44.5	49.5	54.4	58.8	63.0	7.1%	9.2%
Circulation	21.7	23.8	26.0	29.1	32.5	35.8	10.2%	10.5%
Regional Languages	63	69.3	76.2	83.7	91.2	99.9	10.0%	9.5%
Advertising	41.6	45.7	50.6	56.5	61.9	67.3	8.7%	10.1%
Circulation	21.4	23.6	25.6	27.2	29.3	32.6	11.3%	8.8%
Total Print Market	208.8	224.1	243.2	263.4	283.4	303.3	7.00%	6.0%
Advertising	**139.4**	**149.6**	**162.6**	**176.4**	**189.3**	**201.3**	**6.3%**	**7.6%**
Circulation	**69.4**	**74.5**	**80.6**	**86.9**	**94.1**	**102**	**8.4%**	**7.0%**

Source: KPMG in India's analysis and estimates, 2016–17

Big Spenders on Print Advertising

Year-on-Year Top 10 (Sector-wise) contributors to newspaper advertisement

Categories	2014	2015	2016	Change from 2015
FMCG	13.5%	14.6%	15%	▲
Auto	11.9%	12.8%	14%	▲
Education	9.4%	9.8%	10%	▲
Real estate	8%	7%	6%	▼
Clothing / fashion / jewellery	6.1%	6%	5%	▼
E-commerce	2.2%	4.3%	3%	▼
Telecom / internet / DTH	3.7%	3.8%	3%	▼
Retail	5.3%	5.6%	5%	▼
BFSI	4.8%	4.7%	5%	▲
HH durables	4.2%	4.6%	5%	▲
Others	24.9%	22.5%	25%	▲

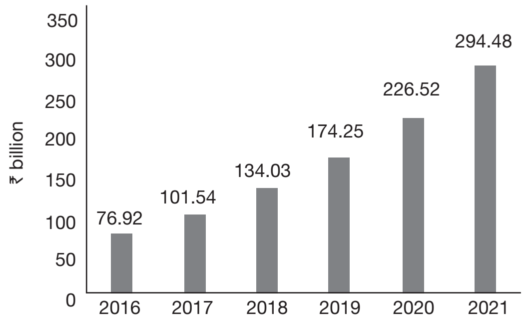
▲ Increase ▼ Decrease

Source: The Pitch Madison Advertising Report, 2017

Digital Media's Impact on Print

The newspaper industry is gradually adapting itself to the disruption caused by digital medium. With time, industry players are enhancing their reader-centric approach by reaching out to audiences through all mediums possible. While regional language newspapers are still growing, digital media is also gaining significant popularity. Readers are now looking for on-demand and engaging content with focus on simplicity, brevity and variety.

Digital advertisement spend in (₹ in billion)



Source: KPMG in India's analysis and estimates, 2017

Many newspapers have already invested in multiple digital platforms, implementing social media and digital integrated newsroom strategies. The objective is to target niche audience markets and reducing costs with innovative production processes.

Opportunities and Threats

The future of India's Media and Entertainment (M&E) industry is significantly dependent on the digital revolution sweeping across the country. With smartphones becoming a way of life for millions of Indians across urban, suburban and even rural areas, the digital medium is expected to bridge the content consumption divide across socio-economic classes and categories. The Government is also pushing its initiatives such as Digital India and Skill India to promote digital consumption and payments. This will catalyse mass technology adoption. However, there will be a challenge for every sub-segment of M&E industry to innovate constantly, to align itself with the dynamic changes. In this evolving paradigm, M&E players would need to be flexible and operate with a long-term integrated strategy.

Company Overview

Hindustan Media Ventures Limited (HMVL) is one of India's leading print media companies with its distribution spread across Delhi-NCR, Uttar Pradesh, Uttarakhand, Bihar and Jharkhand. It is engaged in the printing and publishing of the flagship Hindi newspaper 'Hindustan', which is the second largest daily of India, based on total readership. It holds the leading position in Uttarakhand, Bihar and Jharkhand and ranks second in UP and Delhi. HMVL also publishes two Hindi magazines 'Nandan' and 'Kadambini'.

During FY 2016-17, HMVL strengthened its competitive position by making a positive change in the lives of its readers through agenda-setting news; thought leadership stance and reader connect initiatives. The Company achieved this through events and campaigns like *Hindustan Shikhar Samagam, Hindustan Aao Rajneeti Karein, Hindustan Anokhi Club, Hindustan Kisan Mela, Fresh on Campus, Mission Engineering* and many more.

Review of Operations

Hindustan

The flagship daily

Hindustan is the flagship newspaper of HMVL, which is India's second most widely read newspaper, based on its total readership. The newspaper is published from 20 print locations spread across Delhi/NCR, Bihar (Patna, Muzaffarpur, Bhagalpur and Gaya), Jharkhand (Ranchi, Jamshedpur and Dhanbad), Uttar Pradesh (Lucknow, Varanasi, Meerut, Agra, Allahabad, Gorakhpur, Bareilly, Moradabad, Aligarh and Kanpur) and Uttarakhand (Dehradun, Haldwani). It engages the readers with initiatives that bring about progress on various civic, social and regional issues.

Nandan

Children's magazine

Nandan, a children's magazine by HMVL, is more than five decades old and has been an integral part of five generations of children, shaping their outlook, opinion and mindsets. This magazine was launched in 1964 on the occasion of Pandit Jawaharlal Nehru's birthday. It offers content that combines the best of tradition and modernity. Nandan provides a mix of traditional and modern stories, poems, interactive columns, interesting facts and many educative columns.

Kadambini

Monthly cultural and literary magazine

Kadambini is a monthly magazine for the evolved, discerning reader who yearns for something 'intelligent' to read. It is a non-political magazine that has carved a niche for itself among the readers. It is a magazine for thought leaders, giving them a fresh perspective on a variety of topics (literature, art, culture, health, technology, fashion, travel, beauty, among others).

Financial Performance

Revenue

The Company's total revenue increased from ₹ 979 crore in FY 2015-16 to ₹ 1,025 crore in FY 2016-17, registering 4.8% growth over the previous year. This growth was primarily driven by 4.6% increase in circulation revenue and a marginal growth in advertisement revenue.

EBITDA

EBITDA grew from ₹ 281 crore in FY 2015-16 to ₹ 298 crore in FY 2016-17, registering 6.1% growth over the previous year. This growth is attributable to increase in circulation revenue and other income, and tight control on costs.

PAT

PAT increased by 6% from ₹ 179 crore to ₹ 190 crore due to an improvement in EBITDA, aided by savings in depreciation and tax expense.

EPS

Annual EPS stood at ₹ 25.82 compared to ₹ 24.35 in the last year.

Dividend

A dividend of ₹ 1.2 per share was recommended by the Board of Directors.

Marketing Initiatives

In FY 2016-17, HMVL continues to build its brand recall with both, readers and advertisers.

The brand lives its core positioning of 'Tarraki ko Chahiye Naya Nazariya', which is reflected in the product, brand and activation initiatives. In fact, it has been recognised as the most trusted media brand in the latest Brand Trust Report.

HMVL puts concerted effort to keep the brand salient by aggressive brand building exercises across India. During the recent UP elections, HMVL's key milestone event 'Rajneeti Connect' was a large success.

Hindustan Shikhar Samagam

The second edition of this thought leadership initiative was organised in Lucknow around the theme of 'Badalte Hindustan ki Buland Awaz'. Ten public figures, with strong influence on public opinion from the world of politics, sports, cinema, armed forces and spirituality shared their perspective. The event helped HMVL to grow its stature in U.P.

Hindustan Aao Rajneeti Karein

This flagship campaign of Hindustan was rolled out immediately on the day following the declaration of elections in UP and Uttarakhand. This campaign involved intensive on-ground connect to promote informed and ethical voting.

Brand Solutions

Hindustan has offered to its clients brand platforms to reach out to and engage with their consumers in multiple ways. Hindustan Anokhi Club, Hindustan Kisan Mela, Olympiad, Fresh on Campus, Mission Engineering, Hindustan Education Fair, Hindustan Shopping Festival were some of the programmes executed in FY 2016-17.

Human Capital

In FY 2016-17, the Company rolled out a major initiative to enhance its people skills towards meeting the needs of a digital future. The content generation, content processing and other work-flows were completely modified to enable the Company to move into the digital space.

Transition to Digital

Part of the business and people were transferred into the new Company – HT Digital Streams Limited to exclusively deal with the digital initiatives in future. This step was taken primarily to nurture them into a new way of thinking, and experiencing the needs of the digital world. The employees, who continue to be primarily associated with the regional language newspaper, would qualitatively process the content available to them from various digital platforms.

Developmental Workshops

A significant initiative was taken to give holistic leadership inputs to the first time senior leaders in the editorial function through an in-house developed and customised "LT III" leadership workshop. The Company also engaged Google to conduct workshops for the sales force to make them future-ready in digital sales.

In 2017, over 1,020 participants were trained at various locations in 26 unique programmes. As per the needs assessment, the 'Training interventions' were designed to enable people to meet the market challenges.

The people agenda is focused on retention of key personnel, strengthening of employee engagement and building competencies to ensure high performance.

As on March 31, 2017, the Company's people strength stood at 1,308.

Women at Workplace

HMVL adheres to a strict policy to ensure the safety of women at workplace. The Company is fully compliant with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The Company's formulated policy in this regard is available on the employee intranet portal. The Internal Complaints Committee (ICC) is in place. Two complaints were reported during FY 2016-17, which were suitably dealt with by ICC.

Rewards and Recognition

Hindustan has emerged as India's Most Trusted Brand in Media-Print category as per The Brand Trust Report-2017 released by Mumbai - based TRA research. Being one of the most intensive brand trust study across the globe, this award is a testimony to Hindustan's efforts to remain reader centric through its content, events, activations and other interfaces.

Risk Management

The Company has a robust risk-management framework to manage and identify business risks and opportunities. It mitigates the risks arising from external and internal factors. A risk identification exercise is carried out periodically to identify various strategic, operational, financial and compliance-related risks; and those are evaluated for their likelihood and potential impact.

Few risks and uncertainties that can affect the business are, adverse macroeconomic conditions influencing revenue growth, technological changes impacting media consumption patterns, changing customer preferences and behaviour, competition and volatility in commodity and forex rates affecting newsprints prices.

Potential risks are reviewed periodically, and are managed as an integral part of the decision-making process. To sustain competition and to stay ahead of the curve, the Company has taken various initiatives like enhancing existing technological capabilities and digital properties, training and empowering the employees, expanding geographic presence and continue investing in the print facilities.

Internal Control

HMVL has an efficient system of internal control commensurate with its size, nature of business and complexity of operations. It ensures accurate, reliable and timely compilation of financial and management information reports and optimum utilisation of organisation resources. The internal control mechanism comprises a well-defined organisational structure with clearly defined authority levels, and documented policies, guidelines and procedures covering all business areas and functions. These systems have been designed to safeguard the assets and interests of the Company, and also ensure compliance with the Company's policies, procedures and applicable regulations.

The Company has a robust ERP system (SAP) which it uses for accounting across its locations, and has Shared Service Centre supporting centralised and standardised 'procurement to payment' processes. These systems enhance the reliability of financial and operational information; provide automated controls and segregation of duties. Also, purchase committees are in place across locations, to strengthen the approval mechanism and operate an effective purchase process. The Company has instituted an online compliance management tool and concurrent audit of the same through a professional audit firm for ensuring effective compliance oversight.

The internal control system is supplemented with an extensive program of internal audits and their reviews by the management. The in-house internal audit function supported by professional external audit firms, conduct comprehensive risk focussed audits across locations and functions in order to maintain a proper system of control.

Way Ahead

The M&E industry of India is projected to grow at a pace of 14% over the period 2016–21, with advertising revenue expected to increase at CAGR of 15.3% during the same period. However, advertising revenues are expected to grow at a marginally slower rate of 13.1% in 2017 due to the lingering effects of demonetisation and initial volatility arising from GST implementation. *(Source: Indian Media and Entertainment Industry Report, 2017 by KPMG India-FICCI)*

HMVL is looking forward to a growth trajectory in the readership of Hindi dailies, backed by demographics and growing literacy across the country. This differentiates HMVL from its competitors. The Company will continue to engage with its readers by dissenting and thought-provoking news & views and delivering new products. Hindustan too, will stay committed to delivering on its core promise of 'Naya Nazariya' and 'Tarakki'.

Board's Report

Dear Members,

Your Directors are pleased to present their Report, together with the Audited Financial Statements (Standalone and Consolidated) for the financial year ended on March 31, 2017.

FINANCIAL RESULTS (STANDALONE)

Your Company's performance during the financial year ended on March 31, 2017 along with previous year's figures is summarized below:

(₹ In Lacs)

Particulars	2016-17	2015-16
Total Income	1,02,531.98	97,878.67
Earnings before interest, tax, depreciation and amortization (EBITDA) from continuing operations	**29,759.39**	**32,267.29**
Less: Depreciation and amortization expense	2,020.72	2,191.41
Less: Finance costs	1,614.19	1,133.23
Profit / (Loss) before Tax from continuing operations	**26,124.48**	**28,942.65**
Less: Tax Expense		
• Current Tax	6,022.79	8,266.76
• Adjustment of tax related to earlier periods	(119.25)	(609.26)
• Deferred Tax charge / (credit)	860.85	619.30
A. Profit / (Loss) for the year from continuing operations (after tax)	**19,360.09**	**20,665.85**
Profit / (Loss) from discontinued operations	**-**	**(4,270.00)**
Less: Tax charge / (credit) including deferred tax of discontinued operations	**-**	**(1,477.76)**
B. Profit / (Loss) from discontinued operations (after tax)	**-**	**(2,792.24)**
Profit / (Loss) for the year (A+B)	**19,360.09**	**17,873.61**
Add: Other Comprehensive Income for the year (net of tax)	(12.93)	(121.05)
Total Comprehensive Income for the year (net of tax)	**19,347.16**	**17,752.56**
Opening balance in Retained Earnings	**58,565.13**	**41,872.59**
Add: **Profit / (Loss) for the year**	**19,360.09**	**17,873.61**
Less:		
Items of other Comprehensive Income recognized directly in Retained Earnings		
• Re-measurements of post-employment benefit obligation (net of tax)	12.93	121.05
Dividend paid	880.73	880.73
Tax on Dividend	179.29	179.29
Total Retained Earnings	**76,852.27**	**58,565.13**

The Company has adopted the Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 w.e.f. April 1, 2016. Financial Statements for the year ended and as at March 31, 2016 have been restated to conform to Ind AS. Please refer Note no. 45 to the Standalone Financial Statements for further explanation on the transition to Ind AS.

DIVIDEND

Your Directors are pleased to recommend a dividend of ₹ 1.20 per Equity Share of ₹ 10/- each i.e. @ 12% (previous year - ₹ 1.20 per Equity Share of ₹ 10/- each i.e. @ 12%) for the financial year ended on March 31, 2017 and seek your approval for the same.

The proposed equity dividend pay-out (including Corporate Dividend Distribution Tax) would entail an outflow of ₹ 1,060.02 lacs (previous year ₹ 1,060.02 lacs).

During the year, the Board has framed a Dividend Distribution Policy, pursuant to the provisions of Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Regulations") which appears as "Annexure - A", and is also available on the Company's website viz. www.hmvl.in.

COMPANY PERFORMANCE AND FUTURE OUTLOOK

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

SCHEME OF ARRANGEMENT

With a view to create a separate and focused entity to take the advantage of the future emerging opportunities in the digital media segment, the Multi-media Content Management Undertaking of the Company was transferred and vested to and in HT Digital Streams Limited (HTDSL), as a 'going concern' on a slump exchange basis, pursuant to a Scheme of Arrangement u/s 391-394 of the Companies Act, 1956 between the Company and HTDSL, and their respective shareholders and creditors ("Scheme"). The Scheme was sanctioned by the Hon'ble Delhi High Court and Hon'ble High Court of Judicature at Patna with effect from the Appointed Date i.e. April 1, 2016.

Pursuant to the Scheme, HTDSL has issued and allotted to the Company on December 31, 2016 (being the Effective Date), its 85,87,896 nos. of Equity Shares of ₹ 10/- each constituting 42.83% of its equity share capital.

ASSOCIATE COMPANY

During the year under review, consequent upon HMVL acquiring 42.83% of the equity share capital of HTDSL, HTDSL became an Associate of your Company. Accordingly, Consolidated Financial Statements of the Company for the financial year ended March 31, 2017 pursuant to the provisions of the Companies Act, 2013 and applicable Accounting Standards along with Auditors' Report thereon, forms part of this Annual Report.

In terms of the provisions of Section 136 of the Companies Act, 2013, the financial statements of HTDSL (Associate Company) for the financial year ended on March 31, 2017 are available for inspection by the Members of the Company at the registered office of the Company during business hours. The same is also available on the Company's website viz. www.hmvl.in.

A report on the performance and financial position of the above Associate Company in prescribed Form AOC-1 is annexed to the Consolidated Financial Statements and hence, not reproduced here.

The contribution of Associate Company to the overall performance of your Company is outlined in Note no. 44 of the Consolidated Financial Statements for the financial year ended March 31, 2017.

RISK MANAGEMENT

Your Company has a robust risk management framework to identify, evaluate and mitigate business risks. A detailed statement indicating development and implementation of the risk management policy, including identification of various elements of risk, is appearing in the Management Discussion and Analysis.

EMPLOYEE STOCK OPTION SCHEME

The information required to be disclosed pursuant to the provisions of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 read with SEBI's circular no. CIR/CFD/POLICY CELL/2/2015 dated June 16, 2015 ("SEBI ESOP Regulations") is available on the Company's website viz. www.hmvl.in. The HT Group Companies - Employee Stock Option Rules for Listed Companies (of a Parent Company) are in compliance with the SEBI ESOP Regulations.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

Directors

During the year under review, on recommendation of Nomination and Remuneration Committee, the Board of Directors at its meeting held on February 4, 2017, appointed Shri Shamit Bhartia as Managing Director of the Company for a period of 5 (five) years w.e.f. February 4, 2017, subject to approval of the Members. The Board commends the appointment of Shri Shamit Bhartia as Managing Director, for approval of Members at the ensuing Annual General Meeting (AGM).

Further, on recommendation of Nomination and Remuneration Committee, the Board of Directors at its meeting held on May 18, 2017, appointed Shri Priyavrat Bhartia as Managing Director of the Company *(earlier, Whole-time Director)* w.e.f May 18, 2017 for the unexpired period of his tenure as Whole-time Director, i.e. upto September 30, 2020. The Board commends the appointment of Shri Priyavrat Bhartia as Managing Director, for approval of Members at the ensuing AGM.

In accordance with the provisions of the Companies Act, 2013, Shri Shamit Bhartia, retires by rotation at the ensuing AGM and being eligible, has offered himself for re-appointment. Your Directors commend the re-appointment of Shri Shamit Bhartia for approval of the Members at the ensuing AGM.

All the Independent Directors of the Company have confirmed that they meet the criteria of independence as prescribed under both, the Companies Act, 2013 and SEBI Regulations. The Independent Directors have also confirmed that they have complied with the 'Code of Conduct' of the Company.

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

Key Managerial Personnel

During the year under review, Shri Ajay Jain ceased to be Chief Financial Officer w.e.f. November 1, 2016. On the recommendation of Nomination and Remuneration Committee and Audit Committee, the Board of Directors at its meeting held on November 1, 2016 appointed Shri Ratul Bhaduri as Chief Financial Officer and he was designated as Key Managerial Personnel in such capacity w.e.f. November 1, 2016.

PERFORMANCE EVALUATION

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

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

The Directors were evaluated on various parameters such as, value addition to discussions, level of preparedness, familiarization with relevant aspects of company's business / activities etc. Similarly, the Board as a whole was evaluated on parameters which included its composition, strategic direction, focus on governance, risk management and financial controls.

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

AUDITORS

Auditors

In order to comply with the requirement of mandatory rotation of Auditors by the conclusion of ensuing AGM, and to appoint a new Auditor in place of S.R. Batliboi & Co. LLP, Chartered Accountants [Firm Registration No. 301003E/ E300005] ("SRB"), the Audit Committee and Board of Directors at their respective meetings held on May 18, 2017, have recommended the appointment of Price Waterhouse & Co Chartered Accountants LLP (PwC) [Firm Registration No. 304026E/E-300009], as the new Auditors of the Company, to hold office for a term of 5 (five) consecutive years from the conclusion of ensuing AGM till the conclusion of sixth AGM from the ensuing AGM (subject to ratification of their appointment by the Members at every AGM to be held in the intervening period, if so required by Companies Act, 2013). The Company has received a certificate from PwC to the effect that their appointment as Auditors shall be in accordance with the provisions of Sections 139 and 141 of the Companies Act, 2013.

The Auditor's Report of SRB on Annual Financial Statements (Standalone and Consolidated) for the financial year ended on March 31, 2017 is an unmodified opinion i.e it does not contain any qualification, reservation or adverse remark.

Secretarial Auditor

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and rules made thereunder, the Board of Directors had appointed Shri N.C. Khanna, Company Secretary-in-Practice (C.P. No. 5143) as Secretarial Auditor, to conduct the Secretarial Audit for financial year 2016-17. The Secretarial Audit Report is annexed herewith as "Annexure - B". The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

During the year under review, the Statutory Auditors and the Secretarial Auditor have not reported to the Audit Committee, any instance of fraud under Section 143(12) of the Companies Act, 2013 and rules made thereunder.

RELATED PARTY TRANSACTIONS

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

Reference of the Members is invited to Note no. 34 of the Standalone Annual Financial Statements, which sets out the related party disclosures as per Ind AS - 24.

CORPORATE SOCIAL RESPONSIBILITY

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

The Annual Report on CSR for FY 17 is annexed herewith as "Annexure - C".

DIRECTORS' RESPONSIBILITY STATEMENT

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

i) in the preparation of the annual accounts for the financial year ended on March 31, 2017, the applicable Accounting Standards have been followed and there are no material departures;

ii) such accounting policies have been selected and applied consistently, and judgments and estimates have been made, that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as on March 31, 2017; and of the profit of the Company for the year ended on March 31, 2017;

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

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

v) proper internal financial controls were in place and that such internal financial controls were adequate and operating effectively; and

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

DISCLOSURES UNDER THE COMPANIES ACT, 2013

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

Particulars of loans given, investments made, guarantees / securities given: The details of investments made and loans/ guarantees/securities given, as applicable, are given in the notes to the Annual Standalone Financial Statements.

Board Meetings: A yearly calendar of meetings is prepared and circulated in advance to the Directors. During the financial year ended on March 31, 2017, the Board met six times on May 25, 2016 (two separate meetings), August 4, 2016, November 1, 2016, January 18, 2017 and February 4, 2017. For further details of these meetings, Members may please refer Report on Corporate Governance which forms part of this Annual Report.

Committees of the Board: At present, five standing committees of the Board are in place viz. Audit Committee, Nomination and Remuneration Committee, CSR Committee, Investment and Banking Committee and Stakeholders' Relationship Committee. During the year under review, all recommendations of the aforesaid Committees were accepted by the Board.

Remuneration Policy: The Remuneration Policy of the Company on appointment and remuneration of Directors, Key Managerial Personnel & senior management as prescribed under Section 178(3) of the Companies Act, 2013 and the SEBI Regulations, is available on the Company's website viz. www.hmvl.in.

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

Particulars of employees and related disclosures: In accordance with the provisions of Section 197(12) of the Companies Act, 2013 read with Rule 5(2) & (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, details of employees remuneration are set out in the "Annexure - D" to this Report. In terms of the provisions of Section 136(1) of the Companies Act, 2013, the Board's Report is being sent to the Members without this annexure. However, the same is available for inspection by the Members at the Registered Office of the Company during business hours, 21 days before the ensuing AGM. Members interested in obtaining a copy of the said Annexure, may write to the Company Secretary at the Registered Office of the Company.

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

Extract of Annual Return: An Extract of the Annual Return for the financial year ended on March 31, 2017 in Form MGT-9 is annexed herewith as "Annexure - F".

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

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

Business Responsibility Report: In terms of the provisions of Regulation 34 of the SEBI Regulations, the Business Responsibility Report is available on the Company's website viz. www.hmvl.in.

GENERAL

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

1. Details relating to deposits covered under Chapter V of the Companies Act, 2013.

2. Issue of equity shares with differential rights as to dividend, voting or otherwise.

3. Issue of shares (including sweat equity shares) to employees of the Company under any scheme of the Company.

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

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

No material changes/commitments have occurred after the end of the financial year 2016-17 and till the date of this report which would affect the financial position of your Company.

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

Your Company has in place, adequate internal financial controls with reference to the financial statements. During the year, such controls were tested and no reportable material weakness in the design or operations were observed.

ACKNOWLEDGEMENT

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

For and on behalf of the Board

(Shobhana Bhartia)
Chairperson
DIN: 00020648

Place: New Delhi
Date: July 17, 2017

ANNEXURE - A TO BOARD'S REPORT

Dividend Distribution Policy

1.0 Preface

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

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

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

1.4 The Policy has been adopted by the Board of Directors (the "Board") of the Company in its meeting held on January 18, 2017.

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

2.0 Objective

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

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

3.0 Circumstances under which shareholders of the Company may or may not expect dividend

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

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

4.0 Financial parameters that shall be considered while declaring dividend

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

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

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

5.0 Internal and external factors that shall be considered for declaration of dividend

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

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

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

6.0 Policy as to how the retained earnings shall be utilized

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

7.0 Parameters that shall be adopted with regard to various classes of shares

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

ANNEXURE - B TO BOARD'S REPORT

Secretarial Audit Report

For the financial year ended March 31, 2017

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

To,
The Members,
HINDUSTAN MEDIA VENTURES LIMITED
CIN: L21090BR1918PLC000013
BUDH MARG, P. S. - KOTWALI
PATNA BR - 800001

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

Based on my verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on March 31, 2017 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter, I report that:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by HINDUSTAN MEDIA VENTURES LIMITED for the financial year ended on March 31, 2017 according to the provisions of:

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

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

III. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

IV. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

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

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

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

c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009*;

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

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

f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding compliance of the Companies Act and dealing with client;

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

h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998*;

(VI) Other laws applicable to the Company.

I have examined the entire framework, processes and procedures of compliance of the undermentioned laws applicable to the Company. The reports, compliances etc. with respect to these laws have been examined by me on test check basis.

Environment laws-
The Environment (Protection) Act, 1986; Air (Prevention and Control of Pollution) Act, 1981; Water (Prevention and Control of Pollution) Act, 1974; The Hazardous Wastes (Management, Handling and Transboundary Movement) Rules, 2008.

Labour laws-
Apprentices Act, 1961; Employees State Insurance Act, 1948; Employees Provident Fund And Misc. Provisions Act, 1952; Factories Act, 1948; Payment of Wages Act,1948; Minimum Wages Act, 1948; Industrial Disputes Act, 1947; Payment of Bonus Act, 1965; Payment of Gratuity Act, 1972; Employees Compensation Act, 1923; The Trade Unions Act, 1926; Contract Labour (Regulation and Abolition) Act, 1970; Maternity Benefit Act, 1961; The Industrial Employment (Standing Order) Act, 1946; The Employment Exchange (Compulsory Notification of Vacancies) Act,1956; Sexual Harassment of Women at Workplace (Prevention, Prohibition and Regulation) Act, 2013.

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

1. The Press and Registration of Books Act, 1867 & Rules

2. Registrar of Newspapers for India Guidelines

*Not applicable because Company did not carry out the activities covered by the regulations/guidelines during the audit period.

I have also examined compliance with the applicable clauses of the following:

(I) Secretarial Standards issued by The Institute of Company Secretaries of India

(II) The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

I further report that-
The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings. Agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

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

Sd/-
N. C. Khanna
FCS No. 4268
C P No. 5143

Place: New Delhi
Date: May 11, 2017

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

Annexure - A to the Secretarial Audit Report

To,
The Members,
HINDUSTAN MEDIA VENTURES LIMITED
CIN: L21090BR1918PLC000013
BUDH MARG, P.S.-KOTWALI
PATNA BR - 800001

My report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.

2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices I followed, provide a reasonable basis for my opinion.

3. I have not verified the correctness and appropriateness of financial records and books of accounts of the Company.

4. Wherever required, I have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.

5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.

6. The secretarial audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Sd/-
N. C. Khanna
(Practicing Company Secretary)
FCS No. 4268
C P No. 5143

Place: New Delhi
Date: May 11, 2017

ANNEXURE - C TO BOARD'S REPORT

Annual Report on Corporate Social Responsibility (CSR) for FY 17

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

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

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

   The CSR policy is available on the Company's website viz. www.hmvl.in.

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

3. **Average net profits of the Company for the last 3 financial years –** ₹ 19,568 lacs

4. **Prescribed CSR expenditure (2% of amount as in item 3 above) –** ₹ 391 lacs

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

   a. Total amount to be spent for the financial year– ₹ 397 lacs

   b. Amount unspent – Nil

   c. Manner in which the amount spent during the FY 17 is detailed below -

(₹ in Lacs)

Sl. No.	CSR project or activity identified	Sector in which the project is covered	Projects or programs (1) Local area or other (2) Specify the state and district where projects or programs were undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs sub-heads: (1) Direct expenditure on projects or programs (2) Overheads	Cumulative expenditure upto the reporting period	Amount spent: direct or through implementing agency
					Direct expenditure		
1.	"Healthy Uttarakhand" campaign - Preventive health camps	Clause (i) of Schedule VII- Promoting Healthcare including preventive healthcare	Uttarakhand (Local area)	10	10	10	Through implementing agency (Manorama Devi Birla Charitable Trust)*
2.	Integrated and transformational village development - Catalyzing positive transformation in Lohavan and Gossna villages through infrastructure development, refurbishing places of heritage, art & culture and skill development of residents of the villages. The infrastructure development was focused on providing solar lighting, school upgradation, RO water plant, road repairing, computer training center etc. Skill development was focused on women and youth.	Clause (ii) and (x) of Schedule VII- Promoting education and rural development project	Lohavan and Gossna villages in District Mathura (U.P.) (Local area)	250	257	257	Direct

(₹ in Lacs)

Sl. No.	CSR project or activity identified	Sector in which the project is covered	Projects or programs (1) Local area or other (2) Specify the state and district where projects or programs were undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs sub-heads: (1) Direct expenditure on projects or programs (2) Overheads	Cumulative expenditure upto the reporting period	Amount spent: direct or through implementing agency
					Direct expenditure		
3.	Maintenance and preservation of heritage art, restoration of buildings and sites of historical importance in Mumbai	Clause (v) of Schedule VII – Protection of national heritage, art and culture including restoration of buildings & sites of historical importance & works of art	Mumbai, Maharashtra (Other areas)	55	50	50	Through implementing agency (Kala Ghoda Association)*
4.	Health Camps - Preventive health camps	Clause (i) of Schedule VII- Promoting Healthcare including preventive healthcare	Delhi, Uttar Pradesh, Uttarakhand, Bihar & Jharkhand (Local area)	50	50	50	Direct
5.	Classroom infrastructure in a Delhi Government School	Clause (ii) of Schedule VII – Promoting education	Delhi (Local area)	6	6	6	Direct
6.	Supporting education & skill development of under-privileged children, youth & women	Clause (ii) of Schedule VII - Promoting education	Delhi (Local area)	24	24	24	Through implementing agency (HT Foundation for Change)*
	Total			**395**	**397**	**397**	

**Amount contributed to the implementation agency is being utilized in a phased manner.*

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

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

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

Place: New Delhi
Date: July 17, 2017

(Vivek Khanna)
Chief Executive Officer

(Shobhana Bhartia)
Chairperson of CSR Committee

ANNEXURE - E TO BOARD'S REPORT

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

(i) The ratio of remuneration of each Director to the median remuneration of the employees and the percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer and Company Secretary during the financial year ended on March 31, 2017, is as under –

Name of Director/KMP & designation	Remuneration for FY-17 (₹/Lacs)	% increase in remuneration in FY-17	Ratio of remuneration of each Director to median remuneration of employees in FY-17@
Shri Ashwani Windlass *Independent Director*	14.20*	9.23%	3.51
Shri Piyush G. Mankad *Independent Director*	13.00*	10.17%	3.21
Shri Shardul S. Shroff *Independent Director*	11.50*	8.50%	2.84
Dr. Mukesh Aghi *Independent Director*	10.00*	Not Applicable	2.47
Shri Shamit Bhartia# *Managing Director*	58.60	Not Applicable	14.47
Shri Priyavrat Director *Whole-time Director*	376.30	Not Applicable	92.91
Shri Benoy Roychowdhury *Whole-time Director*	369.93##	72.30%	91.34
Shri Vivek Khanna *Chief Executive Officer*	278.35	6.00%	Not Applicable
Shri Ajay Jain^ *Chief Financial Officer*	88.84	Not Applicable	Not Applicable
Shri Ratul Bhaduri$ *Chief Financial Officer*	45.98	Not Applicable	Not Applicable
Shri Tridib Barat *Company Secretary*	56.51	-5.39%	Not Applicable

* Comprises profit related commission and sitting fee for attending Board/Committee meetings

@ Median remuneration of employees of the Company during FY 17 was ₹ 4.05 lacs

Appointed as Managing Director w.e.f. February 4, 2017

Includes perquisite value of exercise of ESOP amounting to ₹ 132.11 lacs. Without including this, percentage increase in remuneration during FY 17 would have been 10.76%.

^ Ceased to be Chief Financial Officer w.e.f. November 1, 2016

$ Appointed as Chief Financial Officer w.e.f. November 1, 2016

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

(ii) There was an increase of 15.7% in the median remuneration of employees of the Company in FY 17.

(iii) As on March 31, 2017, there were 1,308 permanent employees on the rolls of the Company.

(iv) Average percentage increase in remuneration of employees, other than managerial personnel, during FY-17 is 7%. During the same period, percentage increase in remuneration of managerial personnel is given in table above.

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

ANNEXURE - F TO BOARD'S REPORT

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

For the financial year ended March 31, 2017

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

I. REGISTRATION AND OTHER DETAILS:

Sl. No.	Particulars	Details
i.	Corporate Identification Number (CIN)	L21090BR1918PLC000013
ii.	Registration Date	July 9, 1918
iii.	Name of the Company	Hindustan Media Ventures Limited
iv.	Category / Sub-Category of the Company	Public Company / Limited by Shares
v.	Address of the Registered office and contact details	Budh Marg, Patna, Bihar-800001 Tel : +91-612-222 3434 / 661 0650 Fax :+91-612-222 1545 Email : hmvlinvestor@livehindustan.com
vi	Whether listed company	Yes / ~~No~~
vii	Name, address and contact details of Registrar and Transfer Agent, if any	Karvy Computershare Private Limited Karvy Selenium Tower B, Plot No. 31 & 32, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad - 500032 Tel: +91-40-6716 2222, Fax: +91-40-2300 1153 Email: einward.ris@karvy.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

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

Sl. No.	Name and Description of main products / ~~Service~~	NIC Code of the Product/~~Service~~	% to total turnover of the Company
1.	Printing and publication of Newspapers and Periodicals	181 & 581#	100%

#Source: National Industrial Classification-2008

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

Sl. No.	Name and Address of the Company	CIN/GLN	Holding / Subsidiary / Associate	% of shares held	Applicable Section
1.	HT Media Limited* 18-20, Kasturba Gandhi Marg New Delhi-110001	L22121DL2002PLC117874	Holding	74.30	2(46)
2.	HT Digital Streams Limited Budh Marg, Patna - 800 001	U74900BR2015PLC025243	Associate@	42.83	2(6)

*HT Media Limited is a subsidiary of The Hindustan Times Limited which, in turn, is a subsidiary of Earthstone Holding (Two) Limited.

@With effect from December 31, 2016.

IV. SHARE HOLDING PATTERN (Equity share capital breakup as percentage of total equity):

i) Category-wise share holding

Sl. No.	Category of Shareholders	No. of shares held at the beginning of the year (as on 01/04/2016)				No. of shares held at the end of the year (as on 31/03/2017)				% Change during the year
		Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
A.	**PROMOTERS**									
1	**INDIAN**									
a)	Individual / HUF	0	0	0	0.00	0	0	0	0.00	0.00
b)	Central Government	0	0	0	0.00	0	0	0	0.00	0.00
c)	State Government(s)	0	0	0	0.00	0	0	0	0.00	0.00
d)	Bodies Corporate	5,45,33,458	0	5,45,33,458	74.30	5,45,33,458	0	5,45,33,458	74.30	0.00
e)	Bank/Financial Institutions	0	0	0	0.00	0	0	0	0.00	0.00
f)	Any Other	0	0	0	0.00	0	0	0	0.00	0.00
	Sub-Total A(1)	**5,45,33,458**	**0**	**5,45,33,458**	**74.30**	**5,45,33,458**	**0**	**5,45,33,458**	**74.30**	**0.00**
2	**FOREIGN**									
a)	NRIs- Individuals	0	0	0	0.00	0	0	0	0.00	0.00
b)	Other - Individuals	0	0	0	0.00	0	0	0	0.00	0.00
c)	Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00
d)	Banks/Financial Institutions	0	0	0	0.00	0	0	0	0.00	0.00
e)	Any other	0	0	0	0.00	0	0	0	0.00	0.00
	Sub-Total A(2)	**0**	**0**	**0**	**0.00**	**0**	**0**	**0**	**0.00**	**0.00**
Total shareholding of Promoter A=A(1)+A(2)		**5,45,33,458**	**0**	**5,45,33,458**	**74.30**	**5,45,33,458**	**0**	**5,45,33,458**	**74.30**	**0.00**
B.	**PUBLIC SHAREHOLDING**									
1	**INSTITUTIONS**									
a)	Mutual Funds	10,71,823	0	10,71,823	1.46	6,65,507	0	6,65,507	0.91	(0.55)
b)	Banks/Financial Institutions	1,23,083	125	1,23,208	0.17	5,89,027	125	5,89,152	0.80	0.63
c)	Central Government	0	0	0	0.00	0	0	0	0.00	0.00
d)	State Government(s)	0	0	0	0.00	0	0	0	0.00	0.00
e)	Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
f)	Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
g)	Foreign Institutional Investors (FIIs)	1,18,34,530	0	1,18,34,530	16.13	1,15,21,981	0	1,15,21,981	15.71	(0.42)
h)	Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
i)	Others	0	0	0	0.00	0	0	0	0.00	0.00
	Sub-Total B(1)	**1,30,29,436**	**125**	**1,30,29,561**	**17.76**	**1,27,76,515**	**125**	**1,27,76,640**	**17.42**	**(0.34)**
2	**NON-INSTITUTIONS**									
a)	Bodies Corporate									
	(i) Indian	18,79,039	900	18,79,939	2.56	17,10,295	300	17,10,595	2.33	(0.23)
	(ii) Overseas	0	0	0	0.00	0	0	0	0.00	0.00
b)	Individuals									
	(i) Individual shareholders holding nominal share capital upto ₹ 1 Lac	23,49,372	19,773	23,69,145	3.23	27,17,877	19,773	27,37,650	3.73	0.50
	(ii) Individual shareholders holding nominal share capital in excess of ₹ 1 Lac	8,80,863	0	8,80,863	1.20	9,91,547	0	9,91,547	1.35	0.15
c)	Others									
	i) Clearing Members	38,282	0	38,282	0.05	18,987	0	18,987	0.03	(0.02)
	ii) Non- resident Indians	2,20,370	0	2,20,370	0.30	2,52,172	0	2,52,172	0.34	0.04
	iii) Trusts	0	0	0	0.00	10,519	0	10,519	0.01	0.01
	iv) Shri Naresh Kumar Gupta (As Trustee of HT Group Companies Employees Stock Option Trust)*	4,42,152	0	4,42,152	0.60	3,62,202	0	3,62,202	0.49	(0.11)
	Sub-Total B(2)	**58,10,078**	**20,673**	**58,30,751**	**7.94**	**60,63,599**	**20,073**	**60,83,672**	**8.28**	**0.34**
Total Public shareholding B=B(1)+B(2)		**1,88,39,514**	**20,798**	**1,88,60,312**	**25.70**	**1,88,40,114**	**20,198**	**1,88,60,312**	**25.70**	**0.00**
C.	**SHARES HELD BY CUSTODIANS FOR GDR(S) AND ADR(S)**	0	0	0	0.00	0	0	0	0.00	0.00
Grand Total (A+B+C)		**733,72,972**	**20,798**	**7,33,93,770**	**100.00**	**733,73,572**	**20,198**	**733,93,770**	**100.00**	**0.00**

*In terms of SEBI (Share Based Employee Benefits) Regulations, 2014, the shareholding of Shri Naresh Kumar Gupta (As Trustee of HT Group Companies Employees Stock Option Trust) has been categorised under 'Non-Promoter Non-Public' category in the stock exchange filings. However, to conform to the format of Form MGT-9, the same has been categorized under 'Public' category.

ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year (As on 01/04/2016)			Shareholding at the end of the year (As on 31/03/2017)			% change in shareholding during the year
		No. of shares	% of total shares of the company	% of shares pledged / encumbered to total shares	No. of shares	% of total shares of the Company	% of shares pledged / encumbered to total shares	
1	HT Media Limited	5,45,33,458	74.30	0	5,45,33,458	74.30	0	0
	Total	**5,45,33,458**	**74.30**	**0**	**5,45,33,458**	**74.30**	**0**	**0**

iii) Change in Promoters' shareholding - Nil

iv) Shareholding pattern of top 10 shareholders (other than Directors, Promoters and holders of GDRs & ADRs)

Sl. No.	Name of Shareholder	Shareholding		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1.	Kotak Mahindra (International) Limited				
	At the beginning of the year	42,56,352	5.80	42,56,352	5.80
	Bought during the year	15,900	0.02	42,72,252	5.82
	Sold during the year	0	0.00	42,72,252	5.82
	At the end of the year	42,72,252	5.82	42,72,252	5.82
2.	Lavender Investments Limited				
	At the beginning of the year	30,50,000	4.16	30,50,000	4.16
	Bought during the year	0	0.00	30,50,000	4.16
	Sold during the year	0	0.00	30,50,000	4.16
	At the end of the year	30,50,000	4.16	30,50,000	4.16
3.	Steinberg India Emerging Opportunities Fund Limited				
	At the beginning of the year	16,00,000	2.18	16,00,000	2.18
	Bought during the year	1,81,094	0.25	17,81,094	2.43
	Sold during the year	0	0.00	17,81,094	2.43
	At the end of the year	17,81,094	2.43	17,81,094	2.43
4.	Kotak Mahindra Bank Ltd.*				
	At the beginning of the year	15,769	0.02	15,769	0.02
	Bought during the year	4,75,007	0.65	4,90,776	0.67
	Sold during the year	15,769	0.02	4,75,007	0.65
	At the end of the year	4,75,007	0.65	4,75,007	0.65
5.	Mohanbari Investment Company Private Limited				
	At the beginning of the year	4,58,510	0.62	4,58,510	0.62
	Bought during the year	0	0.00	4,58,510	0.62
	Sold during the year	0	0.00	4,58,510	0.62
	At the end of the year	4,58,510	0.62	4,58,510	0.62
6.	Banarhat Investment Company Private Limited				
	At the beginning of the year	4,48,541	0.61	4,48,541	0.61
	Bought during the year	0	0.00	4,48,541	0.61
	Sold during the year	0	0.00	4,48,541	0.61
	At the end of the year	4,48,541	0.61	4,48,541	0.61

Sl. No.	Name of Shareholder	Shareholding		Cumulative shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
7.	Virginia Tech Foundation, Inc. Steinberg India Asset Management Limited				
	At the beginning of the year	4,30,000	0.59	4,30,000	0.59
	Bought during the year	0	0.00	4,30,000	0.59
	Sold during the year	20,747	0.03	4,09,253	0.56
	At the end of the year	4,09,253	0.56	4,09,253	0.56
8.	Franklin Templeton Mutual Fund A/C. Franklin Build India Fund (FBIF)*				
	At the beginning of the year	0	0.00	0	0.00
	Bought during the year	4,00,000	0.55	4,00,000	0.55
	Sold during the year	0	0.00	4,00,000	0.55
	At the end of the year	4,00,000	0.55	4,00,000	0.55
9.	Naresh Kumar Gupta (As Trustee of HT Group Companies Employees Stock Option Trust)				
	At the beginning of the year	4,42,152	0.60	4,42,152	0.60
	Bought during the year	0	0.00	4,42,152	0.60
	Sold during the year	79,950	0.11	3,62,202	0.49
	At the end of the year	3,62,202	0.49	3,62,202	0.49
10.	Lakshmi Capital Investments Limited*				
	At the beginning of the year	0	0.00	0	0.00
	Bought during the year	3,14,587	0.43	3,14,587	0.43
	Sold during the year	8,800	0.01	3,05,787	0.42
	At the end of the year	3,05,787	0.42	3,05,787	0.42
11.	Banarhat Investment Company Pvt. Ltd.				
	At the beginning of the year	3,98,704	0.54	3,98,704	0.54
	Bought during the year	2,880	0.00	4,01,584	0.54
	Sold during the year	1,57,897	0.21	2,43,687	0.33
	At the end of the year	2,43,687	0.33	2,43,687	0.33
12.	Ocean Dial Gateway to India Mauritius Limited#				
	At the beginning of the year	10,88,063	1.48	10,88,063	1.48
	Bought during the year	0	0.00	10,88,063	1.48
	Sold during the year	10,88,063	1.48	0	0.00
	At the end of the year	0	0.00	0	0.00
13.	Reliance Capital Trustee Company Ltd. A/C. through various schemes of mutual funds#				
	At the beginning of the year	7,40,004	1.01	7,40,004	1.01
	Bought during the year	0	0.00	7,40,004	1.01
	Sold during the year	7,40,004	1.01	0	0.00
	At the end of the year	0	0.00	0	0.00

Notes:

1. Year in the above table means the period from April 1, 2016 to March 31, 2017.
2. Any member desirous of obtaining date-wise particulars of sale/purchase by the above shareholders may write to the Company Secretary at the Registered Office of the Company.

*Not in the list of Top 10 shareholders as on 01-04-2016. The same has been reflected above as the shareholder was one of the Top 10 shareholders as on 31-03-2017.

#Ceased to be in the list of Top 10 shareholders as on 31-03-2017. The same is reflected above, as the shareholder was one of the Top 10 shareholders as on 01-04-2016.

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

Sl. No.	Name of Director/KMP	Shareholding		Cumulative shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1.	Shri Priyavrat Bhartia (Whole-time Director)				
	At the beginning of the year	6,719	0.01	6,719	0.01
	Bought during the year	0	0.00	6,719	0.01
	Sold during the year	0	0.00	6,719	0.01
	At the end of the year	6,719	0.01	6,719	0.01
2.	Shri Shamit Bhartia (Managing Director)				
	At the beginning of the year	5,017	0.01	5,017	0.01
	Bought during the year	0	0.00	5,017	0.01
	Sold during the year	0	0.00	5,017	0.01
	At the end of the year	5,017	0.01	5,017	0.01
3.	Shri Benoy Roychowdhury (Whole-time Director)				
	At the beginning of the year	0	0.00	0	0.00
	Bought during the year	49,521	0.07	49,521	0.07
	Sold during the year	14,100	0.02	35,421	0.05
	At the end of the year	35,421	0.05	35,421	0.05
4.	Shri Ajay Jain* (Chief Financial Officer)				
	At the beginning of the year	560	0.00	560	0.00
	Bought during the year	0	0.00	560	0.00
	Sold during the year	0	0.00	560	0.00
	At the end of the year	560	0.00	560	0.00
5.	Shri Tridib Kumar Barat (Company Secretary)				
	At the beginning of the year	1,687	0.00	1,687	0.00
	Bought during the year	0	0.00	1,687	0.00
	Sold during the year	1,685	0.00	2	0.00
	At the end of the year	2	0.00	2	0.00

* Ceased to be Chief Financial Officer w.e.f. November 1, 2016

Note:

1. Year in the above table means the period from April 1, 2016 to March 31, 2017

V. INDEBTEDNESS:

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

(₹ in Lacs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of financial year 2016-17				
i) Principal Amount	1,271.75	16,002.67	-	17,274.42
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	9.30	42.38	-	51.68
Total (i)+(ii)+(iii)	**1,281.05**	**16,045.05**	**-**	**17,326.10**
Change in Indebtedness during financial year 2016-17				
• Addition	84,530.99	58,881.69	-	1,43,412.68
• (Reduction)	(84,848.85)	(64,185.00)	-	(1,49,033.85)
Net Change	**(317.86)**	**(5,303.31)**	**-**	**(5,621.17)**
Indebtedness at the end of financial year 2016-17				
i) Principal Amount	963.19	10,741.74	-	11,704.93
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	4.98	5.83	-	10.81
Total (i)+(ii)+(iii)	**968.17**	**10,747.57**	**-**	**11,715.74**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

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

(₹ in Lacs)

Sl. No.	Particulars of Remuneration	Shri Priyavrat Bhartia (Whole-time Director)	Shri Shamit Bhartia (Managing Director)#	Shri Benoy Roychowdhury (Whole-time Director)	Total
1.	Gross salary				
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	345.60	54.51	222.12	622.23
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	4.78	-	133.63	138.41
	(c) Profits in lieu of salary u/s 17(3) of the Income Tax Act, 1961	-	-	-	-
2.	Stock Option (No. of options granted during the year)	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission	-	-	-	-
5.	Others-Retirement benefits	25.92	4.09	14.18	44.19
	Total (A)	**376.30**	**58.60**	**369.93**	**804.83**
	Ceiling as per the Act*				**2,683.14**

*10% of Net Profits of the Company calculated as per Section 198 of the Companies Act, 2013

#Appointed as Managing Director w.e.f. February 4, 2017

B. Remuneration to other Directors

(₹ in Lacs)

Sl. No.	Particulars of Remuneration	Name of Directors					Total
1.	Independent Directors	Shri Ajay Relan@#	Shri Ashwani Windlass	Shri Piyush G. Mankad	Shri Shardul S. Shroff	Dr. Mukesh Aghi@	
	• Fee for attending board / committee meetings	-	4.20	3.00	1.50	-	8.70
	• Commission	-	10.00	10.00	10.00	10.00	40.00
	• Others	-	-	-	-	-	-
	Total	-	14.20	13.00	11.50	10.00	48.70
2.	Other Non-Executive Directors	No remuneration was paid during FY 17					
	Total (B)	**-**	**14.20**	**13.00**	**11.50**	**10.00**	**48.70**
	Total managerial remuneration (A+B)						**853.53**
	Overall ceiling as per the Act*						**2,951.45**

*11% of the Net Profits of the Company calculated as per Section 198 of the Companies Act, 2013

@Voluntary decided not to accept sitting fee

#Voluntary decided not to accept commission

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

(₹ in Lacs)

Sl. No.	Particulars of Remuneration	Key Managerial Personnel				Total
		Shri Vivek Khanna (CEO)	Shri Ajay Jain (CFO)*	Shri Ratul Bhaduri (CFO)#	Shri Tridib Barat (CS)	
1.	Gross salary					
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	267.96	86.32	43.59	52.33	450.20
	(b) Value of perquisites u/s 17(2)of the Income Tax Act, 1961	0.63	0.19	0.14	1.80	2.76
	(c) Profits in lieu of salary u/s 17(3) of the Income Tax Act, 1961	-	-	-	-	-
2.	Stock Option (No. of options granted during the year)	-	-	-	-	-
3.	Sweat Equity	-	-	-	-	-
4.	Commission	-	-	-	-	-
5.	Others-Retirement benefits	9.76	2.33	2.25	2.38	16.72
	Total	**278.35**	**88.84**	**45.98**	**56.51**	**469.68**

*Ceased as Chief Financial Officer w.e.f. November 1, 2016

#Appointed as Chief Financial Officer w.e.f. November 1, 2016

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: Nil

ANNEXURE - G TO BOARD’S REPORT

Certificate of compliance of Corporate Governance

To
The Members of
Hindustan Media Ventures Limited

I have examined the compliance of conditions of Corporate Governance by Hindustan Media Ventures Limited (‘the Company’), for the year ended on March 31, 2017, as prescribed in Regulations 17 to 27, clauses (b) to (i) of Regulation 46 (2) and para C, D and E of Schedule V of Chapter IV of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) for the period from April 1, 2016 to March 31, 2017.

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

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

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

Sd/-
N.C.Khanna
Company Secretary in Practice
C P No. 5143

Place: New Delhi
Date: May 10, 2017

ANNEXURE - H TO BOARD'S REPORT

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

(A) Conservation of energy-

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

Multiple energy saving initiatives were implemented across print locations during the year. These initiatives have enabled reduction in electrical unit consumption by 5% (approx.) resulting into annual saving of ₹ 35 lacs.

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

(iii) Capital investment on energy conservation equipment's: NIL

(B) Technology absorption-

(i) Efforts made towards technology absorption:

The Company continued to expand its print capabilities across major geographies, to further increase its stronghold in the Hindi region. During the year, capex of ₹ 10 crores (approx.) was incurred to re-engineer and rebuild existing assets in factories, and re-deploy them to increase colour pagination capabilities at various locations. This exercise was carried out using smart engineering and capex optimisation initiatives, to maintain the high return on capital assets deployed.

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

Technical absorption has enabled an increase in number of colour pages, and improved the printing capabilities at key geographical locations to build competitive edge in the market.

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

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

(iv) Expenditure incurred on Research & Development: NIL

(C) Foreign exchange earnings and outgo-

- **Foreign Exchange earned in terms of actual inflows during the year:** ₹ 26.95 lacs

- **Foreign Exchange outgo in terms of actual outflows during the year:** ₹ 6,839.91 lacs

Report on Corporate Governance

In your Company, Corporate Governance encompasses various legal, contractual, and internal frameworks that define the operations and influence decision making. These frameworks have been set with strict adherence to the principles of Accountability, Transparency, Trusteeship and Efficiency, which also underline the Company's interface with all its stakeholders.

A report on Corporate Governance in accordance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Regulations"), is outlined below.

BOARD OF DIRECTORS

Composition of the Board

In accordance with the SEBI Regulations, more than one-half of the Board of Directors comprises of Non-executive Directors. As on March 31, 2017, the Board comprised of nine Directors, including six Non-executive Directors. Your Company also complies with the requirement of at least one-half of the Board to comprise of Independent Directors. The Chairperson of the Board is a Non-executive (Woman) Director.

The composition of the Board of Directors as on March 31, 2017, was as follows -

Name of the Director	Date of appointment	Relationship between Directors, *inter-se*	Director Identification Number (DIN)
NON-EXECUTIVE DIRECTOR			
Smt. Shobhana Bhartia, *Chairperson*	January 6, 2010	Mother of Shri Priyavrat Bhartia and Shri Shamit Bhartia	00020648
NON-EXECUTIVE INDEPENDENT DIRECTORS			
Shri Ajay Relan	February 22, 2010	None	00002632
Shri Ashwani Windlass	February 22, 2010	None	00042686
Shri Piyush G. Mankad	December 19, 2011	None	00005001
Shri Shardul S. Shroff	February 22, 2010	None	00009379
Dr. Mukesh Aghi	June 21, 2015	None	00292205
MANAGING / WHOLE-TIME DIRECTOR(S)			
Shri Priyavrat Bhartia#	August 27, 2010	Son of Smt. Shobhana Bhartia and Brother of Shri Shamit Bhartia	00020603
Shri Shamit Bhartia@	December 19, 2011	Son of Smt. Shobhana Bhartia and Brother of Shri Priyavrat Bhartia	00020623
Shri Benoy Roychowdhury*	January 6, 2010	None	00816822

#appointed as Whole-time Director w.e.f. October 1, 2015
@appointed as Managing Director w.e.f. February 4, 2017
**appointed as Whole-time Director w.e.f. February 23, 2010*

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

None of the Directors serve as Independent Director in more than seven listed companies, or three listed companies, in case he/she serves as Whole-time Director in any listed company. The Non-Executive Directors do not hold any shares in the Company.

Directors' attendance and Directorships held

The meetings of the Board are generally held at the Corporate Office of the Company in New Delhi. During the financial year ended on March 31, 2017, six Board meetings were held. The details are as follows:

Date of Board Meeting	Board strength	Number of Directors present	Number of Independent Directors present
25.05.2016[@]	9	7	4 out of 5
25.05.2016[@]	9	8*	5 out of 5
04.08.2016	9	7[#]	3 out of 5
01.11.2016	9	8*	4 out of 5
18.01.2017	9	9	5 out of 5
04.02.2017	9	4	3 out of 5

[@]Two Board Meetings were held on May 25, 2016

**Dr. Mukesh Aghi participated in the meeting via tele-conferencing (not counted for quorum)*

[#]Dr. Mukesh Aghi and Shri Piyush G. Mankad attended the meeting via video-conferencing

Attendance record of Directors at the above Board Meetings and details of other Directorships/Committee positions held by them as on March 31, 2017 in Indian public limited companies, are as follows:

Name of the Director	No. of Board Meetings attended during FY 17	No. of other Directorships held	Committee position held in other companies^	
			Chairperson	Member[1]
Smt. Shobhana Bhartia	5	8	2	-
Shri Ajay Relan	5	3	-	3
Shri Ashwani Windlass	6	4	3	-
Shri Piyush G. Mankad*	6	3	1	4
Shri Shardul S. Shroff	3	2	-	-
Dr. Mukesh Aghi**	4	-	-	-
Shri Priyavrat Bhartia	3	9	-	3
Shri Shamit Bhartia	5	9	-	1
Shri Benoy Roychowdhury	6	4	-	-

^Only Audit Committee and Stakeholders' Relationship Committee have been considered

[1]Does not include chairmanships

**Shri Piyush G. Mankad participated in one board meeting via video-conferencing*

***Dr. Mukesh Aghi participated in two board meetings via tele-conferencing (not counted for quorum) and attended one board meeting via video-conferencing*

Shri Ashwani Windlass and Shri Benoy Roychowdhury attended the last Annual General Meeting of Members of the Company held on September 12, 2016.

Board Procedure

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

Quality debates and participation by all Directors and officials are encouraged at Board/Committee meetings. The Board engages with the management during business reviews and provides constructive suggestions and guidance on various issues, including strategy, as required from time to time. The Board gives due attention to governance and compliance related issues, including the efficacy of systems of internal financial controls, risk management, avoidance of conflict of interest, and redressal of employee/ stakeholder grievances, among others.

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

Details of remuneration paid to Directors

During the financial year ended on March 31, 2017, the Non-executive Independent Directors were paid sitting fee @ ₹ 30,000/- per meeting, for attending meetings of the Board and Committee(s) thereof. The Non-executive Directors are also eligible for profit related commission not exceeding 1% of the net profits of the Company for the financial year computed in the manner prescribed under the Companies Act, 2013, subject to a limit of ₹ 10 lacs per Director per annum. Considering the valuable contributions made by each of the Independent Directors, the Board decided to pay profit related commission to the Independent Directors on uniform basis. The details of sitting fee paid and profit related commission paid/payable to Directors during/for FY 17 are as under -

(₹ in Lacs)

Name of the Director	Sitting Fee**	Commission paid during FY 17 (pertaining to profit for FY 16)	Commission payable for FY 17
Smt. Shobhana Bhartia@	Nil	Nil	Nil
Shri Ajay Relan*@	Nil	Nil	Nil
Shri Ashwani Windlass	4.20	10.00	10.00
Shri Piyush G. Mankad	3.00	10.00	10.00
Shri Shardul S. Shroff	1.50	10.00	10.00
Dr. Mukesh Aghi*	Nil	10.00	10.00
Shri Shamit Bhartia@	Nil	Nil	Nil

**These Directors have voluntarily decided not to accept sitting fee*

@These Directors have opted not to accept profit related commission

***No sitting fee was paid for participating in board / committee meetings via tele-conferencing*

During the year, Shri Shamit Bhartia was appointed Managing Director w.e.f. February 4, 2017 for a period of five years. The details of remuneration paid to Shri Priyavrat Bhartia and Shri Benoy Roychowdhury, Whole-time Directors and Shri Shamit Bhartia, Managing Director, during the financial year ended on March 31, 2017, are as under:

(₹ in Lacs)

Name of the Director	Salary & Allowances	Perquisites	Retirement benefits
Shri Priyavrat Bhartia	345.60	4.78	25.92
Shri Shamit Bhartia	54.51	-	4.09
Shri Benoy Roychowdhury	222.12	133.63	14.18

Notes:

(1) Retirement benefits include contribution to Provident Fund.

(2) During the year Shri Benoy Roychowdhury, Whole-time Director has exercised all the Stock Options, granted to him as under:

HT Group Companies - Employee Stock Option Rules for Listed Companies (of a Parent Company)

Particulars	Date of Grant		
	September 15, 2007	February 4, 2010	February 21, 2010
No. of Options granted*	3,824	2,868	42,829
Vesting schedule	Vested in 2011		
Exercise Price per Option (in ₹)	33.92	1.35	19.96

**Each Option entitles the holder thereof to one equity share of ₹ 10/- each upon vesting/exercise*

(3) Perquisites include car, telephone, medical reimbursements, club fee, etc., calculated as per Income Tax rules.

(4) Remuneration excludes provision for leave encashment and gratuity.

(5) There is no separate provision for payment of severance fees.

(6) Salary & Allowances paid to Shri Benoy Roychowdhury include ₹ 9.2 lacs of variable pay viz. Bonus. There are two variable components in the remuneration of Shri Benoy Roychowdhury (Whole-time Director) *viz.* (a) Enterprise Goal Award- this is paid quarterly based on enterprise achieving the quarter targets – 50% linked with revenue and balance 50% with achievement of profit; and (b) Variable Performance Bonus - this is linked with personal leadership performance and contribution of the Whole-time Director over the financial year.

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

BOARD COMMITTEES

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

The committees of the Board are as follows -

(a) Audit Committee
(b) Stakeholders' Relationship Committee
(c) Investment and Banking Committee
(d) Corporate Social Responsibility (CSR) Committee
(e) Nomination and Remuneration Committee

The role and composition of the committees, including the number of meetings held during the financial year ended on March 31, 2017 and attendance of Directors thereat, are given hereunder.

(a) Audit Committee

Audit Committee of the Board of Directors comprised of four members, including three Independent Directors.

The terms of reference of the Audit Committee are in accordance with the Companies Act, 2013 and the SEBI Regulations. The Audit Committee acts as a link between the Statutory & Internal Auditors and the Board of Directors of the Company.

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

During the financial year ended on March 31, 2017, four meetings of the Audit Committee were held. The composition of Audit Committee, date on which the meetings were held and attendance of Directors at the above meetings, was as follows:

Name of the Director	Category	Meetings attended			
		24.05.16	04.08.16	01.11.16	18.01.17
Shri Ashwani Windlass *(Chairman)*	Non-executive Independent Director	√	√	√	√
Shri Ajay Relan	Non-executive Independent Director	√	-	√	√
Shri Shardul S. Shroff	Non-executive Independent Director	-	√	-	√
Shri Priyavrat Bhartia	Whole-time Director	-	√	√	-

The Chairman of the Audit Committee is a Non-executive Independent Director who has accounting and related financial management expertise. He attended the last Annual General Meeting of the Company held on September 12, 2016 to address the shareholders' queries pertaining to financial statements of the Company.

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

Chief Executive Officer, Chief Financial Officer and Internal Auditor attended the meetings of Audit Committee. The representatives of Statutory Auditors are permanent invitees to the meetings of Audit Committee.

The Company Secretary acts as Secretary to the Committee.

(b) Stakeholders' Relationship Committee

Stakeholders' Relationship Committee (SRC) of the Board of Directors comprised of three Directors. The Chairman of the Committee is a Non-executive Independent Director. The composition of SRC was as follows:

Name of the Director	Category
Shri Ajay Relan *(Chairman)*	Non-executive Independent Director
Shri Benoy Roychowdhury	Whole-time Director
Shri Priyavrat Bhartia	Whole-time Director

SRC has been constituted, *inter-alia,* to supervise and look into redressal of complaints of shareholders and other security holders of the Company, including complaints related to transfer of shares, non-receipt of Annual Report, declared dividend etc. The Committee discharges such other function(s) as may be delegated by the Board from time to time.

There was no meeting of SRC during the financial year ended on March 31, 2017.

Shri Tridib Barat, Company Secretary is the Compliance Officer of the Company.

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

Opening Balance	Received	Resolved	Closing Balance
0	2	2	0

The status of redressal of investor complaints is reported to the Board of Directors from time to time.

(c) Investment and Banking Committee

Investment and Banking Committee of the Board has been entrusted with functions / vested with powers relating to matters of banking & finance, investments and forex transactions.

During the financial year ended on March 31, 2017, the Investment and Banking Committee met seven times. The composition of the Committee, date on which the meetings were held and attendance of Directors at the meetings, was as follows:

Name of the Director	Category	Meetings attended						
		01.04.16	28.06.16	28.07.16	01.11.16	10.01.17	06.02.17	22.03.17
Shri Ajay Relan *(Chairman)*	Non-executive Independent Director	√	√	√	√	√	√	√
Shri Priyavrat Bhartia	Whole-time Director	-	-	√	√	-	√	-
Shri Benoy Roychowdhury	Whole-time Director	√	√	-	√	√	√	√

(d) Corporate Social Responsibility (CSR) Committee

CSR Committee of the Board of Directors has been constituted in accordance with the requirements of Section 135 of the Companies Act, 2013. The composition of CSR Committee, was as follows:

Name of the Director	Category	Meeting attended
		28.07.16
Smt. Shobhana Bhartia *(Chairperson)*	Non-executive Director	√
Shri Ajay Relan	Non-executive Independent Director	√
Shri Priyavrat Bhartia	Whole-time Director	√

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

(e) Nomination and Remuneration Committee

Nomination and Remuneration Committee (NRC) comprises of three Directors. Chairman of NRC is a Non-executive Independent Director.

The terms of reference of the NRC are in accordance with the requirements of the Companies Act, 2013 and the

SEBI Regulations which, *inter-alia,* include identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board their appointment and removal; carry out evaluation of every director's performance; formulate the criteria for determining qualifications, positive attributes and independence of a director; and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees.

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

During the financial year ended on March 31, 2017, four meetings of Nomination & Remuneration Committee were held. The composition of Nomination & Remuneration Committee, date on which the meetings were held and attendance of Directors at the said meetings was as follows:

Name of the Director	**Category**	**Meetings attended**			
		25.05.16	**01.11.16**	**02.02.17**	**03.03.17**
Shri Ashwani Windlass *(Chairman)*	Non-executive Independent Director	√	√	√	√
Smt. Shobhana Bhartia	Non-executive Director	-	-	-	-
Shri Piyush G. Mankad	Non-executive Independent Director	√	√	√	√
Shri Priyavrat Bhartia*	Whole-time Director	-	← Not Applicable →		

** Ceased to be a member w.e.f. May 25, 2016*

GENERAL BODY MEETINGS

Details of date, time and venue of the last three Annual General Meetings are as under:

Date & Time	**September 12, 2016 at 2:30 p.m.**	**August 28, 2015 at 2:00 p.m.**	**September 8, 2014 at 3.00 p.m.**
Venue	← Hotel Maurya, South Gandhi Maidan, Patna-800001 →		
Special Resolution(s) passed	• Appointment of Shri Priyavrat Bhartia as Whole-time Director	• Approval of payment of annual commission to the Non-executive Directors of the Company	None
	• Adoption of new set of Articles of Association of the Company	• Approval of borrowing(s) in excess of aggregate of paid-up share capital and free reserves in terms of Section 180(1)(c) of the Companies Act, 2013	
		• Approval to offer or invitation to subscribe to Non-Convertible Debentures/ Bonds issued on private placement basis	
		• Acquisition of 'Hindustan' and certain other Hindi publication related trademarks from HT Media Limited (holding company)	
		• Adoption of the 'HT Group Companies - Employee Stock Option Rules for Listed Companies' duly aligned with the SEBI (Share Based Employee Benefits) Regulations, 2014 and its implementation through the Trust	

No Extra-ordinary General Meeting was held during the past 3 financial years. No Special Resolution requiring Postal Ballot was passed during the financial year ended March 31, 2017.

A proposal for alteration of the Objects Clause of Memorandum of Association of the Company shall be put for approval of the Members by way of passing Special Resolution, through Postal Ballot process to, inter-alia, align the existing Objects Clause of Memorandum of Association with the provisions of the Companies Act, 2013. The procedure of Postal Ballot and other requisite details shall be provided in the postal ballot notice.

DISCLOSURES

During the financial year ended on March 31, 2017, all transactions entered into with Related Parties, as defined under the Companies Act, 2013 and the SEBI Regulations were in the ordinary course of business and on arm's length terms. There were no materially significant transactions with related parties that may have a potential conflict with the interests of the Company at large.

The required disclosures on related parties and transactions with them, is appearing in note No. 34 of the Standalone Annual Financial Statements. The Company has formulated the 'Policy on Materiality of and dealing with Related Party Transactions', which is posted on Company's website viz. www.hmvl.in.

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

The Company has prepared the financial statements to comply in all material respects with the Accounting Standards notified under Section 133 of the Companies Act, 2013, read with Companies (Accounts) Rules 2014. The CEO/CFO certificate in terms of Regulation 17(8) of the SEBI Regulations has been placed before the Board.

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

The Company has complied with some of the non-mandatory requirements of the SEBI Regulations on Corporate Governance. In the spirit of good corporate governance, the Company sends quarterly financial results via email to the Members whose email address is registered with DP/Company, after they are approved by the Board of Directors and disseminated to the stock exchanges. The Auditors have submitted the Auditor's Report with unmodified opinion on the Financial Statements for the financial year ended on March 31, 2017. The Chairperson's office is separate from that of the Chief Executive Officer.

The Company has framed a Whistle Blower Policy (Vigil Mechanism) to provide opportunity to the directors/ employees/stakeholders of the Company to report concerns about unethical behavior, actual or suspected fraud by any Director and/or employee of the Company or any violation of the Company's Code of Conduct. The policy provides for adequate safeguards against victimization of the Whistle Blower. The Policy is posted on the Company's website viz. www.hmvl.in. During FY 17, no personnel was denied access to the Audit Committee.

Newsprint is a critical raw material for the Company's print business. The Company closely monitors the inventory levels & demand, across newsprint categories, to ensure uninterrupted supply. A dynamic strategy of newsprint sourcing from both, overseas and domestic markets is in place. With a decreasing global demand for newsprint, the prices of imported newsprint remained soft. However, the prices of domestic newsprint hardened due to increased raw material costs driven by demonetization. To avoid price fluctuation shocks, a hybrid model of planned purchases has been adopted, supported by long term commitments and spot purchases.

The Company uses derivative products to hedge its forex exposure against imports, loans, investments and other payables, whenever required. The Company does not have any major forex exposure on account of exports, receivable and other income. The details of foreign exchange exposures as on March 31, 2017 are disclosed in Note no. 38 to the Standalone Financial Statements.

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

Performance Evaluation

Details regarding the process of evaluation of the performance of the Board, its Committees, individual Directors and the Chairperson for the financial year ended March 31, 2017 is provided in the Board's Report.

Familiarization Program

Your Company has put in place a structured induction and familiarization programme for Independent Directors. The Company, through such programme, familiarizes the Independent Directors with the background of the Company, nature of the industry in which the Company operates, business model, business operations etc. The programme also includes interactive sessions with senior leadership team and business & functional heads for better understanding of business strategy, operational performance, product offerings, marketing initiatives etc. Details regarding familiarization programme for Independent Directors is posted on the Company's website viz. www.hmvl.in.

Meeting of Independent Directors

During the year, a meeting of Independent Directors was held on January 18, 2017 without the presence of Non-Independent Directors and members of the management.

Code of Conduct

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

The Board Members and Senior Management Personnel are expected to adhere to the Code, and have accordingly, affirmed compliance of the same during FY 17. The declaration given by CEO affirming compliance of the Code by the Board Members and Senior Management Personnel of the Company during FY 17, is appearing at the end of this report as "Annexure – A".

Insider Trading

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

Means of Communication

- **Financial results** - The quarterly, half yearly and annual financial results of the Company are published in 'Hindustan' (Hindi newspaper), 'Hindustan Times' (English newspaper) and 'Mint' (English Business newspaper). The financial results are also forwarded to the investors by e-mail, where e-mail address is available. Investors are encouraged to avail this service / facility by providing their e-mail Id to the DP/ Company.
- **Company's Website** - Important shareholders' information such as Annual Report, financial results, etc. are displayed on the website of the Company viz. www.hmvl.in.
- **Official news releases, presentations etc.** - Official news releases, shareholding pattern, press releases and presentations made to Financial Analysts etc. are also available on the Company's website.
- **Stock Exchange filings** - All information are filed electronically on the portal of BSE and NSE viz. BSE Corporate Compliance & Listing Centre and NSE Electronic Application Processing System (NEAPS) - the online portal of NSE.
- **Investor Conference Calls** - Every quarter, post the announcement of financial results, conference calls are held with institutional investors and analysts. These calls are addressed by CEO, Group CFO and Head - Investor Relations. Transcripts of the calls are also posted on the website of the Company viz. www.hmvl.in.
- **Management Discussion and Analysis** - Management Discussion and Analysis covering the operations of the Company, forms part of this Annual Report.
- **Designated e-mail Id** - The Company has a designated e-mail address viz. hmvlinvestor@livehindustan.com for sending investor requests / complaints.

GENERAL SHAREHOLDER INFORMATION

Forthcoming Annual General Meeting

Day, Date & Time:	Wednesday, September 20, 2017 at 2.30 P.M.
Venue:	Hotel Maurya, South Gandhi Maidan, Patna- 800 001, Bihar

Financial Year

April 1 of each year to March 31 of next year

Financial Calendar (Tentative)

Results for quarter ending June 30, 2017	Mid July, 2017
Results for quarter and half-year ending September 30, 2017	Mid October, 2017
Results for quarter and nine months period ending December 31, 2017	Mid January, 2018
Results for the quarter and year ending March 31, 2018	End May, 2018
Annual General Meeting	Mid September, 2018

Book Closure

The Book Closure period for the purpose of AGM and payment of dividend for FY 17 will be from Wednesday, September 13, 2017 to Wednesday, September 20, 2017 (both days inclusive).

Dividend Payment Date (Tentative)

The Board of Directors of the Company have recommended a dividend @ ₹ 1.20 per Equity Share of ₹ 10/- each (i.e., @ 12%) for the financial year ended on March 31, 2017, subject to the approval of the shareholders at the ensuing Annual General Meeting. The dividend, if approved, shall be paid/despatched on or after Thursday, September 21, 2017.

Registrar and Share Transfer Agent

Karvy Computershare Private Limited
Karvy Selenium Tower B, Plot No. 31 & 32
Financial District, Nanakramguda
Serilingampally Mandal
Hyderabad - 500032
Tel: +91-40-6716 2222
Fax: +91-40-2300 1153
E-mail: einward.ris@karvy.com

Share Transfer System

The equity shares of the Company are compulsorily traded in demat form. Systems are in place to ensure that requests for transfer of shares in physical form are processed and duly transferred share certificates are returned to the transferee within the time prescribed by law in the said behalf, subject to the share transfer documents being valid and complete in all respects.

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

As required under Regulation 7(3) of the SEBI Regulations, the Company obtains a certificate on half-yearly basis from a Company Secretary-in-Practice, regarding share transfer formalities, which is filed with the Stock Exchanges.

Listing of Equity Shares on Stock Exchanges and Stock Codes

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

Name of the Stock Exchange	Scrip Code/ Trading Symbol
BSE Limited (BSE) Phiroze Jeejeebhoy Towers Dalal Street, Mumbai - 400 001	533217
National Stock Exchange of India Limited (NSE) Exchange Plaza, C-1 G-Block, Bandra-Kurla Complex Bandra (East), Mumbai - 400 051	HMVL

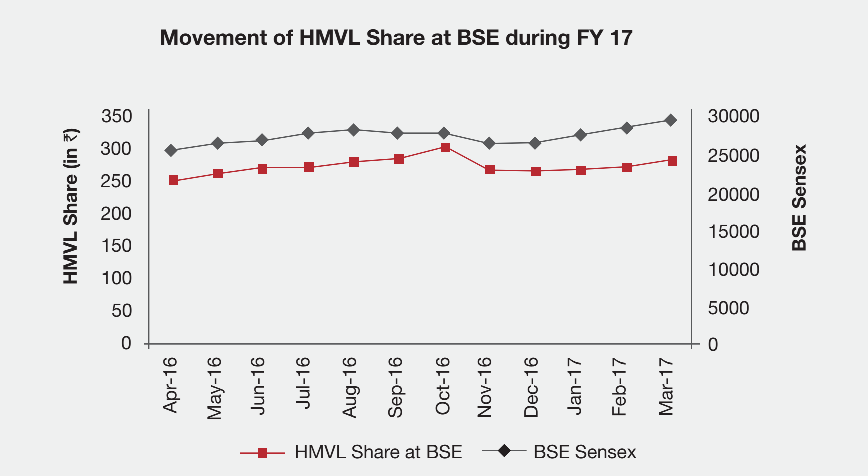
The annual listing fee for the financial year 2017-18 has been paid to both, BSE and NSE.

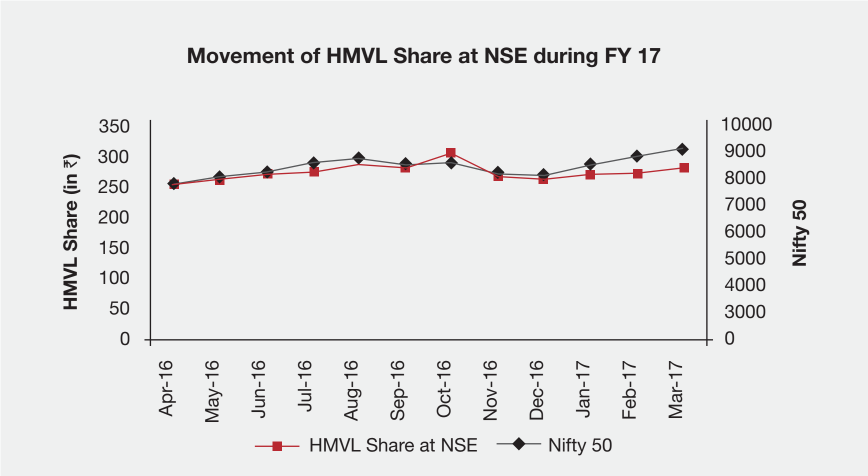
The ISIN of the Equity Shares of the Company is **'INE871K01015'**.

Stock Price Data

Month	BSE				NSE			
	HMVL		SENSEX		HMVL		NIFTY 50	
	High (in ₹)	Low (in ₹)	High	Low	High (in ₹)	Low (in ₹)	High	Low
Apr '16	288.50	245.70	26,100.54	24,523.20	287.95	244.05	7,992.00	7,516.85
May '16	283.00	254.00	26,837.20	25,057.93	283.90	254.00	8,213.60	7,678.35
Jun '16	283.00	264.30	27,105.41	25,911.33	297.70	263.00	8,308.15	7,927.05
Jul '16	282.90	268.00	28,240.20	27,034.14	283.55	267.25	8,674.70	8,287.55
Aug '16	300.00	263.55	28,532.25	27,627.97	299.80	263.25	8,819.20	8,518.15
Sep '16	296.00	277.40	29,077.28	27,716.78	295.90	278.00	8,968.70	8,555.20
Oct '16	310.15	282.00	28,477.65	27,488.30	310.20	284.75	8,806.95	8,506.15
Nov '16	313.50	256.60	28,029.80	25,717.93	314.00	259.00	8,669.60	7,916.40
Dec '16	285.00	252.75	26,803.76	25,753.74	276.75	252.20	8,274.95	7,893.80
Jan '17	288.90	259.55	27,980.39	26,447.06	285.00	263.20	8,672.70	8,133.80
Feb '17	279.90	254.00	29,065.31	27,590.10	280.00	252.55	8,982.15	8,537.50
Mar '17	297.95	262.35	29,824.62	28,716.21	297.70	262.55	9,218.40	8,860.10

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





Category of Shareholders as on March 31, 2017 (in both physical and demat form)

Category	No. of Equity Shares held	% of Shareholding
Promoters & Promoter Group (A)	**5,45,33,458**	**74.30**
Public Shareholding (B)		
Banks, Financial Institutions and Insurance Companies	5,89,152	0.80
Foreign Institutional Investors (FIIs)	1,15,21,981	15.70
Mutual Funds	6,65,507	0.91
Non-residents	2,52,172	0.34
Bodies Corporate	16,94,861	2.31
Individuals	35,26,798	4.81
Clearing Members	18,987	0.03
HUF	2,02,399	0.28
NBFC	15,734	0.02
Trust	10,519	0.01
Total Public Shareholding (B)	**1,84,98,110**	**25.21**
Non Promoter - Non Public (C)		
Shri Naresh Gupta (As Trustee of HT Group Companies - Employees stock Option Trust)	3,62,202	0.49
Total Shareholding (A+B+C)	**7,33,93,770**	**100.00**

Distribution of shareholding by size as on March 31, 2017

No. of Equity Shares held	No. of Shareholders	% of total no. of Shareholders	No. of Equity Shares held	% of total no. of Shares
Upto 500	12,015	89.64	11,92,126	1.62
501 – 1,000	731	5.45	5,40,762	0.74
1,001 – 5,000	507	3.78	10,98,839	1.50
5,001 – 10,000	62	0.46	4,30,021	0.59
10,001 & above	89	0.67	7,01,32,022	95.55
TOTAL	**13,404**	**100.00**	**7,33,93,770**	**100.00**

Dematerialization of shares and liquidity as on March 31, 2017

Category	No. of Equity Shares held	% of Shareholding
Equity Shares held in Demat form	7,33,73,572	99.97
Equity Shares held in Physical form	20,198	0.03
TOTAL	**7,33,93,770**	**100.00**

As on March 31, 2017, there were 33 cases of unclaimed refund of IPO share application money amounting to ₹ 51,560. The list of these cases has been posted on the website of the Company viz. www.hmvl.in.

Details of unclaimed shares (issued in physical form pre-IPO), lying in Demat Suspense Account

Particulars	No. of Shareholders	No. of Equity Shares
Aggregate number of shareholders and the outstanding shares lying in the unclaimed suspense account at the beginning of the year	208	59,307
Number of shareholders who approached the Company for transfer of shares from the unclaimed suspense account during the year	1	3,840
Number of shareholders to whom shares were transferred from the unclaimed suspense account during the year	1	3,840
Aggregate number of shareholders and the outstanding shares lying in the unclaimed suspense account at the end of the year	207	55,467

Note: *The above data represents unclaimed bonus shares, issued in physical form by the Company in February 2010. These shares are lying in Demat Suspense Account as per SEBI Regulations. The voting rights in respect of these shares shall remain frozen till the rightful owners claim the shares.*

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

No GDRs/ADRs/Warrants or any convertible instruments have been issued by the Company during FY 17.

Address for correspondence

Company Secretary
Hindustan Media Ventures Limited
Hindustan Times House (2nd Floor)
18-20, Kasturba Gandhi Marg
New Delhi - 110 001
Tel: +91-11-6656 1608
Fax: +91-11-6656 1445
Website: www.hmvl.in

Compliance Officer

Shri Tridib Barat, Company Secretary
Tel: +91-11-6656 1608
Email: hmvlinvestor@livehindustan.com

Company Registration Details

The Company is registered with the office of Registrar of Companies, Bihar. The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs is **L21090BR1918PLC000013.**

COMPLIANCE CERTIFICATE

A certificate dated May 10, 2017 of Shri N.C. Khanna, Company Secretary-in-Practice, regarding compliance of conditions of 'Corporate Governance' as stipulated under Schedule V of SEBI Regulations, is annexed to the Board's Report.

ADDITIONAL INFORMATION FOR SHAREHOLDERS

(1) Payment of dividend

Shareholders may kindly note the following:

(a) **National Electronic Clearing Service (NECS) facility-** Shareholders holding shares in electronic form and desirous of availing NECS facility, are requested to ensure that their correct bank details, including MICR (Magnetic Ink Character Recognition) and IFSC (Indian Financial System Code) of the bank, is noted in the records of the Depository Participant (DP). Shareholders holding shares in physical form may contact the R&T Agent.

(b) **Payment by Dividend Warrants** - In order to prevent fraudulent encashment of dividend warrants, holders of shares in demat and physical form, are requested to provide their correct bank account details, to the DP or R&T Agent, as the case may be.

R&T Agent and/or the Company will not entertain requests for noting of change of address/bank details/ NECS Mandate in case of shares are held in demat form.

(2) Nomination facility

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

Plant locations (as on March 31, 2017)

City	Address
AGRA	Plot No. 660/2, Shastripuram Crossing, Sikandra Artoni, Agra Mathura Road, Agra – 282007
ALIGARH	Near JD Ayurvedic College, Village-Bhakharikhas, GT Road, Aligarh - 202001
ALLAHABAD	F-1 Industrial Area, Naini, Allahabad - 211010
BAREILLY	Plot Nos. 411, 412, 413, 424 & 425, Mathurapur, Rampur Road, Bareilly – 243001
DEHRADUN	E-3, 4 Selaqui Industrial Area, Selaqui, Dehradun - 248197
DHANBAD	Village Bhelatand, PO-Nagnagar, PS-Barbadda, Bhela Tand Road, Dhaiya, Dhanbad - 826004
JAMSHEDPUR	NH 33, Village Tola Kumrum, Post Kapali, Near Mango Telephone Exchange, Mango, Jamshedpur - 831012
KANPUR	Plot No. D-9, Site - III, Panki Industrial Area, Kanpur - 208022
LUCKNOW	Pocket - 2, Vibhuti Khand, Gomti Nagar, Lucknow - 226010
MEERUT	Khasra No. 592/3, 0.5 KM Partapur by-pass, Opp. Kalka Dental College, Meerut – 250103
MORADABAD	Mini Bypass, Lakri Fazalpur, Near Police Post, Moradabad - 244001
PATNA	Village - Bhagautipur, Near Shiwala Chowk, Naubatpur Road Police Station - Shahpur, Danapur, Patna – 801503
RANCHI	7, Kokar Industrial Area, PO & PS - Kokar, Ranchi - 834001
VARANASI	Arazi No. 603/5, Mauza-Koirajpur, Pargana - Athagawa, Tehsil Pindra, Varanasi - 221105

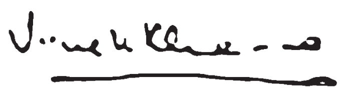
Note: *The above list does not include location(s) where printing of the Company's publications is done on job-work basis.*

ANNEXURE - A

DECLARATION OF COMPLIANCE WITH 'CODE OF CONDUCT' OF THE COMPANY

I, Vivek Khanna, Chief Executive Officer of the Company, do hereby confirm that all the Board members and Senior Management Personnel, of the Company have complied with the 'Code of Conduct', during the financial year 2016-17.

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



Place: New Delhi
Date: May 9, 2017

(Vivek Khanna)
Chief Executive Officer

INDEPENDENT AUDITOR'S REPORT

To the Members of Hindustan Media Ventures Limited

REPORT ON THE STANDALONE IND-AS FINANCIAL STATEMENTS

We have audited the accompanying standalone Ind-AS financial statements of Hindustan Media Ventures Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

MANAGEMENT'S RESPONSIBILITY FOR THE 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 standalone Ind-AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with accounting principles generally accepted in India, including the Indian Accounting Standards (Ind-AS) specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the Companies (Indian Accounting Standards) Rules, 2015, as amended. 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 the design, implementation and maintenance of adequate internal financial control that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind-AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these standalone Ind-AS financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit of the standalone Ind-AS financial statements in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone Ind-AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone Ind-AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone Ind-AS financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind-AS financial statements.

OPINION

In our opinion and to the best of our information and according to the explanations given to us, the standalone 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, 2017, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

EMPHASIS OF MATTER

We draw attention to Note 30 of the standalone financial statements in respect of the Scheme of Arrangement u/s 391-394 of the Companies Act, 1956 between the Company and HT Digital Streams Limited (the Scheme) approved by the Hon'ble High Courts of Delhi and Patna. As per the approved scheme, the Company has followed the applicable Accounting Standards specified under section 133 of the Companies Act, 2013, read with Rule 7 of Companies (Accounts) Rules, 2014 and other Generally Accepted Accounting Principles as on the Appointed Date (i.e. March 31, 2016). This is not similar to the accounting as per the currently applicable Indian Accounting Standards (Ind-AS) prescribed under Section 133 of the Companies Act, 2013, read with relevant rules issued thereunder. Our opinion is not qualified in respect to this matter.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure 1 a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. 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 purpose of our audit;

   (b) In our opinion, proper books 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, Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

   (d) In our opinion, the aforesaid standalone Ind-AS financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the Companies (Indian Accounting Standards) Rules, 2015, as amended;

   (e) On the basis of written representations received from the directors as on March 31, 2017, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017, from being appointed as a director in terms of section 164 (2) of the Act;

   (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;

   (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 has disclosed the impact of pending litigations on its financial position in its standalone Ind-AS financial statements – Refer Note 33 to the standalone Ind-AS financial statements;

      ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note 15 to the standalone Ind-AS financial statements;

      iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company;

      iv. The Company has provided requisite disclosures in Note 43 to these standalone Ind-AS financial statements as to the holding of Specified Bank Notes on November 8, 2016 and December 30, 2016 as well as dealings in Specified Bank Notes during the period from November 8, 2016 to December 30, 2016. Based on our audit procedures and relying on the management representation regarding the holding and nature of cash transactions, including Specified Bank Notes, we report that these disclosures are in accordance with the books of accounts maintained by the Company and as produced to us by the Management.

For **S. R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/ E300005

per **Vishal Sharma**
Partner
Membership No. 096766

Place: New Delhi
Date: May 18, 2017

ANNEXURE 1 REFERRED TO IN PARAGRAPH 'REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS' OF OUR REPORT OF EVEN DATE

Re: Hindustan Media Ventures Limited ('the Company')

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

(i) (b) All fixed assets have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(i) (c) According to the information and explanations given by the management, the title deeds of immovable properties included in property, plant and equipment/ fixed assets are held in the name of the company.

(ii) The management has conducted physical verification of inventory at reasonable intervals during the year and no material discrepancies were noticed on such physical verification.

(iii)) (a) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iii)(a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.

(iv) In our opinion and according to the information and explanations given to us, provisions of section 186 of the Companies Act 2013 in respect of investment made have been complied with by the company. In our opinion and according to the information and explanations given to us, there are no loans, guarantees and securities given in respect of which provisions of section 185 of the Companies Act 2013 are applicable and hence not commented upon.

(v) The Company has not accepted any deposits from the public.

(vi) To the best of our knowledge and as explained, the Central Government has not specified the maintenance of cost records under Section 148(1) of the Companies Act, 2013, for the products/services of the Company.

(vii) (a) Undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, value added tax, cess and other material statutory dues have generally been regularly deposited with the appropriate authorities though there has been a slight delay in a few cases. The provisions relating to excise duty are not applicable to the Company.

(vii) (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, service tax, sales-tax, customs duty, value added tax, cess and other material statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable. The provisions relating to excise duty are not applicable to Company.

(vii) (c) According to the information and explanations given to us, there are no dues of sales-tax, wealth tax, duty of custom, value added tax and cess on account of any dispute. The dues outstanding of income-tax on account of any dispute are as follows:

Name of Statute	Nature of Dues	Amount (₹ lacs)	Period to which the amount relates	Forum where the dispute is pending
Income Tax Act, 1961	Income Tax Demand	91	AY 2012-13	Commissioner of Income Tax (Appeals)

(viii) In our opinion and according to information and explanations given by the management, the Company has not defaulted in repayment of loans and borrowing to a financial institution or bank. The Company did not have any outstanding debentures during the year.

(ix) According to the information and explanations given by the management, the Company has not raised any money way of initial public offer / further public offer / debt instruments and term loans hence, reporting under clause 3(ix) is not applicable to the Company and hence not commented upon.

(x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the company or no fraud on the company by the officers and employees of the Company has been noticed or reported during the year.

(xi) According to the information and explanations given by the management, we report that the managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.

(xii) In our opinion, the Company is not a nidhi company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.

(xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.

(xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence, reporting requirements under clause 3(xiv) are not applicable to the company and, not commented upon.

(xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of Companies Act , 2013.

(xvi) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For **S. R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/ E300005

per **Vishal Sharma**
Partner
Membership No. 096766

Place: New Delhi
Date: May 18, 2017

ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF HINDUSTAN MEDIA VENTURES LIMITED

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 Hindustan Media Ventures Limited ("the Company") as of March 31, 2017 in conjunction with our audit of the standalone 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 the 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.

AUDITOR'S 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 as specified under section 143(10) of the Companies Act, 2013, to the extent 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 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, 2017, 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 **S. R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/ E300005

per **Vishal Sharma**
Partner
Membership No. 096766

Place: New Delhi
Date: May 18, 2017

Balance Sheet

As at March 31, 2017

(₹ In Lacs)

Particulars	Note No.	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
I ASSETS				
1) Non-current assets				
(a) Property, plant and equipment	3	17,028.86	17,825.29	17,871.52
(b) Capital work in progress	3	322.44	153.77	322.33
(c) Investment property	4	618.21	326.73	29.04
(d) Intangible assets	5	6,849.92	6,840.15	136.43
(e) Intangible assets under development	5	91.68	104.12	-
(f) Investment in an Associate	6A	7,450.00	-	-
(g) Financial assets				
(i) Investments	6B	81,494.70	57,861.33	50,217.59
(ii) Loans	6C	464.41	418.12	458.57
(iii) Other financial assets	6D	17.41	37.73	32.44
(h) Income Tax assets (net)	7	-	87.09	-
(i) Other non-current assets	8	307.08	170.43	748.22
Total non- current assets		**1,14,644.71**	**83,824.76**	**69,816.14**
2) Current assets				
(a) Inventories	9	4,708.84	4,821.09	4,484.11
(b) Financial assets				
(i) Investments	6B	10,984.13	21,318.09	10,875.05
(ii) Trade receivables	10A	11,629.91	11,767.28	10,716.94
(iii) Cash and cash equivalents	10B	3,791.74	4,469.09	3,959.58
(iv) Other Bank balances	10C	5.13	3.03	2.43
(v) Other financial assets	6D	578.67	327.77	845.39
(c) Other current assets	11	789.02	1,810.43	1,249.40
Total current assets		**32,487.44**	**44,516.78**	**32,132.90**
Total Assets		**1,47,132.15**	**1,28,341.54**	**1,01,949.04**
II EQUITY AND LIABILITIES				
1) Equity				
(a) Equity share capital	12	7,339.38	7,339.38	7,339.38
(b) Other equity	13	1,09,745.13	83,730.62	67,038.08
Total equity		**1,17,084.51**	**91,070.00**	**74,377.46**
2) Liabilities				
Non-current liabilities				
Deferred tax liabilities (net)	14	2,485.24	1,628.90	1,083.30
Total non- current liabilities		**2,485.24**	**1,628.90**	**1,083.30**
Current liabilities				
(a) Financial liabilities				
(i) Borrowings	15A	11,704.92	17,274.42	9,844.65
(ii) Trade Payables	15B	9,082.46	9,303.08	9,846.23
(iii) Other financial liabilities	15C	3,912.06	6,217.58	4,475.66
(b) Provisions	16	284.94	446.00	350.82
(c) Income tax liabilities (net)	17	489.12	432.66	751.73
(d) Other current liabilities	18	2,088.90	1,968.90	1,219.19
Total current liabilities		**27,562.40**	**35,642.64**	**26,488.28**
Total liabilities		**30,047.64**	**37,271.54**	**27,571.58**
Total Equity and liabilities		**1,47,132.15**	**1,28,341.54**	**1,01,949.04**
Summary of significant accounting policies	2			

The accompanying notes are an integral part of the financial statements

As per our report of even date

For **S. R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/ E300005

per **Vishal Sharma**
Partner
Membership No. 096766

Place: New Delhi
Date: May 18, 2017

For and on behalf of the Board of Directors of Hindustan Media Ventures Limited

Tridib Barat
Company Secretary

Ratul Bhaduri
Chief Financial Officer

Vivek Khanna
Chief Executive Officer

Shamit Bhartia
Managing Director
(DIN: 00020623)

Shobhana Bhartia
Chairperson
(DIN: 00020648)

Statement of Profit and Loss

For the year ended March 31, 2017

(₹ In Lacs)

	Particulars	Note No.	For the year ended March 31, 2017	For the year ended March 31, 2016
I	**Income**			
	a) Revenue from operations	19	93,327.39	91,771.57
	b) Other Income	20	9,204.59	6,107.10
	Total Income		**1,02,531.98**	**97,878.67**
II	**Expenses**			
	a) Cost of materials consumed	21	34,943.43	34,646.40
	b) (Increase)/ decrease in inventories	22	(15.01)	(1.34)
	c) Employee benefits expense	23	9,391.59	9,554.39
	d) Finance costs	24	1,614.19	1,133.23
	e) Depreciation and amortization expense	25	2,020.72	2,191.41
	f) Other expenses	26	28,452.58	21,411.93
	Total expenses		**76,407.50**	**68,936.02**
III	**Profit before exceptional items and tax from continuing operations(I-II)**		**26,124.48**	**28,942.65**
IV	**Earnings before interest, tax, depreciation and amortization (EBITDA)**			
	-Continuing operations [III+II(d)+II(e)]		29,759.39	32,267.29
	-Discontinued operations	30	-	(4,211.90)
	Total Earnings before interest, tax, depreciation and amortization (EBITDA)		**29,759.39**	**28,055.39**
V	**Tax expense**			
	Current tax	14	6,022.79	8,266.76
	Adjustment of current tax related to earlier periods	14	(119.25)	(609.26)
	Deferred tax charge/(credit)	14	860.85	619.30
	Total tax expense		**6,764.39**	**8,276.80**
VI	**Profit from Continuing operations after tax (III-V)**		**19,360.09**	**20,665.85**
	Profit/(loss) from discontinued operations	30	-	(4,270.00)
	Tax charge/(credit) including deferred tax of discontinued operations	30	-	(1,477.76)
VII	**Profit/(loss) from Discontinued operations (after tax)**		**-**	**(2,792.24)**
VIII	**Profit for the year (VI+VII)**		**19,360.09**	**17,873.61**
IX	**Other Comprehensive Income**	27		
	Items that will not to be reclassified to profit or loss			
	Remeasurement gain/(loss) on net defined benefit plans		(17.43)	(194.75)
	Income Tax effect		4.50	73.70
	Other comprehensive income for the year, net of tax		**(12.93)**	**(121.05)**
X	**Total Comprehensive Income for the year, net of tax (VIII+IX)**		**19,347.16**	**17,752.56**
XI	**Earnings/(loss) per share for continuing and discontinued operations**			
	Basic (Nominal value of shares ₹ 10/-)	28	26.38	24.35
	Diluted (Nominal value of shares ₹ 10/-)	28	26.38	24.35
	Earnings/(loss) per share for continuing operations			
	Basic (Nominal value of shares ₹ 10/-)	28	26.38	28.16
	Diluted (Nominal value of shares ₹ 10/-)	28	26.38	28.16
	Earnings/(loss) per share for discontinued operations			
	Basic (Nominal value of shares ₹ 10/-)	28	-	(3.81)
	Diluted (Nominal value of shares ₹ 10/-)	28	-	(3.81)
	Summary of significant accounting policies	2		

The accompanying notes are an integral part of the standalone financial statements

As per our report of even date

For **S. R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/ E300005

For and on behalf of the Board of Directors of Hindustan Media Ventures Limited

per **Vishal Sharma**
Partner
Membership No. 096766

Tridib Barat
Company Secretary

Ratul Bhaduri
Chief Financial Officer

Vivek Khanna
Chief Executive Officer

Shamit Bhartia
Managing Director
(DIN: 00020623)

Shobhana Bhartia
Chairperson
(DIN: 00020648)

Place: New Delhi
Date: May 18, 2017

Cash Flow Statement

For the year ended March 31, 2017

(₹ In Lacs)

	Year ended March 31, 2017	Year ended March 31, 2016
Cash flow from operating activities		
Profit before tax from continuing operations	**26,124.48**	**28,942.65**
Profit/ (Loss) before tax from discontinued operations	**-**	**(4270.00)**
Profit before taxation	**26,124.48**	**24,672.65**
Non-cash adjustment for reconciling profit before tax to net cash flows		
Depreciation and Amortization expense	2,020.72	2,249.51
Loss/ (Gain) on disposal of property, plant and equipment	2.98	12.08
Unrealized foreign exchange loss	(384.29)	133.93
Unclaimed balances/unspent liabilities written back (net)	(226.88)	(396.89)
Interest income from investments, bank deposits and others	(8,422.33)	(5,282.02)
Finance Cost	1,559.12	1,072.26
Impairment of doubtful debts and advances	444.63	437.99
Operating profit before working capital changes	**21,118.43**	**22,899.51**
Movements in working capital :		
(Increase)/Decrease in trade receivables	(307.26)	(1,488.33)
(Increase)/Decrease in inventories	112.25	(336.98)
(Increase)/Decrease in loans & advances	(46.29)	40.45
(Increase)/Decrease in other current and non-current assets	1,016.72	(562.97)
(Increase)/Decrease in other current and non-current financial assets	250.89	517.62
Increase/ (Decrease) in trade payables	139.01	(115.51)
Increase/ (Decrease) in other liabilities	137.93	749.71
Increase/ (Decrease) in other financial liabilities	(1,913.48)	1,415.29
Increase/ (Decrease) in provisions	17.14	(99.57)
Cash generated from operations	**20,023.56**	**23,019.22**
Direct taxes paid (net of refunds)	(5,759.99)	(6,585.90)
Cash flow before extraordinary items	14,263.57	16,433.32
Net cash from operating activities (A)	**14,263.57**	**16,433.32**
Cash flows from investing activities		
Purchase of property, plant and equipment & intangible assets	(1,732.12)	(8,227.61)
Proceeds from sale of property, plant and equipment & intangible assets	59.32	(8.17)
Purchase of mutual funds and bonds	(34,638.38)	(68,528.66)
Sale / maturity of mutual funds and bonds	24,778.58	51,356.34
Purchase of investment property	(291.48)	(297.68)
Interest income from investments, bank deposits and others	4,968.92	4404.37
Investment in long term deposit with scheduled banks	-	(5.29)
Proceeds from deposit mature of (net)	20.31	-
Net cash from investing activities (B)	**(6,834.85)**	**(21,306.70)**
Cash flows from financing activities		
Dividend paid on equity shares	(882.83)	(883.75)
Tax on equity dividend paid	(179.29)	(179.29)
Interest paid	(1522.31)	(1,078.41)
Proceeds/ (Repayment) of Short term borrowings (net)	(5,521.64)	7,521.92
Net cash from financing activities (C)	**(8,106.07)**	**5,380.47**
Net Increase/decrease in cash and cash equivalents (A + B + C)	(677.35)	507.09
Cash and cash equivalents at the beginning of the year	4,469.09	3,962.00
Cash and cash equivalents at the end of the year	**3,791.74**	**4,469.09**
Components of cash and cash equivalents as at end of the year		
Cash and cheques on hand	2,648.85	3,649.37
With Scheduled banks - on current accounts	1,142.89	819.72
Cash & Cash equivalents in Cash Flow Statement	**3,791.74**	**4,469.09**

The accompanying notes are an integral part of the financial statements

As per our report of even date

For **S. R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/ E300005

per **Vishal Sharma**
Partner
Membership No. 096766

Place: New Delhi
Date: May 18, 2017

For and on behalf of the Board of Directors of Hindustan Media Ventures Limited

Tridib Barat
Company Secretary

Ratul Bhaduri
Chief Financial Officer

Vivek Khanna
Chief Executive Officer

Shamit Bhartia
Managing Director
(DIN: 00020623)

Shobhana Bhartia
Chairperson
(DIN: 00020648)

Statement of Changes in Equity

For the year ended March 31, 2017

A. EQUITY SHARE CAPITAL (REFER NOTE 12)

Equity Shares of ₹ 10 each issued, subscribed and fully paid up

Particulars	No of shares	₹ in Lacs
Balance as at April 1, 2015	7,33,93,770	7,339.38
Changes in share capital during the year	-	-
Balance as at March 31, 2016	7,33,93,770	7,339.38
Changes in share capital during the year	-	-
Balance as at March 31, 2017	**7,33,93,770**	**7,339.38**

B. OTHER EQUITY ATTRIBUTABLE TO EQUITY HOLDERS (REFER NOTE 13)

(₹ in Lacs)

Particulars	Capital reserve (Refer note 30)	Capital redemption reserve	Securities premium	General Reserve	Retained earnings	Total
Balance as at April 1, 2015	**238.00**	**0.50**	**24,239.12**	**687.87**	**41,872.59**	**67,038.08**
Change during the year	-	-	-	-	17,873.61	17,873.61
Other comprehensive income	-	-	-	-	(121.05)	(121.05)
Dividend	-	-	-	-	(880.73)	(880.73)
Dividend distribution tax	-	-	-	-	(179.29)	(179.29)
Balance as at March 31, 2016	**238.00**	**0.50**	**24,239.12**	**687.87**	**58,565.13**	**83,730.62**
Change during the year	7,727.37	-	-	-	19,360.09	27,087.46
Other comprehensive income	-	-	-	-	(12.93)	(12.93)
Dividend	-	-	-	-	(880.73)	(880.73)
Dividend distribution tax	-	-	-	-	(179.29)	(179.29)
Balance as at March 31, 2017	**7,965.37**	**0.50**	**24,239.12**	**687.87**	**76,852.27**	**1,09,745.13**

The accompanying notes are an integral part of the financial statements

As per our report of even date

For **S. R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/ E300005

per **Vishal Sharma**
Partner
Membership No. 096766

Place: New Delhi
Date: May 18, 2017

For and on behalf of the Board of Directors of Hindustan Media Ventures Limited

Tridib Barat
Company Secretary

Ratul Bhaduri
Chief Financial Officer

Vivek Khanna
Chief Executive Officer

Shamit Bhartia
Managing Director
(DIN: 00020623)

Shobhana Bhartia
Chairperson
(DIN: 00020648)

Notes to Financial Statements

For the year ended March 31, 2017

1. CORPORATE INFORMATION

Hindustan Media Ventures Limited ("HMVL" or "the Company") is a Public Limited Company domiciled in India & incorporated under the provision of the Companies Act, 1913. Its shares are listed on Bombay Stock Exchange (BSE) & National Stock Exchange (NSE).

HT Media Limited ("Holding Company") holds 74.30% of Equity Share Capital of the Company. The Company is engaged in the business of publishing 'Hindustan', a Hindi Daily, and two monthly Hindi magazines 'Nandan' and 'Kadambani'. The registered office of the Company is located at Budh Marg, Patna- 800001.

Information on other related party relationships of the Company is provided in Note 34.

The financial statements of the Company for the year ended March 31, 2017 are authorised for issue in accordance with a resolution of the Board of Directors on May 18, 2017.

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 Indian Accounting Standards ('Ind-AS') notified under the Companies (Indian Accounting Standard) Rules, 2015 and Companies (Indian Accounting Standard) (Amendment) Rules, 2016.

For all periods up to and including the year ended March 31, 2016, the Company prepared its financial statements in accordance with the Accounting Standards notified under the Section 133 of the Companies Act, 2013 read together with paragraph 7 of the Companies (Accounts) Rules 2014 (Indian GAAP). These financial statements for the year ended March 31, 2017 are the first the Company has prepared in accordance with Ind-AS. Refer Note 45 on information on how the Company has adopted Ind-AS.

The accounting policies are applied consistently to all the periods presented in the financial statements, including the preparation of the opening Ind-AS Balance Sheet as at April 1, 2015 being the date of transition to Ind-AS.

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

- Derivative financial instruments

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

- Defined benefit plans - plan assets measured at fair value;

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs 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.

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 be 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

Notes to Financial Statements

For the year ended March 31, 2017

- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current.

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

The operating cycle is the time between publishing of advertisement and circulation of newspaper and its realisation in cash and cash equivalents. 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 year, or reported in previous financial statements, are recognized as income or as expenses in the year in which they arise.

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

c) Fair value measurement

The Company measures 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

Notes to Financial Statements

For the year ended March 31, 2017

Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

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

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes :

- Disclosures for valuation methods, significant estimates and assumptions (Note 37)
- Quantitative disclosures of fair value measurement hierarchy (Note 37A)
- Investment properties (Note 4)
- Financial instruments (including those carried at amortised cost) (Note 37)

d) Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured 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.

Service tax, Sales tax and value added tax (VAT) is not received by the Company on its own account. Rather, it is tax collected on value added to the commodity by the seller on behalf of the government. Accordingly, it is excluded from revenue.

The specific recognition criteria described below must also be met before revenue is recognised

Advertisements

Revenue is recognized as and when advertisement is published/ displayed. Revenue from advertisement is measured at the fair value of the consideration received or receivable, net of allowances, trade discounts and volume rebates.

Sale of News & Publications, Waste Paper and Scrap

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on delivery of the goods. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates.

Printing Job Work

Revenue from printing job work is recognized on the stage of completion of job work as per terms of the agreement. Revenue from job work is measured at the fair value of the consideration received or receivable, net of allowances, trade discounts and volume rebates, if any.

Interest income

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

Dividends

Revenue is recognised when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

Rental Income

Rental Income arising from operating leases on investment properties is accounted for on a straight-line basis over the lease terms and is

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For the year ended March 31, 2017

included in revenue in the statement of profit or loss due to its operating nature unless either:

- Another systematic basis is more representative of the time pattern in which use benefit derived from the leased asset is diminished, even if the rentals are not on that basis, or

- The rentals are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases. If rentals vary according to factors other than inflation, then this condition is not met.

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 assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

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

In the situations where the Company is entitled to a Tax holiday under the income Tax Act, 1961 enacted in India or Tax laws prevailing in the respective tax jurisdictions where it operates, no deferred tax (asset or liability) is recognised in respect of temporary differences which reverse during the tax holiday period, to the extent the Company's gross total income is subject to the deduction during the tax holiday period. Deferred tax in respect of temporary differences which reverse after the tax holiday period is recognized in the year in which the temporary differences originate. For recognition of deferred taxes, the temporary differences which originate first are considered to reverse first.

Sales/value added taxes paid on acquisition of assets or on incurring expenses

Expenses and assets are recognised net of the amount of sales/ value added taxes paid, except:

- When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable

Notes to Financial Statements

For the year ended March 31, 2017

- When receivables and payables are stated with the amount of sales tax included

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

f) Discontinued operations

A disposal group qualifies as discontinued operation if it is a component of an entity that either has been disposed of, or is classified as held for sale, and:

- Represents a separate major line of business or geographical area of operations,
- Is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations

  Or
- Is a subsidiary acquired exclusively with a view to resale

Discontinued operations are excluded from the results of continuing operations and are presented as a single amount as profit or loss after tax from discontinued operations in the statement of profit and loss.

Additional disclosures are provided in Note 30. All other notes to the financial statements mainly include amounts for continuing operations, unless otherwise mentioned.

g) Property, plant and equipment

The Company has applied the one time transition option of considering the carrying cost of property, plant and equipment on the transition date i.e. April 1, 2015 as the deemed cost under Ind-AS.

Property, plant and equipment and capital work-in progress are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met.

Cost comprises the purchase price, borrowing costs if capitalization criteria are met and any directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Recognition:

The cost of an item of property, plant and equipment shall be recognised as an asset if, and only if:

(a) it is probable that future economic benefits associated with the item will flow to the entity; and

(b) the cost of the item can be measured reliably.

When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Depreciation methods, estimated useful lives and residual value

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets as follows:

Type of asset	Useful lives estimated by management (Years)
Plant and Machinery	2-21.06
Buildings (Factory)	10-30
Buildings (other than factory buildings)	3-60
Furniture and Fittings	2-10
IT Equipment	2-6
Office Equipment	2-5
Vehicles	8

The Company, based on technical assessment made by the management depreciates certain assets over estimated useful lives which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management has estimated, supported by technical assessment, the useful lives of certain plant and machinery as 16 to 21.06 years. These useful lives are higher than those indicated in Schedule II. The management

Notes to Financial Statements

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believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

Depreciation on the property, plant and equipment is provided over the useful life of assets as specified in Schedule II to the Companies Act, 2013. Property, Plant and Equipment which are added/disposed off during the year, depreciation is provided on pro-rata basis with reference to the month of addition/deletion.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised.

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

Expenditure directly relating to construction activity is capitalized. Indirect expenditure incurred during construction period is capitalized as a part of indirect construction cost to the extent the expenditure is related to construction or is incidental thereto. Other indirect costs incurred during the construction periods which are not related to construction activity nor are incidental thereto are charged to Statement of Profit and Loss. Reinvested income earned during the construction period is adjusted against the total of indirect expenditure.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

h) 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'. Except where investments accounted for at cost shall be accounted for in accordance with Ind-AS 105, Non-current Assets Held for Sale and Discontinued Operations, when they are classified as held for sale.

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

i) Investment properties

Investment properties are properties (land and buildings) that are held for long-term rental yields and/or for capital appreciation. Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

The Company depreciates building component of investment property over 30 years from the date property is ready for possession.

Though the Company measures investment property using cost based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined based on an annual evaluation performed by an accredited external independent valuer.

On transition to Ind-As, the Company has elected to continue with the carrying value of all of its investment properties recognised as at April 1, 2015 measured as per the Indian GAAP and use that carrying value as the deemed cost of the Investment Properties.

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of de-recognition.

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j) **Intangible assets**

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

Value for individual software license acquired from the holding company in an earlier year is allocated based on the valuation carried out by an independent expert at the time of acquisition.

On transition to Ind-As, the Company has elected to continue with the carrying value of all of its Intangible Assets recognised as at April 1, 2015 measured as per the Indian GAAP and use that carrying value as the deemed cost of the Intangible Assets.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Intangible assets with finite lives are amortized on straight line basis using the estimated useful life as follows:

Intangible Assets	Useful life (in years)
Website Development	6.17
Software Licenses	5 - 11.01
Brand	Indefinite useful live

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

k) **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.

l) **Leases**

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

For arrangements entered into prior to April 1, 2015, the Company has determined whether the arrangement contain lease on the basis of facts and circumstances existing on the date of transition.

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Company as a lessee

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

Finance leases are capitalised at the commencement of the lease at the inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the statement of profit and loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the Company's general policy on the borrowing costs (See note 2.1.k).

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Leasehold improvements represent expenses incurred towards civil works, interiors furnishings, etc. on the leased premises at various locations .

Operating lease payments are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term.

Company as a lessor

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on straight line basis over the term of the relevant lease.

m) Inventories

Inventories are valued as follows :

Raw materials, stores and spares	Lower of cost and net realizable value. However, material and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost is determined on a weighted average basis.
Work- in- progress and finished goods	Lower of cost and net realizable value. Cost includes direct materials and a proportion of manufacturing overheads based on normal operating capacity. Cost is determined on a weighted average basis.
Scrap and waste papers	At net realizable value

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

n) Impairment of non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

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For the year ended March 31, 2017

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded Company's or other available fair value indicators.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the entity operates, or for the market in which the asset is used.

Impairment losses of continuing operations, including impairment on inventories, are recognised in the statement of profit and loss.

An assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

Intangible assets with indefinite useful lives are tested for impairment annually at the CGU level, as appropriate, and when circumstances indicate that the carrying value may be impaired.

o) Provisions

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

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

p) Retirement and other employee benefits

Short term employee benefits and defined contribution plans:

All employee benefits payable/available within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages and bonus etc. are recognised in the statement of profit and loss in the period in which the employee renders the related service.

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as

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a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

Gratuity

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

The Company recognizes termination benefit as a liability and an expense when the Company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the termination benefits fall due more than 12 months after the balance sheet date, they are measured at present value of future cash flows using the discount rate determined by reference to market yields at the balance sheet date on government bonds.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognised in profit or loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Company recognises related restructuring cost

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset.

The Company recognises the following changes in the net defined benefit obligation as an expense in the Statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

Compensated Absences

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The Company treats accumulated leave expected to be carried forward beyond twelve months, as long- term employee benefit for measurement purposes. Such long- term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the period end. Re-measurements, comprising of actuarial gains and losses, are immediately taken to the statement of profit and loss and are not deferred. The Company presents the leave as a current liability in the balance sheet to the extent it does not have an unconditional right to defer its settlement for 12 months after the reporting date. Where Company has the unconditional legal and contractual right to defer the settlement for a period beyond 12 months, the same is presented as non-current liability.

q) Share-based payments

Employees (including senior executives) of the Company receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions).

Equity-settled transactions

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model. The Company has availed option under Ind-AS 101 to apply intrinsic value method to the options already vested before the date of transition and applied Ind-AS 102 Share-based payment to equity instruments that remain unvested as of transition date.

That cost is recognised, together with a corresponding increase in share-based payment (SBP) reserves in

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equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest. The statement of profit and loss expense or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Company's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions.

No expense is recognised for awards that do not ultimately vest because non-market performance and/or service conditions have not been met. Where awards include a market or non-vesting condition, the transactions are treated as vested irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

When the terms of an equity-settled award are modified, the minimum expense recognised is the expense had the terms had not been modified, if the original terms of the award are met. An additional expense is recognised for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee as measured at the date of modification. Where an award is cancelled by the entity or by the counterparty, any remaining element of the fair value of the award is expensed immediately through profit or loss.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

r) Financial instruments

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

Financial assets

Initial recognition and measurement

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

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified into two categories:

- Debt instruments at amortised cost
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)

Debt instruments at amortised cost

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

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables. For more information on receivables, refer Note 10.

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Debt instruments at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a debt instrument which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

Equity investments

All equity investments in scope of Ind-AS 109 are measured at fair value. Equity instruments which are held for trading recognised by an acquirer in a business combination to which Ind-AS103 applies are Ind-AS classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on Initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

De-recognition

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

- The rights to receive cash flows from the asset have expired, or

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

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

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

Impairment of financial assets

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

a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance

b) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the

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For the year ended March 31, 2017

scope of Ind-AS 11 and Ind-AS 18 (referred to as 'contractual revenue receivables' in these financial statements)

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

- Trade receivables or contract revenue receivables; and
- All lease receivables resulting from transactions within the scope of Ind-AS 17

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.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

- All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms

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 amortised cost, contractual revenue receivables and lease receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

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

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial

Notes to Financial Statements

For the year ended March 31, 2017

recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and derivative financial instruments.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities designated upon initial recognition as at fair value through profit or loss. This category includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind-AS 109.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind-AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to Statement of Profit and Loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the Statement of Profit or Loss.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss.

This category generally applies to borrowings. For more information refer Note 15.

De-recognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit or Loss.

Embedded derivatives

An embedded derivative is a component of a hybrid (combined) instrument that also includes a non-derivative host contract - with the effect that some of the cash flows of the combined instrument vary in a way similar to a stand-alone derivative. An embedded derivative causes some or all of the cash flows that otherwise would be required by the contract to be modified according to a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable, provided in the case of a non-financial variable that the variable is not specific to a party to the contract. Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the fair value through profit or loss.

If the hybrid contract contains a host that is a financial asset within the scope of Ind-AS 109, the Company does not separate embedded derivatives. Rather, it applies the classification requirements contained in Ind-AS 109 to the entire hybrid contract. Derivatives embedded in all other host contracts are accounted for as separate derivatives and recorded at fair value if their economic characteristics and risks are not closely related to those of the host contracts and the host contracts are not held for trading or designated at fair value though profit or loss. These embedded derivatives are measured at fair value with changes

Notes to Financial Statements

For the year ended March 31, 2017

in fair value recognised in profit or loss, unless designated as effective hedging instruments.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

s) Derivative financial instruments

Initial recognition and subsequent measurement

The Company uses derivative financial instruments, such as forward currency contracts. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

The purchase contracts that meet the definition of a derivative under Ind-AS 109 are recognised in the statement of profit and loss.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss.

t) Cash and cash equivalents

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

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

u) Cash dividend and non- cash distribution to equity holders of the parent

The Company recognises a liability to make cash or non-cash distributions to equity holders of the parent when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

Non-cash distributions are measured at the fair value of the assets to be distributed with fair value re-measurement recognised directly in equity.

Upon distribution of non-cash assets, any difference between the carrying amount of the liability and the carrying amount of the assets distributed is recognised in the Statement of Profit and Loss.

v) Contingent Liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non–occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements. Contingent assets are only disclosed when it is probable that the economic benefits will flow to the entity.

w) 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.

x) 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

Notes to Financial Statements

For the year ended March 31, 2017

bonus elements in equity shares issued during the year and excluding treasury shares.

Diluted earnings per share

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

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

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

2.3. Significant accounting judgements, estimates & assumptions

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

The areas involving critical estimates or judgements are below:

Property, Plant and Equipment

The Company, based on technical assessment and management estimate, depreciates certain assets over estimated useful lives which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management has estimated, supported by technical assessment, the useful lives of certain plant and machinery as 16 to 21.06 years. These useful lives are higher than those indicated in Schedule II. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

Intangible asset – "Hindi Hindustan" Brand

In the previous year ended March 31, 2016, the Company had acquired Hindi Business Brand (i.e. Hindustan, Hindustan.in, Nandan, Kadambini, Hum Tum and other Hindi publication related trademarks) from its parent company, HT Media Limited. Management is of the opinion that, based on an analysis of all of the relevant factors, there is no foreseeable limit to the period over which the trademark is expected to generate net cash inflows for the Company. Hence, the Brand is regarded by Management as having an indefinite useful life.

Contingent Liability and commitments

The Company is involved in various litigations. The management of the Company has used its judgement while determining the litigations outcome of which are considered probable and in respect of which provision needs to be created.

Assessment of lease contracts

Significant judgement is required to apply lease accounting rules under Appendix C to Ind-AS 17: determining whether an Arrangement contains a Lease. In assessing the applicability to arrangements entered into by the Company, management has exercised judgement to evaluate the right to use the underlying assets, substance of the transaction including legally enforced arrangements and other significant terms and conditions of the arrangement to conclude whether the arrangements meet the criteria under Appendix C to Ind-AS 17.

Fair value measurements

When the fair values of financial assets or financial liabilities recorded or disclosed in the financial statements cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgements include consideration of inputs such as liquidity risk, credit risk and volatility.

Taxes

Uncertainties exist with respect to the interpretation of complex tax regulations, changes in tax laws, and the amount and timing of future taxable income. Given the wide range of business relationships and the long-term nature and complexity of existing contractual agreements, differences arising between the actual results and the assumptions made, or future changes to such assumptions, could necessitate future adjustments to tax income and expense already recorded. The Company establishes provisions,

Notes to Financial Statements

For the year ended March 31, 2017

based on reasonable estimates. The amount of such provisions is based on various factors, such as experience of previous tax assessments and differing interpretations of tax regulations by the taxable entity and the responsible tax authority. Such differences of interpretation may arise on a wide variety of issues depending on the conditions prevailing in the respective domicile of the Companies.

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

Further details on taxes are disclosed in Note 14.

Share Based Payment

The Company measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them. The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in Note 32.

Defined benefit plans

The cost of the defined benefit gratuity plan and other post-employment medical benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

The mortality rate is based on publicly available mortality tables for the specific countries. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates for the respective countries.

Further details about gratuity obligations are given in Note 31.

Notes to Financial Statements

For the year ended March 31, 2017

NOTE 3 : PROPERTY, PLANT AND EQUIPMENT AND CAPITAL WORK-IN-PROGRESS

(₹ in Lacs)

Particulars	Land Freehold	Land Leasehold (Refer Note III)	Buildings (Refer Note III)	Improvement to Leasehold Premises	Plant and Machinery (Refer Note III)	Office Equipments	Furniture	Vehicles	Total
Cost or Valuation									
Deemed cost as at April 1, 2015	**981.37**	**1,239.75**	**3,781.71**	**921.20**	**10,674.01**	**164.19**	**90.73**	**18.56**	**17,871.52**
Additions	-	-	418.16	89.31	1,478.39	126.20	50.74	-	2,162.80
Disposals/ Adjustments	-	-	-	0.56	9.79	11.61	3.16	0.07	25.19
As at March 31, 2016	**981.37**	**1,239.75**	**4,199.87**	**1,009.95**	**12,142.61**	**278.78**	**138.31**	**18.49**	**20,009.13**
Additions	-	-	70.45	1.19	1,071.09	59.55	8.84	36.28	1,247.40
Disposals/ Adjustments	-	-	-	-	44.20	9.47	0.20	-	53.87
Transfer of Discontinued operations (Refer Note 30)	-	-	-	-	106.62	-	-	-	106.62
As at March 31, 2017	**981.37**	**1,239.75**	**4,270.32**	**1,011.14**	**13,062.88**	**328.86**	**146.95**	**54.77**	**21,096.04**
Depreciation/ Impairment as at April 1, 2015	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Charge for the year	-	14.92	213.40	200.63	1,630.44	99.66	42.17	3.90	2,205.12
Disposals	-	-	-	-	8.84	9.82	2.62	-	21.28
As at March 31, 2016	**-**	**14.92**	**213.40**	**200.63**	**1,621.60**	**89.84**	**39.55**	**3.90**	**2,183.84**
Charge for the year	-	14.92	223.32	177.34	1,463.40	80.80	17.07	4.68	1,981.53
Disposals	-	-	-	-	30.93	8.96	0.20	-	40.09
Transfer of Discontinued operations (Refer Note 30)	-	-	-	-	58.10	-	-	-	58.10
As at March 31, 2017	**-**	**29.84**	**436.72**	**377.97**	**2,995.97**	**161.68**	**56.42**	**8.58**	**4,067.18**
Net Block									
As at March 31, 2017	**981.37**	**1,209.91**	**3,833.60**	**633.17**	**10,066.91**	**167.18**	**90.53**	**46.19**	**17,028.86**
As at March 31, 2016	**981.37**	**1,224.83**	**3,986.47**	**809.32**	**10,521.01**	**188.94**	**98.76**	**14.59**	**17,825.29**
As at April 1, 2015	**981.37**	**1,239.75**	**3,781.71**	**921.20**	**10,674.01**	**164.19**	**90.73**	**18.56**	**17,871.52**

(₹ in Lacs)

	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Property, Plant and Equipment	17,028.86	17,825.29	17,871.52
Capital Work in Progress	322.44	153.77	322.33
Total	**17,351.30**	**17,979.06**	**18,193.85**

I. Capital work in progress (CWIP)

The capital work in progress as at March 31, 2017, March 31, 2016 and April 1, 2015 comprises mainly expenditure for the plant and machinery. Total amount of CWIP is ₹ 322.44 lacs (March 31, 2016: ₹ 153.77 Lacs , April 1, 2015: ₹ 322.33 Lacs).

II. Refer Note 15A for assets subject to charge.

Notes to Financial Statements

For the year ended March 31, 2017

III. Details of assets given under operating lease are as under :

(₹ in Lacs)

Particulars	March 31, 2017			March 31, 2016			April 1, 2015		
	Plant and Machinery	Freehold Land	Buildings	Plant and Machinery	Freehold Land	Buildings	Plant and Machinery	Freehold Land	Buildings
Gross block	1,072.40	296.19	807.79	1,070.89	296.19	806.49	492.41	164.00	423.17
Accumulated depreciation	165.19	-	62.28	71.77	-	25.84	-	-	-
Net block	**907.21**	**296.19**	**745.51**	**999.12**	**296.19**	**780.65**	**492.41**	**164.00**	**423.17**
Depreciation for the year	**93.41**	**-**	**36.44**	**65.67**	**-**	**25.86**	**-**	**-**	**-**

IV. Ind-AS 101 Exemption : The Company has availed the exemption available under Ind-AS 101, whereas the carrying value of property, plant and equipment has been carried forwarded at the amount as determined under Indian GAAP. Regarding the application of deemed cost, the Company has disclosed the cost as at April 1, 2015 net of accumulated depreciation. However, information regarding gross block of assets, accumulated depreciation has been disclosed by the Company separately as follows:

(₹ in Lacs)

Particulars	Gross Block as at April 1, 2015	Accumulated depreciation as at April 1, 2015	Net Block as at April 1, 2015
Land Freehold	981.37	-	981.37
Leasehold Land	1,281.53	41.78	1,239.75
Buildings	4,582.66	800.95	3,781.71
Improvement to Leasehold Premises	1,609.67	688.47	921.20
Plant and Machinery	19,328.08	8,654.07	10,674.01
Office Equipments	489.47	325.28	164.19
Furniture and Fixtures	345.47	254.74	90.73
Vehicles	28.60	10.04	18.56
Total	**28,646.85**	**10,775.33**	**17,871.52**

NOTE 4 : INVESTMENT PROPERTY

(₹ in Lacs)

Particulars	Amount
Opening balance at April 1, 2015	**29.04**
Additions	297.69
Disposals	-
Closing balance at March 31, 2016	**326.73**
Additions	291.48
Disposals	-
Closing balance at March 31, 2017	**618.21**
Depreciation and impairment	
Opening balance at April 1, 2015	**-**
Depreciation	-
Impairment	-
Disposals	-
Closing balance at March 31, 2016	**-**
Depreciation	-
Impairment	-
Disposals	-
Closing balance at March 31, 2017	**-**
Net Block	
As at March 31, 2017	**618.21**
As at March 31, 2016	**326.73**
As at April 1, 2015	**29.04**

Notes to Financial Statements

For the year ended March 31, 2017

For Investment Property existing as on April 1, 2015 i.e its date of transition to Ind-AS, the company has used Indian GAAP carrying value as deemed costs.

As at March 31, 2017, March 31, 2016 and April 1, 2015 the fair values of the properties are ₹ 633.00 lacs, ₹ 296.00 lacs and ₹ 36.00 lacs respectively. These valuations are based on valuations performed by an accredited independent valuer. They are specialist in valuing these types of investment properties. A valuation model in accordance with Ind-AS 113 has been applied.

The company has no restrictions on the realisability of its investment properties and there exists contractual obligations of ₹ 19.13 lacs (March 31, 2016 ₹ 12.70 lacs and April 1, 2015-NIL) to purchase the investment property whereas there are no contractual obligation to develop investment property or for repairs and enhancements.

Estimation of Fair Value

The valuation has been determined basis current prices for similar properties in an active market (Level II) . However, where such information is not available, current prices in an active market for properties of different nature or recent prices of similar properties in less active markets, adjusted to reflect those differences, has been considered to determine the valuation.

NOTE 5 : INTANGIBLE ASSETS AND INTANGIBLE ASSETS UNDER DEVELOPMENT

(₹ in Lacs)

Particulars	Website Development	Software Licenses	Brand (Refer Note I)	Total (Intangible Assets)
Cost or Valuation				
Deemed cost as at April 1, 2015	**1.79**	**134.64**	**-**	**136.43**
Additions	-	52.10	6,696.00	6,748.10
Disposals/ Adjustments	-	-	-	-
As at March 31, 2016	**1.79**	**186.74**	**6,696.00**	**6,884.53**
Additions	-	48.96	-	48.96
Disposals/ Adjustments	-	-	-	-
As at March 31, 2017	1.79	235.70	6,696.00	6,933.49
Amortization				
As at April 1, 2015	-	-	-	-
Charge for the year	1.34	43.04		44.38
Disposals	**-**	**-**	**-**	**-**
As at March 31, 2016	1.34	43.04	-	44.38
Charge for the year	0.45	38.74		39.19
Disposals	-	-	-	-
As at March 31, 2017	**1.79**	**81.78**	**-**	**83.57**
Net Block				
As at March 31, 2017	**-**	**153.92**	**6,696.00**	**6,849.92**
As at March 31, 2016	**0.45**	**143.70**	**6,696.00**	**6,840.15**
As at April 1, 2015	**1.79**	**134.64**	**-**	**136.43**

(₹ in Lacs)

	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Intangible assets	6,849.92	6,840.15	136.43
Intangible asset under development	91.68	104.12	-
Total	**6,941.60**	**6,944.27**	**136.43**

Notes to Financial Statements

For the year ended March 31, 2017

I) In the year ended March 31, 2016; the Company had acquired Hindi Business Brand (i.e. Hindustan, Hindustan.in, Nandan, Kadambini, Hum Tum and other Hindi publication related trademarks from its parent company HT Media Limited. Management is of the opinion that, based on an analysis of all of the relevant factors, there is no foreseeable limit to the period over which the Brand is expected to generate net cash inflows for the Company. Hence, the Brand is regarded by Management as having an indefinite useful life.

Intangible assets with indefinite useful lives are tested for impairment annually, or more frequently if the events and circumstances indicate that the carrying value may be impaired. The useful life of an intangible asset with an indefinite useful life is reviewed annually to determine whether the useful life assessment continues to be supportable.

The management is of the view that Brand does not have a finite life cycle and accordingly the Brand has been determined to have an indefinite useful life and is not amortised. The Company tests the intangible asset annually for impairment or more frequently if there are indications that intangible asset might be impaired.

The calculations of value in use are most sensitive to the following assumptions:

a. Weighted Average Cost of Capital (WACC) of 14.05%.
b. For arriving at the terminal value, management has considered a growth rate of 3%.

II) Ind-AS 101 Exemption: The Company has availed the exemption available under Ind-AS 101, whereas the carrying value of intangible assets has been carried forwarded at the amount as determined under the Indian GAAP. Regarding the application of deemed cost, the Company has disclosed the cost as at April 1, 2015 net of accumulated depreciation. However, information regarding gross block of assets, accumulated depreciation has been disclosed by the Company separately as follows :

(₹ in Lacs)

Particulars	Gross Block as at April 1, 2015	Accumulated depreciation as at April 1, 2015	Net Block as at April 1, 2015
Website Development	8.27	6.48	1.79
Software Licenses	366.36	231.72	134.64
Total	**374.63**	**238.20**	**136.43**

NOTE 6A : INVESTMENT IN AN ASSOCIATE

(₹ in Lacs)

Particulars	March 31, 2017	March 31, 2016	April 1, 2015
Investment in an associate at cost			
Unquoted:			
HT Digital Streams Ltd. (Refer note 30)	7,450.00	-	-
85.88 lacs (March 31, 2016: NIL, April 1, 2015: NIL) equity shares of ₹ 10 each fully paid up			
Total	**7,450.00**	**-**	**-**
Non- Current	**7,450.00**	**-**	**-**
Current	**-**	**-**	**-**
Aggregate value of unquoted investments	**7,450.00**	**-**	**-**
Aggregate amount of impairment in value of investments	**-**	**-**	**-**

NOTE 6B : FINANCIAL ASSETS-INVESTMENTS

(₹ in Lacs)

Particulars	March 31, 2017	March 31, 2016	April 1, 2015
I. Investment at Fair value through profit and loss			
Quoted			
Investment in equity instruments			
JVL Agro Industries Limited	48.51	42.36	86.69

Notes to Financial Statements

For the year ended March 31, 2017

NOTE 6B : FINANCIAL ASSETS-INVESTMENTS (CONTD.)

(₹ in Lacs)

Particulars	March 31, 2017	March 31, 2016	April 1, 2015
2.38 lac (March 31, 2016: 2.38 lac, April 1, 2015: 5.90 lac) equity shares of ₹ 10 each fully paid up			
Investment in mutual funds/fixed maturity plans			
Kotak FMP-Series 172-Growth			
150.00 lac (March 31, 2016 150.00 lac, April 1, 2015 150.00 lac) units of ₹10/- each fully paid	1,816.95	1,662.03	1,502.10
Reliance Fixed Horizon Fund - XXVIII Series 14-Growth			
150.00 lac (March 31, 2016 150.00 lac, April 1, 2015 150.00 lac) units of ₹10/- each fully paid	1,814.10	1,645.97	1,503.47
Kotak FMP Series 145 - Growth			
100.00 lac (March 31, 2016 100.00 lac, April 1, 2015 100.00 lac) units of ₹10/- each fully paid	1,303.01	1,194.13	1,101.49
Birla Sun Life Fixed Term Plan Series KO (1498 Days) Growth			
100.00 lac (March 31, 2016 100.00 lac, April 1, 2015 100.00 lac) units of ₹ 10/- each fully paid	1,293.00	1,184.82	1,097.84
Kotak FMP Series 151 - Growth			
100.00 lac (March 31, 2016 100.00 lac, April 1, 2015 100.00 lac) units of ₹ 10/- each fully paid	1,277.96	1,182.59	1,093.04
Reliance Fixed Horizon Fund - XXVI Series 9 Growth			
100.00 lac (March 31, 2016 100.00 lac, April 1, 2015 100.00 lac) units of ₹ 10/- each fully paid	1,278.74	1,182.17	1,090.79
HDFC FMP 369D April 2014 (1) Series 31 - Growth			
100.00 lac (March 31, 2016 100.00 lac, April 1, 2015 100.00 lac) units of ₹ 10/- each fully paid	1,275.26	1,180.43	1,090.96
HDFC FMP 369D April 2014 (2) Series 31 - Growth			
100.00 lac (March 31, 2016 100.00 lac, April 1, 2015 100.00 lac) units of ₹ 10/- each fully paid	1,270.53	1,176.33	1,087.10
Reliance FHF XXVI Series 13 - Growth			
50.00 lac (March 31, 2016 50.00 lac, April 1, 2015 50.00 lac) units of ₹ 10/- each fully paid	635.02	589.01	543.37
HDFC FMP 1100D April 2014 (1) Series 31 Growth			
100.00 lacs (March 31, 2016 100.00 lac, April 1, 2015 100.00 lac) units of ₹ 10/- each fully paid	1,284.38	1,191.38	1,099.88
Sundaram Fixed Term Plan - FL 2 Yrs Growth			
100.00 lac (March 31, 2016 100.00 lac, April 1, 2015 100.00 lac) units of ₹ 10/- each fully paid	1,281.94	1,190.08	1,097.18
Reliance Yearly Interval Fund - Series 6 - Growth			
50.00 lac (March 31, 2016 50.00 lac, April 1, 2015 50.00 lac) units of ₹ 10/- each fully paid	689.22	640.60	592.27
Reliance Fixed Horizon Fund -XXIV-Series 22 Growth			
50.00 lac (March 31, 2016 50.00 lac, April 1, 2015 50.00 lac) units of ₹ 10/- each fully paid	671.13	618.39	570.95
DHFL Pramerica Dynamic Bond Fund - Growth			
1.90 lac (March 31, 2016 1.90 lac, April 1, 2015 1.90 lac) units of ₹ 1,000/- each fully paid	2,971.39	2,649.51	2,505.45
SBI Dynamic Bond Fund - Growth****			
58.40 lac (March 31, 2016 58.40 lac, April 1, 2015 58.40 lac) units of ₹ 10/- each fully paid	1,202.97	1,058.76	1,002.93
UTI Dynamic Bond Fund - Growth			

Notes to Financial Statements

For the year ended March 31, 2017

NOTE 6B : FINANCIAL ASSETS-INVESTMENTS (CONTD.)

(₹ in Lacs)

Particulars	March 31, 2017	March 31, 2016	April 1, 2015
63.50 lac (March 31, 2016 63.50 lac, April 1, 2015 63.50 lac) units of ₹ 10/- each fully paid	1,218.43	1,064.23	1,002.21
Tata Dynamic Bond Fund - Growth****			
46.22 lac (March 31, 2016 46.22 lac, April 1, 2015 46.22 lac) units of ₹ 10/- each fully paid	1,173.85	1,063.65	1,002.03
Birla Sun Life Dynamic Bond Fund-Retail-Growth***&****&*****			
151.42 lac (March 31, 2016 171.52 lac, April 1, 2015 95.42 lac) units of ₹ 10/- each fully paid	4,426.77	4,564.49	2,332.42
DHFL Pramerica Short Maturity Fund Annual Bonus Plan			
11.59 lac (March 31, 2016 11.59 lac, April 1, 2015 11.59 lac) units of ₹ 10/- each fully paid	230.14	210.11	194.49
Reliance Interval Fund-IV-Series 2-Growth			
50.00 lac (March 31, 2016 50.00 lac, April 1, 2015 NIL) units of ₹ 10/- each fully paid	579.98	528.66	-
UTI Fixed Income Fund Series XXII - XIII (1100 Days) Growth			
100.00 lac (March 31, 2016 100.00 lac, April 1, 2015 NIL) units of ₹ 10/- each fully paid	1,159.19	1,050.74	-
Reliance Fixed Horizon Fund - XXIX - Series 3 - Growth			
100.00 lac (March 31, 2016 100.00 lac, April 1, 2015 NIL) units of ₹ 10/- each fully paid	1,159.69	1,053.23	-
ICICI Prudential FMP Series 78 - 1170 Days Plan I Cumulative			
100.00 lac (March 31, 2016 100.00 lac, April 1, 2015 NIL) units of ₹ 10/- each fully paid	1,112.98	1,018.80	-
ICICI Prudential FMP Series 78 - 1170 Days Plan J Cumulative			
100.00 lac (March 31, 2016 100.00 lac, April 1, 2015 NIL) units of ₹ 10/- each fully paid	1,108.88	1,014.94	-
Sundaram Fixed Term Plan HI-Growth			
100.00 lac (March 31, 2016 100.00 lac, April 1, 2015 NIL) units of ₹ 10/- each fully paid	1,107.98	1,013.18	-
HDFC FMP 1132D February 2016(1) Series 35-Growth			
100.00 lac (March 31, 2016 100.00 lac, April 1, 2015 NIL) units of ₹ 10/- each fully paid	1,099.70	1,011.95	-
UTI Fixed Term Income Fund Series XXIV-VI (1181 Days) Growth			
100.00 lac (March 31, 2016 100.00 lac, April 1, 2015 NIL) units of ₹ 10/- each fully paid	1,109.45	1,012.93	-
ICICI Prudential FMP Series 78 -1150 Days Plan N Cumulative			
100.00 lac (March 31, 2016 100.00 lac, April 1, 2015 NIL) units of ₹ 10/- each fully paid	1,105.84	1,012.69	-
Reliance Fixed Horizon Fund - XXX- Series 10-Growth			
100.00 lac (March 31, 2016 100.00 lac, April 1, 2015 NIL) units of ₹ 10/- each fully paid	1,104.57	1,010.82	-
Birla Sun Life Fixed Term Plan - Series NL (1148 Days) Growth			
120.36 lac (March 31, 2016 120.36 lac, April 1, 2015 NIL) units of ₹ 10/- each fully paid	1,326.84	1,213.02	-
SBI Debt Fund Series B-34 (1131 Days) - Growth			
100.00 lac (March 31, 2016 100.00 lac, April 1, 2015 NIL) units of ₹ 10/- each fully paid	1,098.35	1,008.01	-
UTI Fixed Term Income Fund Series XXIV - VII (1182 Days) Growth			

Notes to Financial Statements

For the year ended March 31, 2017

NOTE 6B : FINANCIAL ASSETS-INVESTMENTS (CONTD.)

(₹ in Lacs)

Particulars	March 31, 2017	March 31, 2016	April 1, 2015
120.00 lac (March 31, 2016 120.00 lac, April 1, 2015 NIL) units of ₹ 10/- each fully paid	1,327.34	1,215.52	
SBI Debt Fund Series B-35 (1131 Days) - Growth			
50.00 lac (March 31, 2016 50.00 lac, April 1, 2015 NIL) units of ₹ 10/- each fully paid	547.81	502.22	-
SBI Corporate Bond Fund - Growth****			
22.14 lac (March 31, 2016 22.14 lac, April 1, 2015 NIL) units of ₹ 10/- each fully paid	580.29	527.70	-
Sundaram Select Debt Short Term Asset Plan-Growth			
40.21 lac (March 31, 2016 40.21 lac, April 1, 2015 NIL) units of ₹ 10/- each fully paid	1,130.37	1,042.82	-
ICICI Prudential Long Term Gilt Fund-Growth			
20.44 lac (March 31, 2016 20.44 lac, April 1, 2015 NIL) units of ₹ 10/- each fully paid	1,158.84	1,024.18	-
IDFC Dynamic Bond Fund-Growth***&****			
114.05 lac (March 31, 2016 114.05 lac, April 1, 2015 NIL) units of ₹ 10/- each fully paid	2,299.65	2,033.48	-
IDFC Government Securities Fund-Investment Plan-Growth			
58.06 lac (March 31, 2016 58.06 lac, April 1, 2015 NIL) units of ₹ 10/- each fully paid	1,154.20	1,015.72	-
UTI Dynamic Bond Fund-Growth			
181.75 lac (March 31, 2016 181.75 lac, April 1, 2015 NIL) units of ₹ 10/- each fully paid	3,487.48	3,046.14	-
UTI Gilt Advantage Fund-Growth			
31.75 lac (March 31, 2016 31.75 lac, April 1, 2015 NIL) units of ₹ 10/- each fully paid	1,173.16	1,002.29	-
Birla Sun Life Govt. Securities Long Term-Growth			
23.25 lac (March 31, 2016 23.25 lac, April 1, 2015 NIL) units of ₹ 10/- each fully paid	1,134.73	1,024.54	-
HDFC High Interest Fund-Dynamic Plan-Growth			
20.11 lac (March 31, 2016 20.11 lac, April 1, 2015 NIL) units of ₹ 10/- each fully paid	1,138.67	1,025.27	-
HDFC Gilt Fund Long Term - Growth			
33.99 lac (March 31, 2016 33.99 lac, April 1, 2015 NIL) units of ₹ 10/- each fully paid	1,146.95	1,028.49	-
SBI Magnum Gilt Fund-Long Term-Growth			
63.39 lac (March 31, 2016 63.39 lac, April 1, 2015 NIL) units of ₹ 10/- each fully paid	2,338.74	2,038.30	-
Reliance Dynamic Bond Fund-Growth****			
40.87 lac (March 31, 2016 40.87 lac, April 1, 2015 NIL) units of ₹ 10/- each fully paid	913.93	820.07	-
ICICI Prudential banking and PSU Debt Fund-Growth			
60.17 lac (March 31, 2016 60.17 lac, April 1, 2015 NIL) units of ₹ 10/- each fully	1,128.69	1,016.63	-
Reliance Banking & PSU Debt Fund-Growth			
93.52 lac (March 31, 2016 93.52 lac, April 1, 2015 NIL) units of ₹ 10/- each fully	1,102.36	1,008.92	-
L&T Short Term Opportunities Fund-Growth			
69.02 lac (March 31, 2016 69.02 lac, April 1, 2015 NIL) units of ₹ 10/- each fully	1,099.89	1,010.28	-

Notes to Financial Statements

For the year ended March 31, 2017

NOTE 6B : FINANCIAL ASSETS-INVESTMENTS (CONTD.)

(₹ in Lacs)

Particulars	March 31, 2017	March 31, 2016	April 1, 2015
IDFC Corporate Bond Fund-Growth****			
196.80 lac (March 31, 2016 99.45 lac, April 1, 2015 NIL) units of ₹ 10/- each fully	2,203.68	1,012.14	-
TATA Short Term Bond Fund-Growth			
69.60 lac (March 31, 2016 35.11 lac, April 1, 2015 NIL) units of ₹ 10/- each fully	2,191.45	1,010.07	-
IDFC FTP Series-41 - Growth			
NIL (March 31, 2016 50.00 lac, April 1, 2015 50.00 lac) units of ₹ 10/- each fully paid	-	615.60	569.12
ICICI Pru FMP Series 70 - 367 Days Plan N Cumulative			
NIL (March 31, 2016 100.00 lac, April 1, 2015 100.00 lac) units of ₹ 10/- each fully paid	-	1,239.11	1,144.33
Kotak FMP Series 124 -Growth			
NIL (March 31, 2016 50.34 lac, April 1, 2015 50.34 lac) units of ₹ 10/- each fully paid	-	621.98	575.07
DHFL Pramerica Fixed Maturity Plan - Series 31 Growth			
NIL (March 31, 2016 0.50 lac, April 1, 2015 0.50 lac) units of ₹ 1,000/- each fully paid	-	629.67	583.94
ICICI Prudential FMP Series 68 - 745 Days Plan F - Cumulative			
NIL (March 31, 2016 50.00 lac, April 1, 2015 50.00 lac) units of ₹ 10/- each fully paid	-	621.71	576.29
ICICI Prudential FMP Series 68 745 Days Plan H - Cumulative			
NIL (March 31, 2016 50.00 lac, April 1, 2015 50.00 lac) units of ₹ 10/- each fully paid	-	626.90	581.38
ICICI Prudential FMP Series 68 - 745 Days Plan J - Cumulative*			
NIL (March 31, 2016 50.00 lac, April 1, 2015 50.00 lac) units of ₹ 10/- each fully paid	-	633.55	587.93
IDFC Fixed Term Plan Series 23 Growth			
NIL (March 31, 2016 98.22 lac, April 1, 2015 98.22 lac) units of ₹ 10/- each fully paid	-	1,241.93	1,153.42
Birla Sun Life Fixed Term Plan - Series HC - Growth			
NIL (March 31, 2016 50.00 lac, April 1, 2015 50.00 lac) units of ₹ 10/- each fully paid	-	628.35	581.13
IDFC FTP Series 21 - Growth			
NIL (March 31, 2016 50.00 lac, April 1, 2015 50.00 lac) units of ₹ 10/- each fully paid	-	626.15	579.27
Reliance Fixed Horizon Fund - XXIII - Series 12 -Growth			
NIL (March 31, 2016 50.00 lac, April 1, 2015 50.00 lac) units of ₹ 10/- each fully paid	-	631.37	583.16
HDFC FMP 1107D May 2013 (1) Series 25 Growth*&***			
NIL (March 31, 2016 50.00 lac, April 1, 2015 50.00 lac) units of ₹ 10/- each fully paid	-	634.21	583.50
L&T FMP - VII (July1189D A) - Growth			
NIL (March 31, 2016 50.00 lac, April 1, 2015 50.00 lac) units of ₹ 10/- each fully paid	-	657.48	606.35
ICICI Prudential FMP - S 67 - 740 Days - Plan H - Cumulative*			
NIL (March 31, 2016 50.00 lac, April 1, 2015 50.00 lac) units of ₹ 10/- each fully paid	-	638.13	589.68
Reliance Dynamic Bond Fund - Growth			

Notes to Financial Statements

For the year ended March 31, 2017

NOTE 6B : FINANCIAL ASSETS-INVESTMENTS (CONTD.)

(₹ in Lacs)

Particulars	March 31, 2017	March 31, 2016	April 1, 2015
NIL (March 31, 2016 30.24 lac, April 1, 2015 30.24 lac) units of ₹ 10/- each fully paid	-	606.64	574.63
SBI Short Term Debt Fund - Growth			
NIL (March 31, 2016 36.14 lac, April 1, 2015 36.14 lac) units of ₹ 10/- each fully paid	-	626.19	579.41
L&T Triple Ace Bond Fund - Bonus			
NIL (March 31, 2016 13.40 lac, April 1, 2015 13.40 lac) units of ₹ 10/- each fully paid	-	195.17	185.96
IDFC Dynamic Bond Growth			
NIL (March 31, 2016 34.17 lac, April 1, 2015 34.17 lac) units of ₹ 10/- each fully paid	-	609.18	579.52
ICICI Prudential Short Term Plan Growth			
NIL (March 31, 2016 40.69 lac, April 1, 2015 40.69 lac) units of ₹ 10/- each fully paid	-	1,259.42	1,164.85
HDFC High Interest Fund Dynamic Plan Growth			
NIL (March 31, 2016 12.26 lac, April 1, 2015 12.26 lac) units of ₹ 10/- each fully paid	-	625.25	591.25
HDFC Medium Term Opportunities Fund - Growth**			
NIL (March 31, 2016 76.45 lac, April 1, 2015 76.45 lac) units of ₹ 10/- each fully paid	-	1,260.48	1,161.54
IDFC Super Saver Income Fund - Medium Term Plan - Growth			
NIL (March 31, 2016 48.58 lac, April 1, 2015 48.58 lac) units of ₹ 10/- each fully paid	-	1,231.01	1,144.52
Kotak Income Opportunities Fund-Growth***			
NIL (March 31, 2016 33.50 lac, April 1, 2015 33.50 lac) units of ₹ 10/- each fully paid	-	546.48	500.81
L&T FMP - VII (March 1124DA) - Growth			
NIL (March 31, 2016 50.00 lacs, April 1, 2015 50.00 lac) units of ₹ 10/- each fully paid	-	653.12	599.20
UTI Fixed Income Fund Series XXIV-XIV(1831 Days)-Growth			
125.00 lac (March 31, 2016 NIL, April 1, 2015 NIL) units of ₹ 10/- each fully paid	1,356.91	-	-
Reliance Fixed Horizon Fund XXXI- Series 5 Growth			
50.00 lac (March 31, 2016 NIL, April 1, 2015 NIL) units of ₹ 10/- each fully paid	532.85	-	-
ICICI Prudential FMP - series 79 - 1120 days - Plan J Cumulative			
100.00 lac (March 31, 2016 NIL, April 1, 2015 NIL) units of ₹ 10/- each fully paid	1,055.34	-	-
UTI Fixed Term Income Fund Series - XXV - II (1097 Days)-Growth			
150.00 lac (March 31, 2016 NIL, April 1, 2015 NIL) units of ₹ 10/- each fully paid	1,586.21	-	-
DHFL Pramerica Fixed Duration fund - Series 29-Growth			
0.50 lac (March 31, 2016 NIL, April 1, 2015 NIL) units of ₹ 1,000/- each fully paid	528.25	-	-
ICICI Prudential Fixed Maturity Plan- Series 79- 1118 Days -Plan K-Cumulative			
130.00 lac (March 31, 2016 NIL, April 1, 2015 NIL) units of ₹ 10/- each fully paid	1,364.62	-	-

Notes to Financial Statements

For the year ended March 31, 2017

NOTE 6B : FINANCIAL ASSETS-INVESTMENTS (CONTD.)

(₹ in Lacs)

Particulars	March 31, 2017	March 31, 2016	April 1, 2015
ICICI Prudential Fixed Maturity Plan - Series 79 - 1106 Days Plan M Cumulative			
80.00 lac (March 31, 2016 NIL, April 1, 2015 NIL) units of ₹ 10/- each fully paid	838.62	-	-
DHFL Pramerica Fixed Duration Fund - Series 31 Growth			
0.80 lac (March 31, 2016 NIL, April 1, 2015 NIL) units of ₹ 1,000/- each fully paid	840.86	-	-
Reliance Fixed Horizon Fund - XXXI - Series 9 - Growth			
100.00 lac (March 31, 2016 NIL, April 1, 2015 NIL) units of ₹ 10/- each fully paid	1,045.50	-	-
UTI FTIF Series XXV-IX-(1098 days) Growth			
100.00 lac (March 31, 2016 NIL, April 1, 2015 NIL) units of ₹ 10/- each fully paid	1,027.92	-	-
Birla Sun Life Fixed Term Plan-Series OD (1145 days)-Growth			
50.00 lac (March 31, 2016 NIL, April 1, 2015 NIL) units of ₹ 10/- each fully paid	502.94	-	-
Axis Short Term Fund - Growth			
88.65 lac (March 31, 2016 NIL, April 1, 2015 NIL) units of ₹ 10/- each fully	1,631.28	-	-
HDFC Medium Term Opportunities Fund-Growth			
41.11 lac (March 31, 2016 NIL, April 1, 2015 NIL) units of ₹ 10/- each fully	744.49	-	-
Birla Sun Life Short Term Fund -Growth			
25.55 lac (March 31, 2016 NIL, April 1, 2015 NIL) units of ₹ 10/- each fully	1,590.85	-	-
Birla Sun Life Treasury Optimizer Plan-Growth			
7.52 lac (March 31, 2016 NIL, April 1, 2015 NIL) units of ₹ 10/- each fully	1,565.84	-	-
Kotak Flexi Debt Scheme Plan A-Growth			
104.93 lac (March 31, 2016 NIL, April 1, 2015 NIL) units of ₹ 10/- each fully	2,261.22	-	-
Kotak Medium Term Fund-Growth			
185.49 lac (March 31, 2016 NIL, April 1, 2015 NIL) units of ₹ 10/- each fully	2,586.31	-	-
HDFC Banking and PSU Debt Fund-Growth			
116.58 lac (March 31, 2016 NIL, April 1, 2015 NIL) units of ₹ 10/- each fully	1,547.93	-	-
DSP BlackRock Short Term Fund -Growth			
53.79 lac (March 31, 2016 NIL, April 1, 2015 NIL) units of ₹ 10/- each fully	1,540.25	-	-
JM Arbitrage Advantage Fund -Annual Bonus Option - Bonus Units			
NIL (March 31, 2016 95.45 lac, April 1, 2015 NIL) units of ₹ 10/- each fully paid	-	1,026.11	-
UTI Income Opportunities Fund - Growth			
NIL (March 31, 2016 NIL, April 1, 2015 40.27 lac) units of ₹ 10/- each fully paid	-	-	500.77
Reliance Regular Savings Fund Debt Plan Growth			
NIL (March 31, 2016 NIL, April 1, 2015 53.88 lac) units of ₹ 10/- each fully paid	-	-	1,023.84

Notes to Financial Statements

For the year ended March 31, 2017

NOTE 6B : FINANCIAL ASSETS-INVESTMENTS (CONTD.)

(₹ in Lacs)

Particulars	March 31, 2017	March 31, 2016	April 1, 2015
UTI Short Term Income Fund - IP - Growth			
NIL (March 31, 2016 NIL, April 1, 2015 95.90 lac) units of ₹ 10/- each fully paid	-	-	1,627.93
L&T Income Opportunities Fund - Growth			
NIL (March 31, 2016 NIL, April 1, 2015 32.17 lac) units of ₹ 10/- each fully paid	-	-	500.63
ICICI Prudential Regular Savings Fund-Growth			
NIL (March 31, 2016 NIL, April 1, 2015 35.77 lac) units of ₹ 10/- each fully paid	-	-	524.58
UTI Short Term Income Fund - Growth			
NIL (March 31, 2016 NIL, April 1, 2015 69.64 lac) units of ₹ 10/- each fully paid	-	-	1,171.57
HDFC Short Term Plan - Growth			
NIL (March 31, 2016 NIL, April 1, 2015 37.89 lac) units of ₹ 10/- each fully paid	-	-	1,025.14
Franklin India Corporate Bond Opportunities Fund - Growth			
NIL (March 31, 2016 NIL, April 1, 2015 37.34 lac) units of ₹ 10/- each fully paid	-	-	526.32
Franklin India STIP - Growth			
NIL (March 31, 2016 NIL, April 1, 2015 0.17 lac) units of ₹ 1,000/- each fully paid	-	-	500.73
Religare Invesco Arbitrage Fund - Bonus			
NIL (March 31, 2016 NIL, April 1, 2015 87.86 lac) units of ₹ 10/- each fully paid	-	-	1,039.74
JM Arbitrage Advantage Fund - Bonus Option			
NIL (March 31, 2016 NIL, April 1, 2015 45.68 lac) units of ₹ 10/- each fully paid	-	-	479.57
Templeton India Income Opportunities Fund - Growth			
NIL (March 31, 2016 NIL, April 1, 2015 36.63 lac) units of ₹ 10/- each fully paid	-	-	590.83
Templeton India STIP - Retail Growth			
NIL (March 31, 2016 NIL, April 1, 2015 0.62 lac) units of ₹ 1,000/- each fully paid	-	-	1,781.39
Franklin India Low Duration Fund - Growth			
NIL (March 31, 2016 NIL, April 1, 2015 66.13 lac) units of ₹ 10/- each fully paid	-	-	1,019.41
IDFC Fixed Term Plan Series 4 Growth*			
NIL (March 31, 2016 NIL lac, April 1, 2015 50.00 lac) units of ₹ 10/- each fully paid	-	-	608.34
Reliance Mutual Fund Fixed Horizon Fund XXII Sr 26 Growth			
NIL (March 31, 2016 NIL lac, April 1, 2015 100.00 lac) units of ₹ 10/- each fully paid	-	-	1,248.82
UTI Fixed Term Income Fund Series XII - X (1096 days) Growth			
NIL (March 31, 2016 NIL lac, April 1, 2015 50.00 lac) units of ₹ 10/- each fully paid	-	-	616.77
Birla Sun Life Fixed Term Plan - Series FW - Growth*			
NIL (March 31, 2016 NIL lac, April 1, 2015 100.00 lac) units of ₹ 10/- each fully paid	-	-	1,248.86

Notes to Financial Statements

For the year ended March 31, 2017

NOTE 6B : FINANCIAL ASSETS-INVESTMENTS (CONTD.)

(₹ in Lacs)

Particulars	March 31, 2017	March 31, 2016	April 1, 2015
UTI Mutual Fund FTP Sr XII-VIII (1098D) Growth			
NIL (March 31, 2016 NIL lac, April 1, 2015 50.00 lac) units of ₹ 10/- each fully paid	-	-	626.63
Reliance Fixed Horizon Fund XXII Series 21 Growth*			
NIL (March 31, 2016 NIL lac, April 1, 2015 100.00 lac) units of ₹ 10/- each fully paid	-	-	1,256.56
IDFC Fixed Term Plan Series 2 Growth			
NIL (March 31, 2016 NIL lac, April 1, 2015 150.00 lac) units of ₹ 10/- each fully paid	-	-	1,880.78
HDFC Medium Term Opportunities Fund Growth**			
NIL (March 31, 2016 NIL, April 1, 2015 81.86 lac) units of ₹ 10/- each fully paid	-	-	1,243.77
Templeton India Income Opportunities Fund - Growth			
NIL (March 31, 2016 NIL, April 1, 2015 78.62 lac) units of ₹ 10/- each fully paid	-	-	1,264.10
II. Investment at amortised cost			
Quoted			
Investment in Bonds			
Exxon Mobil Corporation	320.02	326.91	309.08
0.005 Lac (March 31, 2016 0.005 lac, March 31, 2015 0.005 lac) units of USD 1,000/- each fully paid up			
Microsoft Corp	321.16	328.05	309.08
0.005 Lac (March 31, 2016 0.005 lac, March 31, 2015 0.005 lac) units of USD 1,000/- each fully paid up			
NHAI 8.2 250122	19.70	19.70	19.70
0.02 lac (March 31, 2016 0.02 lac, March 31, 2015 0.02 lac) units of ₹ 1,000/- each fully paid up			
PFC 8.20 010222	174.78	174.78	174.78
0.17 lac (March 31, 2016 0.17 lac, March 31, 2015: 0.17 lac) Units of ₹ 1,000/- each, fully paid			
Total Investments	**92,478.83**	**79,179.42**	**61,092.64**
Non - Current	**81,494.70**	**57,861.33**	**50,217.59**
Current	**10,984.13**	**21,318.09**	**10,875.05**
Aggregate book value of quoted investments	**92,478.83**	**79,179.42**	**61,092.64**
Aggregate market value of quoted investments	**92,498.61**	**79,203.62**	**61,115.77**

*These Investments are pledged in favour of Deutsche Bank for Overdraft facility FY 14-15
**These Investments are pledged in favour of BNP Paribas Bank for Overdraft facility FY 14-15
***These Investments are pledged in favour of Deutsche Bank for Overdraft facility FY 15-16
****These Investments are pledged in favour of Deutsche Bank for Overdraft facility FY 16-17
*****24.40 Lac units are pledged in favour of Deutsche Bank for overdraft facility in FY 16-17

Notes to Financial Statements

For the year ended March 31, 2017

NOTE 6C : FINANCIAL ASSETS-LOANS

(₹ in Lacs)

Particulars	March 31, 2017	March 31, 2016	April 1, 2015
Unsecured considered good (at amortised cost)			
Security Deposit	464.41	418.12	458.57
Total Loans	**464.41**	**418.12**	**458.57**
Non -Current	**464.41**	**418.12**	**458.57**
Current	**-**	**-**	**-**

NOTE 6D : OTHER FINANCIAL ASSETS

(₹ in Lacs)

Particulars	March 31, 2017	March 31, 2016	April 1, 2015
I. Derivatives at Fair Value through profit and loss			
- Forex derivative contract	6.55	-	-
Total I	**6.55**	**-**	**-**
Derivative instruments at fair value through profit and loss reflect the positive change in fair value of those foreign exchange forward contracts that are not designated in hedge relationships, but are, nevertheless, intended to reduce the level of foreign currency risk for expected purchases.			
II. Other Financial Assets at Amortised Cost			
Balance with Banks :			
- Margin money (held as security)	17.41	37.73	32.44
Interest accrued on deposits	10.59	12.37	16.73
Other Receivables #	561.53	315.40	828.66
Total II	**589.53**	**365.50**	**877.83**
Total Other Financial Assets (I) +(II)	**596.08**	**365.50**	**877.83**
Non - Current	17.41	37.73	32.44
Current	578.67	327.77	845.39
# Included in Other receivables above is receivable from related parties ₹ 556.59 lacs (Previous year March 31, 2016: ₹ 302.26 lacs, April 1, 2015: ₹ 823.23 lacs)			
Total Financial Assets	**93,539.32**	**79,963.04**	**62,429.04**
Non - Current	**81,976.52**	**58,317.18**	**50,708.60**
Current	**11,562.80**	**21,645.86**	**11,720.44**

Break up of financial assets carried at amortised cost

(₹ in Lacs)

Particulars	March 31, 2017	March 31, 2016	April 1, 2015
Investments in Bonds (Note 6B)	835.66	849.44	812.64
Trade receivables (Note 10A)	11,629.91	11,767.28	10,716.94
Cash and cash equivalents (Note 10B)	3,791.74	4,469.09	3,959.58
Other bank balances (Note 10C)	5.13	3.03	2.43
Loans (Note 6C)	464.41	418.12	458.57
Other financial assets (Note 6D)	589.53	365.50	877.83
Total financial assets carried at amortised cost	**17,316.38**	**17,872.46**	**16,827.98**

Notes to Financial Statements

For the year ended March 31, 2017

SCHEDULE 7: INCOME TAX ASSETS

(₹ in Lacs)

Particulars	March 31, 2017	March 31, 2016	April 1, 2015
Income tax assets (net)	-	87.09	-
Non -Current	**-**	**87.09**	**-**
Current	**-**	**-**	**-**

NOTE 8 : OTHER NON-CURRENT ASSETS

(₹ in Lacs)

Particulars	March 31, 2017	March 31, 2016	April 1, 2015
Capital Advance	302.90	165.55	745.28
Advances other than capital advances			
Prepaid expenses	4.18	4.88	2.94
Total	**307.08**	**170.43**	**748.22**

NOTE 9 : INVENTORIES

(₹ in Lacs)

Particulars	March 31, 2017	March 31, 2016	April 1, 2015
Raw Materials {includes stock in transit of ₹ 1,153.03 lacs (March 31, 2016: ₹ 897.63 lacs, April 1, 2015: 1,368.11 lacs) (valued at lower of cost and net realisable value)}	3,784.49	3,951.81	3,561.09
Work- in- Progress (valued at lower of cost and net realisable value)	4.97	2.42	1.72
Stores and spares (valued at lower of cost and net realisable value)	884.37	844.30	899.38
Scrap and waste papers (At net realizable value)	32.43	19.62	18.14
Finished stock (valued at lower of cost and net realisable value)	2.58	2.94	3.78
Total Inventories	**4,708.84**	**4,821.09**	**4,484.11**

NOTE 10A : TRADE RECEIVABLES

(₹ in Lacs)

Particulars	March 31, 2017	March 31, 2016	April 1, 2015
Trade receivables	11,285.78	11,320.32	10,472.52
Receivables from related parties (Refer Note 34 A)	344.13	446.96	244.42
Total	**11,629.91**	**11,767.28**	**10,716.94**

(₹ in Lacs)

Particulars	March 31, 2017	March 31, 2016	April 1, 2015
Secured, considered good	1,339.28	1,268.78	1,221.81
Unsecured, considered good	10,290.63	10,498.50	9,495.13
Unsecured, considered doubtful	1,726.33	1,310.55	935.25
	13,356.23	13,077.83	11,652.19
Impairment of unsecured doubtful debts	1,726.33	1,310.55	935.25
Total	**11,629.91**	**11,767.28**	**10,716.94**

No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person.

Trade receivables are non-interest bearing and credit period generally falls in the range of 0 to 90 days terms.

Notes to Financial Statements

For the year ended March 31, 2017

NOTE 10B : CASH AND CASH EQUIVALENTS

(₹ in Lacs)

Particulars	March 31, 2017	March 31, 2016	April 1, 2015
Balance with banks :			
- On current accounts	1,142.89	819.72	546.54
- Deposits with original maturity of less than three months	-	-	4.93
Cheques in hand	2,536.47	3,446.65	3,251.68
Cash on hand	112.38	202.72	156.43
Total	**3,791.74**	**4,469.09**	**3,959.58**

Short-term deposits are made for varying periods of between one day and three months, depending on the immediate cash requirements of the company and earn interest at the respective short-term deposit rates.
The Company had available undrawn commited Borrwing facility of ₹ 42,022.00 lacs (March 31, 2016: ₹ 33,656.00 lacs and April 1, 2015: ₹ 34,923.00 lacs).

NOTE 10C: OTHER BANK BALANCES

(₹ in Lacs)

Particulars	March 31, 2017	March 31, 2016	April 1, 2015
- Unclaimed dividend account*	5.13	3.03	2.43
Total	**5.13**	**3.03**	**2.43**

* These balances are not available for use by the company as they represent corresponding unclaimed dividend liabilities.

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

(₹ in Lacs)

Particulars	March 31, 2017	March 31, 2016	April 1, 2015
Balance with banks :			
- On current accounts	1,142.89	819.72	546.54
- Deposits with original maturity of less than three months	-	-	4.93
Cheques in hand	2,536.47	3,446.65	3,251.68
Cash on hand	112.38	202.72	156.43
	3,791.74	**4,469.09**	**3,959.58**

NOTE 11 : OTHER CURRENT ASSETS

(₹ in Lacs)

Particulars	March 31, 2017	March 31, 2016	April 1, 2015
Prepaid expenses	187.95	156.82	43.80
Advances given	579.60	1,641.56	1,193.82
Balance with government authorities	21.47	12.05	11.78
Total	**789.02**	**1,810.43**	**1,249.40**

NOTE 12 : SHARE CAPITAL

Authorised Share Capital

Particulars	No. of shares	Amount (₹ in Lacs)
At April 1, 2015	8,70,00,000	8,700.00
Increase/(decrease) during the year	-	-
At March 31, 2016	8,70,00,000	8,700.00
Increase/(decrease) during the year	-	-
At March 31, 2017	8,70,00,000	8,700.00

Notes to Financial Statements

For the year ended March 31, 2017

Terms/ rights attached to equity shares

The Company has only one class of equity shares having par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Issued and subscribed capital

Equity shares of ₹ 10 each issued, subscribed and fully paid	No. of shares	Amount (₹ in Lacs)
At April 1, 2015	7,33,93,770	7,339.38
Changes during the year	-	-
At March 31, 2016	7,33,93,770	7,339.38
Changes during the year	-	-
At March 31, 2017	7,33,93,770	7,339.38

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

Particulars	March 31, 2017		March 31, 2016		April 1, 2015	
	No. of shares	Amount (₹ in Lacs)	No. of shares	Amount (₹ in Lacs)	No. of shares	Amount (₹ in Lacs)
Shares outstanding at the beginning of the year	7,33,93,770.00	7,339.38	7,33,93,770.00	7,339.38	7,33,93,770.00	7,339.38
Shares Issued during the year	-	-	-	-	-	-
Shares bought back during the year	-	-	-	-	-	-
Shares outstanding at the end of the year	7,33,93,770.00	7,339.38	7,33,93,770.00	7,339.38	7,33,93,770.00	7,339.38

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 are as below:

(₹ in Lacs)

Particulars	March 31, 2017	March 31, 2016	April 1, 2015
HT Media Limited, the holding company			
5,45,33,458 (previous year 54,533,458) equity shares of ₹ 10 each fully paid	5,453.35	5,453.35	5,453.35

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

Particulars	March 31, 2017		March 31, 2016		April 1, 2015	
	No. of shares	% holding	No. of shares	% holding	No. of shares	% holding
Equity shares of ₹ 10 each fully paid						
HT Media Limited, the holding company	5,45,33,458	74.30%	5,45,33,458	74.30%	5,45,33,458	74.30%
Kotak Mahindra (International) Limited	42,72,252	5.82%	42,56,352	5.80%	-	-
Reliance Capital Trustee Co. Ltd. A/c through various schemes of Mutual Funds*	-	-	-	-	65,35,854	8.91%

*As on March 31, 2017, Reliance Capital Trustee Co. Ltd. A/c through various schemes of Mutual Funds has Nil (March 31, 2016: 7.4 lac) number of equity shares being Nil (March 31, 2016: 1.01%) of the total equity share capital of the Company.

Notes to Financial Statements

For the year ended March 31, 2017

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

Aggregate number of equity shares issued as bonus, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date:

Particulars	March 31, 2017	March 31, 2016	April 1, 2015
Equity shares alloted as fully paid-up bonus by capitalization from securities premium account (In FY 09-10, fully paid bonus shares, in the ratio of 6:4:1 by capitalizing sum of ₹ 4,940.86 lacs from securities premium account)	4,94,08,614	4,94,08,614	4,94,08,614

Shares reserved for issue under options

For details of equity shares reserved for the issue under Employee Stock Options (ESOP) of the Company refer note 32.

NOTE 13 : OTHER EQUITY

(₹ in Lacs)

Particulars	March 31, 2017	March 31, 2016	April 1, 2015
Share Premium	24,239.12	24,239.12	24,239.12
Capital Redemption Reserve	0.50	0.50	0.50
Capital Reserve	7,965.37	238.00	238.00
General Reserve	687.87	687.87	687.87
Retained Earnings	76,852.27	58,565.13	41,872.59
Total	**1,09,745.13**	**83,730.62**	**67,038.08**

Share Premium

Particulars	(₹ in Lacs)
At April 1, 2015	**24,239.12**
Changes during the year	-
At March 31, 2016	**24,239.12**
Changes during the year	-
At March 31, 2017	**24,239.12**

Capital Redemption Reserve

Particulars	(₹ in Lacs)
At April 1, 2015	**0.50**
Changes during the year	-
At March 31, 2016	**0.50**
Changes during the year	-
At March 31, 2017	**0.50**

Capital Reserve

Particulars	(₹ in Lacs)
At April 1, 2015	**238.00**
Changes during the year	-
At March 31, 2016	**238.00**
Changes during the year (Refer Note 30)	7,727.37
At March 31, 2017	**7,965.37**

Notes to Financial Statements

For the year ended March 31, 2017

General Reserve

Particulars	(₹ in Lacs)
At April 1, 2015	**687.87**
Changes during the year	-
At March 31, 2016	**687.87**
Changes during the year	-
At March 31, 2017	**687.87**

Retained Earnings

(₹ in Lacs)

Particulars	March 31, 2017	April 1, 2016
Opening Balance	58,565.13	41,872.59
Net Profit for the year	19,360.09	17,873.61
Items of other comprehensive income recognised directly in retained earnings		
- Remeasurements of post-employment benefit obligation, net of tax	(12.93)	(121.05)
Final Dividend Paid for March 2016: ₹ 1.2 per share (Previous year: ₹ 1.2 per share)	880.73	880.73
Tax on Proposed Dividend expense	179.29	179.29
Closing Balance	**76,852.27**	**58,565.13**

The disaggregation of changes in OCI by each type of reserves in equity is disclosed in note 27.

NOTE 14 : INCOME TAX

The major components of income tax expense for the year ended March 31, 2017 and March 31, 2016 are :

Statement of profit and loss :

Profit and loss section

(₹ in Lacs)

Particulars	March 31, 2017	March 31, 2016
Current income tax :		
Current income tax charge	6,022.79	8,266.76
Adjustments in respect of current income tax of previous year	(119.25)	(609.26)
Tax expense of discontinued operations	-	(1,477.76)
Deferred tax :		
Relating to origination and reversal of temporary differences	860.85	619.30
Income tax expense reported in the statement of profit and loss	**6,764.39**	**6,799.04**

OCI section :

Deferred tax related to items recognised in OCI during in the year :

(₹ in Lacs)

Particulars	March 31, 2017	March 31, 2016
Income tax on charge/ (Credit) on remeasurements of defined benefit plans	(4.50)	(73.70)
Income tax charged to OCI	**(4.50)**	**(73.70)**

Notes to Financial Statements

For the year ended March 31, 2017

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for March 31, 2016 and March 31, 2017:

(₹ in Lacs)

Particulars	March 31, 2017	March 31, 2016
Accounting profit before tax from continuing operations	26,124.48	28,942.65
Profit/(loss) before tax from a discontinued operation	-	(4,270.00)
Accounting profit before income tax	**26,124.48**	**24,672.65**
At India's statutory income tax rate of 34.608 % (March 31, 2016: 34.608 %)	9,041.16	8,538.71
Non-Taxable Income for tax purposes:		
Income from Investments	(2,370.55)	(1,532.44)
Deduction u/s 80 IC	(155.74)	(219.18)
Non-deductible expenses for tax purposes:		
Other non-deductible expenses	74.30	63.96
Adjustments in respect of current income tax of previous years	(119.25)	(609.26)
Adjustments in respect of defered income tax of previous years	(85.13)	240.73
Income Taxable at Lower rate	(121.63)	-
Difference in Tax Base and Book Base of Investments	501.23	316.86
At the effective income tax rate	**6,764.39**	**6,799.38**
Income tax expense reported in the statement of profit and loss	6,764.39	8,276.80
Income tax attributable to a discontinued operation	-	(1,477.76)
Total tax expense	**6,764.39**	**6,799.04**

Deferred tax relates to the following:

(₹ in Lacs)

Particulars	March 31, 2017	March 31, 2016	April 1, 2015
Deferred tax liabilities			
Differences in depreciation in block of fixed assets as per tax books and financial books	2,071.13	1,587.47	1,333.46
Difference between tax base and book base on Investments	1,318.33	813.40	496.53
Gross deferred tax liabilities	**3,389.45**	**2,400.87**	**1,829.99**
Deferred tax assets			
Effect of expenditure debited to the statement of Profit and Loss in the current year/earlier years but allowed for tax purposes in following years	284.27	301.65	406.25
Allowance for doubtful debts and advances	619.95	470.32	340.44
Gross deferred tax assets	**904.21**	**771.97**	**746.69**
Deferred tax liabilities (net)	**2,485.24**	**1,628.90**	**1,083.30**

Reconciliation of deferred tax liabilities (net):

(₹ in Lacs)

Particulars	March 31, 2017	March 31, 2016
Opening balance as at April 1	1,628.90	1,083.30
Tax Expense/(income) during the period recognised in profit and loss	860.85	619.30
Tax Expense/(income) during the period recognised in OCI	(4.50)	(73.70)
Closing balance as at March 31	**2,485.24**	**1,628.90**

The company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

During the year ended March 31, 2017 and March 31, 2016, the company has paid dividend to its shareholders. This has resulted in payment of Dividend Distribution Tax to the taxation authorities. The company believes that Dividend Distribution Tax represents additional payment to taxation authority on behalf of the shareholders. Hence Dividend Distribution Tax paid is charged to equity.

Notes to Financial Statements

For the year ended March 31, 2017

NOTE 15A : BORROWINGS

(₹ in Lacs)

Particulars	Effective Interest Rate %	Maturity	March 31, 2017	March 31, 2016	April 1, 2015
Current Borrowings					
From Banks					
Secured					
Buyer's credit from Yes Bank	Refer Note I	Refer Note I	963.19	1,271.75	1,789.01
Unsecured					
Buyer's credit from Citi Bank	Refer Note II	Refer Note II	-	5,523.19	2,047.41
Buyer's credit from DBS Bank	Refer Note III	Refer Note III	741.73	-	-
Buyer's credit from Deutsche Bank	Refer Note IV	Refer Note IV	-	3,479.48	-
Vendor financing from Citi Bank	Refer Note V	Refer Note V	-	-	2,198.26
Vendor financing from BNP Paribas	Refer Note VI	Refer Note VI	-	-	2,146.46
Vendor financing from Deutsche Bank	Refer Note VII	Refer Note VII	-	-	1,663.51
Commercial Papers from HDFC Bank	6.40%- 6.50%	June 5, 2017 & June 13, 2017	10,000.00	-	-
Commercial Papers from Indiabulls Ultra Short Term Fund	8.38%	May 27, 2016	-	3,500.00	-
Commercial Papers from TATA Money Market Fund	8.40%	June 27, 2016	-	3,500.00	-
Net Current Borrowings			**11,704.92**	**17,274.42**	**9,844.65**
Aggregate Secured Loans			**963.19**	**1,271.75**	**1,789.01**
Aggregate Unsecured Loans			**10,741.73**	**16,002.67**	**8,055.64**

Note I- Buyer's credit from Yes Bank (Secured)

Outstanding Buyer's Credit loan from Yes Bank (Secured) was drawn in various tranches from December 14, 2016 till March 7, 2017 @ average Interest Rate of 2.56% p.a. (Applicable LIBOR+Margin from time to time) and are due for repayment respective due dates starting from September 8, 2017 till November 30, 2017. This facility is secured by first Pari Passu charge on all current assets (both present & future).

Note II- Buyer's credit from Citi Bank (Unsecured)

Outstanding Buyer's Credit loan from Citi Bank (Unsecured) was drawn in various tranches from July 9, 2015 till January 4, 2016 @ average Interest Rate of 1.37% p.a. (Applicable LIBOR+Margin from time to time) and are due for repayment respective due dates starting from April 4, 2016 till September 30, 2016.

Note III- Buyer's credit from DBS Bank (Unsecured)

Outstanding Buyer's Credit loan from DBS Bank (Unsecured) was drawn in various tranches from September 7, 2016 till February 21, 2017 @ average Interest Rate of 2.32% p.a. (Applicable LIBOR+Margin from time to time) and are due for repayment respective due dates starting from June 2, 2017 till November 17, 2017.

Note IV- Buyer's credit from Deutsche Bank (Unsecured)

Outstanding Buyer's Credit loan from Deutsche Bank (Unsecured) was drawn in various tranches from January 14, 2016 till March 15, 2016 @ average Interest Rate of 1.74% p.a. (Applicable LIBOR+Margin from time to time) and are due for repayment respective due dates starting from July 12, 2016 till September 9, 2016.

Note V- Vendor financing from Citi Bank (Unsecured)

Outstanding Vendor Financing loan from Citi Bank (Unsecured) was drawn in various tranches from January 6, 2015 till March 23, 2015 @ average Interest Rate of 9.67% p.a. and are due for repayment respective due dates starting from April 6, 2015 till June 20, 2015.

Notes to Financial Statements

For the year ended March 31, 2017

Note VI- Vendor financing from BNP Paribas Bank (Unsecured)

Outstanding Vendor Financing loan from BNP Paribas Bank (Unsecured) was drawn in various tranches from January 9, 2015 till March 31, 2015 @ average Interest Rate of 9.67% p.a. and are due for repayment respective due dates starting from April 7, 2015 till June 24, 2015.

Note VII- Vendor financing from Deutsche Bank (Unsecured)

Outstanding Vendor Financing loan from Deutsche Bank (Unsecured) was drawn in various tranches from January 9, 2015 till March 31, 2015 @ average Interest Rate of 9.68% p.a. and are due for repayment respective due dates starting from April 9, 2015 till August 8, 2015.

Loan covenants

The company has complied with all the loan covenants

NOTE 15B : TRADE PAYABLES

(₹ in Lacs)

Particulars	March 31, 2017	March 31, 2016	April 1, 2015
Trade Payables			
- Micro, Small and Medium Enterprises (Refer Note 41)	38.92	1.84	42.81
-Related Parties (Refer Note 34A)	914.03	248.59	302.76
-Others	8,129.51	9,052.65	9,500.66
Total	**9,082.46**	**9,303.08**	**9,846.23**
Non- Current	**-**	**-**	**-**
Current	**9,082.46**	**9,303.08**	**9,846.23**

Terms and conditions of the above financial liabilities:

- Trade payables are non-interest bearing and are normally settled in the range of 1 to 180 days terms.

For expalanations on the company's credit risk management processes, refer to Note 38.

NOTE 15C : OTHER FINANCIAL LIABILITIES

(₹ in Lacs)

Particulars	March 31, 2017	March 31, 2016	April 1, 2015
I. Derivatives at fair value through profit and loss			
- Forex derivative contract	-	322.88	28.23
Total I	**-**	**322.88**	**28.23**
II. Other financial liabilities at amortised cost			
Book Overdraft	-	2,089.69	865.77
Sundry deposits	3,782.52	3,541.07	3,362.60
Interest accrued but not due on borrowings and others	10.80	47.61	41.46
Unclaimed dividend *	5.13	3.03	2.43
Others	113.61	213.30	175.17
Total II	**3,912.06**	**5,894.70**	**4,447.43**
Total other financial liabilities	**3,912.06**	**6,217.58**	**4,475.66**
Non-Current	-	-	-
Current	3,912.06	6,217.58	4,475.66
* Amount payable to Investor Education and Protection Fund	Nil	Nil	Nil

Notes to Financial Statements

For the year ended March 31, 2017

Foreign exchange forward contracts

While the company entered into foreign exchange forward contracts with the intention of reducing the foreign exchange risk of foreign currency bonds, borrowings and payables. These contracts are not designated in hedge relationships and are measured at fair value through profit and loss.

Break up of financial liabilities carried at amortised cost

(₹ in Lacs)

Particulars	Note No	March 31, 2017	March 31, 2016	April 1, 2015
Borrowings (Current)	15A	11,704.92	17,274.42	9,844.65
Trade payables	15B	9,082.46	9,303.08	9,846.23
Book Overdraft	15C	-	2,089.69	865.77
Sundry deposits	15C	3,782.52	3,541.07	3,362.60
Interest accrued but not due on borrowings and others	15C	10.80	47.61	41.46
Unclaimed dividend	15C	5.13	3.03	2.43
Others	15C	113.61	213.30	175.17
Total financial liabilities carried at amortised cost		**24,699.43**	**32,472.19**	**24,138.31**

NOTE 16 : PROVISIONS

(₹ in Lacs)

Particulars	March 31, 2017	March 31, 2016	April 1, 2015
Provision for employee benefits			
Provision for Leave Benefits	136.96	115.87	101.84
Provision for Gratuity (Refer Note 31)	147.98	330.13	248.98
Total	**284.94**	**446.00**	**350.82**
Non-Current	-	-	-
Current	**284.94**	**446.00**	**350.82**

NOTE 17 : INCOME TAX LIABILITIES (NET)

(₹ in Lacs)

Particulars	March 31, 2017	March 31, 2016	April 1, 2015
Income Tax Liability (net)	489.12	432.66	751.73
Total	**489.12**	**432.66**	**751.73**

NOTE 18 : OTHER CURRENT LIABILITIES

(₹ in Lacs)

Particulars	March 31, 2017	March 31, 2016	April 1, 2015
Advances from Customers	1,348.83	1,405.63	741.88
Customers and agents balances	342.92	234.66	242.55
Statutory dues	382.06	306.26	226.48
Deferred Revenue	15.09	22.35	8.28
Total	**2,088.90**	**1,968.90**	**1,219.19**

Notes to Financial Statements

For the year ended March 31, 2017

NOTE 19 : REVENUE FROM OPERATIONS

(₹ in Lacs)

Particulars	March 31, 2017	March 31, 2016
Sale of products		
- Sale of newspaper and publications	22,132.21	21,168.45
Sale of services		
- Advertisement Revenue	69,116.73	68,606.52
- Job work revenue and commission income	870.36	809.42
Other operating revenues		
- Sale of scrap, waste papers and old publication	1,122.24	1,109.01
- Others	85.85	78.17
Total	**93,327.39**	**91,771.57**

NOTE 20 : OTHER INCOME

(₹ in Lacs)

Particulars	March 31, 2017	March 31, 2016
Interest income on		
- Bank deposits	13.21	9.73
- Others	32.40	30.40
Other non - operating income		
Foreign exchange difference	65.73	-
Unclaimed balances/unspent liabilities written back (net)	226.88	396.89
Rental income	331.90	219.45
Fair value gain on Investments in equity shares at fair value through profit and loss	6.21	48.85
Interest Income from Mutual Funds	8,370.51	5,193.04
Miscellaneous Income	157.75	208.74
Total	**9,204.59**	**6,107.10**

NOTE 21 : COST OF MATERIALS CONSUMED

(₹ in Lacs)

Particulars	March 31, 2017	March 31, 2016
Consumption of raw material		
Inventory at the beginning of the year	3,951.81	3,561.09
Add: Purchase during the year	34,913.38	35,226.62
Less : Sale of damaged newsprint	137.27	189.50
	38,727.92	**38,598.21**
Less: Inventory at the end of the year	3,784.49	3,951.81
Total	**34,943.43**	**34,646.40**

Notes to Financial Statements

For the year ended March 31, 2017

NOTE 22 : (INCREASE)/ DECREASE IN INVENTORIES

(₹ in Lacs)

Particulars	March 31, 2017	March 31, 2016
Inventory at the beginning of the year		
- Finished Goods	2.94	3.78
- Work -in- progress	2.42	1.72
- Scrap and waste papers	19.62	18.14
Inventory at the end of the year		
- Finished Goods	2.58	2.94
- Work -in- progress	4.97	2.42
- Scrap and waste papers	32.43	19.62
(Increase)/ decrease in inventories		
- Finished Goods	0.36	0.84
- Work -in- progress	(2.56)	(0.70)
- Scrap and waste papers	(12.81)	(1.48)
Total	**(15.01)**	**(1.34)**

NOTE 23 : EMPLOYEE BENEFITS EXPENSE

(₹ in Lacs)

Particulars	March 31, 2017	March 31, 2016
Salaries, wages and bonus	8,554.96	11,257.87
Contribution to provident and other funds	402.11	437.60
Gratuity expense (Refer Note 31)	130.55	135.38
Workmen and Staff welfare expenses	303.97	378.54
Total	**9,391.59**	**12,209.39**
Less: Discontinued Operations (Refer Note 30)	-	2,655.00
Total for continuing operations	**9,391.59**	**9,554.39**

NOTE 24 : FINANCE COSTS

(₹ in Lacs)

Particulars	March 31, 2017	March 31, 2016
Interest on debts and borrowings	1,230.34	650.92
Exchange difference regarded as an adjustment to borrowing costs	328.78	421.34
Bank charges	55.07	60.97
Total	**1,614.19**	**1,133.23**

NOTE 25 : DEPRECIATION AND AMORTIZATION EXPENSE

(₹ in Lacs)

Particulars	March 31, 2017	March 31, 2016
Depreciation of tangible assets (Note 3)	1,981.53	2,205.13
Amortization of intangible assets (Note 5)	39.19	44.38
Total	**2,020.72**	**2,249.51**
Less: Discontinued operations (Refer Note 30)	-	58.10
Total for continuing operations	**2,020.72**	**2,191.41**

Notes to Financial Statements

For the year ended March 31, 2017

NOTE 26 : OTHER EXPENSES

(₹ in Lacs)

Particulars	March 31, 2017	March 31, 2016
Consumption of stores and spares	2,586.92	2,579.71
Printing and service charges	3,841.41	3,994.40
News Service and despatches	1,361.15	1,368.21
News Content Sourcing Fees*	7,109.36	-
Service Charges on Ad Revenue	262.14	247.86
Power and fuel	1,150.56	1,208.14
Advertising and sales promotion (Refer Note 44)	2,991.61	3,872.17
Freight and Forwarding charges	1,193.54	1,135.44
Rent	642.63	968.83
Rates and taxes	85.10	57.05
Insurance	185.37	182.05
Repairs and maintenance:		
Plant and machinery	672.80	785.80
Building	71.72	143.72
Others	10.72	14.00
Travelling and conveyance	1,508.13	1,515.53
Communication costs	382.57	438.30
Legal and professional fees	1,650.29	1,523.95
Payment to auditor (refer details below)	77.63	102.72
Director's sitting fees	10.29	6.17
Exchange differences	0.36	175.59
Impairment of for doubtful debts and advances (Included Bad debts Written off)	444.63	437.99
Loss on sale of fixed assets	2.98	12.08
Donations/ Contribution (Refer Note 44)	113.12	211.90
Miscellaneous expenses	2,097.55	1,987.22
Total	**28,452.58**	**22,968.83**
Less: Discontinued operations (Refer Note 30)	-	1,556.90
Total for continuing operations	**28,452.58**	**21,411.93**

* Pursuant to the sanction of the Scheme of Arrangement u/s 391-394 of the Companies Act, 1956 between the Company and HT Digital Streams Limited (HTDSL) and their respective shareholders & creditors for transfer and vesting of Multi-media Content Management Undertaking of the Company ("MMCM Undertaking") to and in HTDSL, the Company has entered into a content sharing agreement for licensing of literary content from HTDS as per mutually agreed terms. During the year ended, the Company has incurred an amount of ₹ 7,109.36 lacs on account of such expense. (Also Refer Note 30).

Payment to auditors

(₹ in Lacs)

Particulars	March 31, 2017	March 31, 2016
As auditor :		
- Audit fee	22.00	25.00
- Limited Review	18.00	18.00
- Tax audit fee	5.00	5.00
In other capacities :		
- Certification fees	5.75	10.25
- Other services		15.00
Reimbursement of expenses	18.29	17.73
Service tax on above	8.59	11.74
Total	**77.63**	**102.72**

Notes to Financial Statements

For the year ended March 31, 2017

NOTE 27 : OTHER COMPREHENSIVE INCOME

The disaggregation of changes to OCI by each type of reserve in equity is shown below :

For the year ended March 31, 2017

(₹ in Lacs)

Particulars	Retained earnings	Total
Remeasurement of the net defined benefit plans	(17.43)	(17.43)
Income tax relating to items that will not be reclassified to profit and loss	4.50	4.50
Total	**(12.93)**	**(12.93)**

For the year ended March 31, 2016

(₹ in Lacs)

Particulars	Retained earnings	Total
Remeasurement of the net defined benefit plans	(194.75)	(194.75)
Income tax relating to items that will not be reclassified to profit and loss	73.70	73.70
Total	**(121.05)**	**(121.05)**

NOTE 28 : EARNINGS PER SHARE (EPS)

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

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

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

Particulars	March 31, 2017	March 31, 2016
Profit attributable to equity holders (₹ Lacs)		
Continuing operations	19,360.09	20,665.85
Discontinued operation	-	(2,792.24)
Profit attributable to equity holders	19,360.09	17,873.61
Weighted average number of Equity shares for basic and diluted EPS	733.94	733.94
Earnings per share for continuing and discontinued operations		
Basic EPS	26.38	24.35
Diluted EPS	26.38	24.35
Earnings per share for continuing operations		
Basic EPS	26.38	28.16
Diluted EPS	26.38	28.16
Earnings per share for discontinued operations		
Basic EPS	-	(3.81)
Diluted EPS	-	(3.81)

Notes to Financial Statements

For the year ended March 31, 2017

NOTE 29 : DISTRIBUTION MADE AND PROPOSED

(₹ in Lacs)

Particulars	March 31, 2017	March 31, 2016
Dividend on equity shares declared and paid :		
Final dividend for the year ended on March 31, 2016 : ₹ 1.20 per share (April 1, 2015 : ₹ 1.20 per share)	880.73	880.73
Dividend Distribution Tax on final dividend	179.29	179.29
	1,060.02	**1,060.02**
Proposed dividends on Equity shares*:		
Dividend proposed for the year ended on March 31, 2017: ₹ 1.20 per share (March 31, 2016: ₹ 1.20 per share)	880.73	880.73
Dividend Distribution Tax on proposed dividend	179.29	179.29
	1,060.02	**1,060.02**

* Proposed dividends on equity shares are subject to approval at the annual general meeting and are not recognised as a liability (including Dividend Distribution Tax thereon) as at March 31.

NOTE 30 : TRANSFER OF MULTI-MEDIA CONTENT MANAGEMENT UNDERTAKING OF THE COMPANY ('MMCM UNDERTAKING') TO HT DIGITAL STREAMS LIMITED

The Board of Directors of the Company at its meetings held on October 26, 2015 and November 19, 2015, on the recommendation of the Audit Committee, had approved the transfer and vesting of the Multi-media Content Management Undertaking of the Company ('MMCM Undertaking') to and in HT Digital Streams Limited (HTDSL), as a 'going concern' on a slump exchange basis by way of issue of fully-paid up equity shares of the Transferee Company, to the Company.

The Scheme of Arrangement u/s 391-394 of the Companies Act, 1956 between the Company and HTDSL and their respective shareholders & creditors for transfer and vesting of the Multi-media Content Management Undertaking of the Company ('MMCM Undertaking') to and in HTDSL, as going concern on slump exchange basis, with effect from closing hours of March 31, 2016 ('Appointed Date') ('the Scheme'), was sanctioned by the Hon'ble High Court of Judicature at Patna, in terms of the judgement dated November 24, 2016 and order dated December 19, 2016. Consequent upon filing of the judgement/order passed by the Hon'ble High Court with the Registrar of Companies, Bihar, the Scheme became effective from December 31, 2016 (closing hours) ('Effective Date').

The financial impact of the Scheme was considered in financial statement for the year ended March 31, 2017 as summarized below:

a) HTDSL allotted its 85,87,896 Equity Shares of ₹ 10/- each to the Company, which has been recorded as investment in HTDSL at a fair value of ₹ 7,450 lacs. Accordingly, the Company now holds 42.83% of equity share capital of HTDSL.

b) An amount of ₹ 7,727.37 lacs, being difference of purchase consideration (₹ 7,450.00 lacs) and Book Value of Net Assets (₹ 277.37 lacs (negative)) transferred to HTDSL, was recorded as Capital Reserve in the books of the Company. The Company has followed the applicable Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of Companies (Accounts) Rules, 2014 and other Generally Accepted Accounting Principles as on the Appointed Date in accordance with the scheme approved by Hon'ble High Court. This is not similar to the accounting as per applicable Indian Accounting Standards (Ind-AS) prescribed under Section 133 of the Companies Act, 2013, read with relevant rules issued thereunder.However, this was in compliance with Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of Companies (Accounts) Rules, 2014 and other Generally Accepted Accounting Principles as applicable when the scheme was filed before with Hon'ble High Court and as on the Appointed Date i.e March 31, 2016.

Notes to Financial Statements

For the year ended March 31, 2017

Details of assets and liability transferred as on the Appointed date (i.e. March 31, 2016) are as below:-

(₹ in Lacs)

Particulars	Amount
Total Assets (A)	48.39
Total Liabilities (B)	325.76
Net Asset (negative) transferred to the Company (A-B)	(277.37)
Purchase Consideration paid	(7,450.00)
Accounted in Capital Reserve	(7,727.37)

c) The revenues earned and expenses incurred for the period i.e. from the Appointed Date to the Effective Date were transferred to HTDSL on the effective date.Therefore, the financial statements for the year ended March 31, 2017 do not include any revenue, expenses, assets and liabilities of MMCM Undertaking

However, the Statement of Profit and Loss for year ended March 31, 2016 included expenses relatable to MMCM Undertaking of ₹ 4270.00 lacs (net of tax ₹ 2,792.24 lacs). Accordingly, the Statement of Profit and Loss for year ended March 31, 2017 are not comparable with corresponding Statement of Profit and Loss for year of previous year ended March 31, 2016.

The details of income and expenses relatable to discontinued operations for the year ended March 31, 2016 are as below:-

(₹ in Lacs)

Particulars	Year Ended March 31, 2016
Total Income	-
Expenses	
Employee benefits expense	2,655.00
Depreciation and amortisation expense	58.10
Other expenses	1,556.90
Total Expenses	4,270.00
Profit/ (Loss) before Tax	**(4,270.00)**
Tax Expense/(Credit)	(1,477.76)
Net Profit/ (Loss) for the period	**(2,792.24)**

The net cash flows are as follows:

Particulars	Year Ended March 31, 2016
Operating	(4,270.00)
Investing	-
Financing	4,270.00
Net cash (outflow)/inflow	-

NOTE 31 : GRATUITY

(₹ in Lacs)

Particulars	March 31, 2017	March 31, 2016	April 1, 2015
Gratuity plan	147.98	330.13	248.98
Total	**147.98**	**330.13**	**248.98**
Non-Current	-	-	-
Current	147.98	330.13	248.98

Notes to Financial Statements

For the year ended March 31, 2017

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of services gets a gratuity on separation at 15 days salary (last drawn salary) for each completed year of service. The Company has formed a Gratuity Trust to which contribution is made based on actuarial valuation done by independent valuer.

The following tables summarise the components of net benefit expense recognised in the Statement of Profit or Loss and the funded status and amounts recognised in the balance sheet for the respective plans:

Gratuity Plan

Changes in the defined benefit obligation and fair value of plan assets as at March 31, 2017 :

Present value of Obligation

(₹ in Lacs)

Particulars	March 31, 2017	March 31, 2016
Opening Balance	1,054.51	796.34
Current Service Cost	109.17	116.04
Interest Expense or cost	80.30	61.85
Re-measurement (or Actuarial) (gain) / loss arising from:		
- change in financial assumptions	10.29	-
- experience variance (i.e. Actual experience vs assumptions)	37.15	187.35
Benefits Paid	(127.77)	(107.08)
Acquisition Adjustment	(17.62)	-
Total	**1,146.04**	**1,054.51**

Fair Value of Plan Assets

(₹ in Lacs)

Particulars	March 31, 2017	March 31, 2016
Opening Balance	724.38	547.36
Investment Income	58.92	42.51
Employer's contribution	276.11	248.98
Benefits Paid	(127.77)	(107.08)
Return on plan assets, excluding amount recognised in net interest expenses	30.02	(7.40)
Acquisition adjustment	36.40	-
Total	**998.06**	**724.38**

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

Particulars	Defined gratuity Plan	
	March 31, 2017	March 31, 2016
Investment in Funds managed by insurer	100%	100%

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

Particulars	March 31, 2017	March 31, 2016
Discount Rate	7.50%	7.75%
Salary Growth Rate	5%	5%
Withdrawal Rate		
Up to 30 years	3%	3%
31 - 44 years	2%	2%
Above 44 years	1%	1%

Notes to Financial Statements

For the year ended March 31, 2017

A quantitative sensitivity analysis for significant assumption is as shown below:

(₹ in Lacs)

Particulars	March 31, 2017	March 31, 2016
Defined Benefit Obligation (Base)	1,146.04	1,054.51

(₹ in Lacs)

Particulars	March 31, 2017		March 31, 2016	
Assumptions	**Decrease**	**Increase**	**Decrease**	**Increase**
Discount Rate (-/+ 1%)	71.21	(63.04)	79.33	(69.63)
Salary Growth Rate (-/+ 1%)	(60.36)	67.03	(67.77)	75.86
Attrition Rate (-/+ 50%)	(8.29)	7.59	(11.15)	10.18

The sensitivity analysis above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

The following payments are expected contributions to the defined benefit plan in future years:

(₹ in Lacs)

Particulars	March 31, 2017	March 31, 2016
Within the next 12 months (next annual reporting period)	53.05	67.23
Between 2 and 5 years	777.85	607.61
Between 6 and 10 years	319.14	350.41
Beyond 10 years	901.83	1,109.43
Total expected payments	**2,051.88**	**2,134.69**

Average duration of the defined benefit plan obligation

Particulars	March 31, 2017	March 31, 2016
Weighted Average duration	7 years	7 years

Defined Contribution Plan

(₹ in Lacs)

Particulars	March 31, 2017	March 31, 2016
Contribution to Provident and Other funds		
Charged to Statement of Profit and Loss	402.11	437.60

Leave Encashment (unfunded)

The Company recognises the leave encashment expenses in the Statement of Profit and Loss based on actuarial valuation.

The expenses recognised in the Statement of Profit and Loss and the Leave encashment liability at the beginning and at the end of the year :

(₹ in Lacs)

Particulars	March 31, 2017	March 31, 2016
Liability at the beginning of the year	115.87	101.84
Paid during the year	(19.12)	(6.75)
Acquisition Adjustment	31.56	-
Provided during the year	8.65	20.78
Liability at the end of the year	**136.96**	**115.87**

Notes to Financial Statements

For the year ended March 31, 2017

NOTE 32 : SHARE-BASED PAYMENTS

In accordance with the Securities and Exchange Board of India (Share Based Employee benefits) Regulations, 2014 and Ind-AS 102 Share-based Payment, the scheme detailed below is managed and administered, compensation benefits in respect of the scheme is assessed and accounted by the company. To have an understanding of the scheme, relevant disclosures are given below.

I. The Hindustan Times Limited (the ultimate Parent Company) and HT Media Limited (the Parent Company) has given loan to "HT Group company's – Employee Stock Option Trust" which in turn has purchased Equity Shares of ₹ 10/- each of the Company for the purpose of granting Options under the 'HT Group company's –Employee Stock Option Rules' ("HT ESOP"), to eligible employees of the group.

A. Details of Options granted as on March 31, 2017 are given below:

Type of Arrangement	Date of Grant	Number of options granted	Fair Value on the date of Grant (In ₹)	Vesting conditions	Weighted average remaining contractual life (in years)	Method of Settlement
Employee Stock Option	September 15, 2007	1,93,782	16.07	¼ of the shares vest each year over a period of four years starting from one year after the date of grant	4.46	Equity
Employee Stock Option	May 20, 2009	11,936	14.39	¼ of the shares vest each year over a period of four years starting from one year after the date of grant	6.14	Equity
Employee Stock Option	February 4, 2010	1,50,729	87.01	50% on the date of grant and 25% vest each year over a period of 2 years starting from the date of grant	7.14	Equity
Employee Stock Option	March 8, 2010	17,510	56.38	¼ of the shares vest each year over a period of four years starting from one year after the date of grant	6.94	Equity
Employee Stock Option	April 1, 2010	4,545	53.87	¼ of the shares vest each year over a period of four years starting from one year after the date of grant	7.01	Equity

Weighted average fair value of the options outstanding is ₹ 49.30 per option.

B. Summary of activity under the plans is given below :

	March 31, 2017		March 31, 2016	
	Number of options	Weighted Average Exercise Price (₹)	Number of options	Weighted Average Exercise Price (₹)
Outstanding at the beginning of the year	2,21,776	21.10	2,32,069	21.70
Granted during the year	-	-	-	-
Forfeited during the year	-	-	-	-
Exercised during the year	79,950	19.96	10,293	34.66
Expired during the year	-	-	-	-
Outstanding at the end of the period	1,41,826	21.75	2,21,776	21.10
Exercisable at the end of the period	1,41,826	21.75	2,21,776	21.10
Weighted average remaining contractual life (in years)	5.35		6.37	

Notes to Financial Statements

For the year ended March 31, 2017

C. The details of exercise price for stock options outstanding at the end of the year ended March 31, 2017 are:

A stock option gives an employee, the right to purchase equity shares of the Company at a fixed price within a specific period of time. The details of exercise price for stock options outstanding at the end of the year are as under:

	Range of exercise prices	Number of options outstanding	Weighted average remaining contractual life of options (in years)	Weighted average exercise price (₹)
2016-17	₹ 1.35 to ₹ 60	1,41,826	5.35	21.75
2015-16	₹ 1.35 to ₹ 60	2,21,776	6.37	21.10

Options granted are exercisable for a maximum period of 14 years after the scheduled vesting date as per the Scheme.

The Company has availed exemption under Ind-AS 101 in respect of Share-based payments that had been vested before the transition date. The Company has elected to avail this exemption and accordingly, vested options as on transition date have been measured at intrinsic value .

The employee compensation cost (accounting charge for the year) calculated using the intrinsic value of stock options is ₹ NIL (March 31, 2016: ₹ NIL)

II. Pursuant to purchase of Hindi Business, certain employees of HT Media Limited (the parent company) have become employees of the Company on continued service basis under HT ESOS –Plan A (Plan A) and HT ESOS – Plan C (Plan C). These employees continue to hold the Employee Stock Options (ESOPs) of parent company which were granted to them during their employment with the parent company.

Details of these plans are given below:

Employee Stock Options

A stock option gives an employee, the right to purchase equity shares of the HMVL at a fixed price within a specific period of time.

A. Details of Options granted as on March 31, 2017 are given below:

Type of arrangement	Date of Grant	Options granted (nos.)	Fair value on the grant date (₹)	Vesting conditions	Weighted average remaining contractual life (in years)	Method of Settlement
Employee Stock Options	January 9, 2006	91,280	50.5	1/4 of the shares vest each year over a period of four years starting from one year after the date of grant	2.78	Equity
Employee Stock Options	October 8, 2009	83,838	68.9	50% on the date of grant and 25% vest each year over a period of 2 years starting from the date of grant	4.53	Equity

Options granted are exercisable for a period of 10 years after the scheduled vesting date of the last tranche of the Options as per the Scheme.

Notes to Financial Statements

For the year ended March 31, 2017

B. Summary of activity under the plans for the period ended March 31, 2017 and March 31, 2016 are given below.

PLAN A

	March 31, 2017			March 31, 2016		
	Number of options	Weighted-average exercise price (₹)	Weighted-average remaining contractual life (in years)	Number of options	Weighted-average exercise price (₹)	Weighted-average remaining contractual life (in years)
Outstanding at the beginning of the year	91,280	92.30	3.78	91280	92.30	4.78
Granted during the year	-	-	-	-	-	-
Forfeited/Cancelled during the year	-	-	-	-	-	-
Exercised during the year	-	-	-	-	-	-
Expired during the year	-	-	-	-	-	-
Outstanding at the end of the year	91,280	92.30	2.78	91,280	92.30	3.78

PLAN C

	March 31, 2017			March 31, 2016		
	Number of options	Weighted-average exercise price (₹)	Weighted-average remaining contractual life (in years)	Number of options	Weighted-average exercise price (₹)	Weighted-average remaining contractual life (in years)
Outstanding at the beginning of the year	61,448	117.55	5.53	61,448	117.55	6.53
Granted during the year	-	-	-	-	-	-
Forfeited/Cancelled during the year	-	-	-	-	-	-
Exercised during the year	-	-	-	-	-	-
Expired during the year	-	-	-	-	-	-
Outstanding at the end of the year	61,448	117.55	4.53	61,448	117.55	5.53

C. The details of exercise price for stock options outstanding at the end of the current year ended March 31, 2017 are:

	Exercise prices (₹)	Number of options outstanding	Weighted average remaining contractual life of options (in years)	Weighted average exercise price (₹)
Plan A	92.30	91,280	2.78	92.30
Plan C	117.55	61,448	4.53	117.55

Weighted average fair value of the options outstanding is:

- Plan A – ₹ 50.05
- Plan C – ₹ 68.90

The Company has availed exemption under Ind-AS 101 in respect of Share-based payments that had been vested before the transition date. The Company has elected to avail this exemption and accordingly, vested options as on transition date have been measured at intrinsic value.

Notes to Financial Statements

For the year ended March 31, 2017

The employee compensation cost (accounting charge for the year) calculated using the intrinsic value of stock options is ₹ NIL (March 31, 2016: ₹ NIL)

III. The Group Company, Firefly e-Ventures Limited has given Employee Stock Options (ESOPs) to employees of Hindustan Media Ventures Limited (HMVL).

A. Details of these plans are given below:

Employee Stock Options

A stock option gives an employee, the right to purchase equity shares of Firefly e-Ventures Limited at a fixed price within a specific period of time. The grant price (or strike price) for options granted during the financial year 2009-10 shall be ₹ 10 each per option.

B. Details of stock options granted during the current year and earlier year are as given below:

Type of arrangement	Date of Grant	Options granted (nos.)	Fair value on the grant date (₹)	Vesting conditions*	Weighted average remaining contractual life in years as at March 31, 2016(in years)	Method of Settlement
Employee Stock Options	October 16, 2009	2,24,700	4.82	Starts from the date of listing of Firefly e-Ventures Limited as per the following vesting schedule 25% 12 months from the date of grant 25% 24 months from the date of grant 25% 36 months from the date of grant 25% 48 months from the date of grant	6.55	Equity

C. Summary of activity under the plan for the year ended March 31, 2017 and March 31, 2016 are given below.

	March 31, 2017		March 31, 2016	
	Number of options	Weighted Average Exercise Price (₹)	Number of options	Weighted Average Exercise Price (₹)
Outstanding at the beginning of the year	2,24,700	10.00	2,24,700	10.00
Granted during the year	-	-	-	-
Forfeited during the year	-	-	-	-
Exercised during the year	-	-	-	-
Expired during the year	-	-	-	-
Outstanding at the end of the year	2,24,700	10.00	2,24,700	10.00
Weighted average remaining contractual life (in years)	6.55		7.55	

Weighted average fair value of the options outstanding is ₹ 4.82 per option. Since no options have been exercised during the period, thus weighted average share price has not been disclosed.

The Company has availed exemption under Ind-AS 101 in respect of Share-based payments that had been vested before the transition date. The Company has elected to avail this exemption and accordingly, vested options as on transition date have been measured at intrinsic value

The employee compensation cost (accounting charge for the year) calculated using the intrinsic value of stock options is ₹ NIL (March 31, 2016: ₹ NIL)

Notes to Financial Statements

For the year ended March 31, 2017

NOTE 33 : COMMITMENTS AND CONTINGENCIES

(a) Leases

Operating lease commitments - Company as lessee

The company has taken various residential, office and godown premises under operating lease agreements. These are generally cancellable leases and are renewable by mutual consent on mutually agreed terms with or without rental escalations.

The company has paid ₹ 642.63 lacs (March 31, 2016: ₹ 968.83 lacs) during the year towards minimum lease payment and infrastructure charges and the same is disclosed as Rent under Note 26.

Future minimum rentals payable under non-cancellable operating leases as at March 31 are as follows:

(₹ in Lacs)

Particulars	March 31, 2017	March 31, 2016	April 1, 2015
Within one year	52.06	51.62	28.89
After one year but not more than five years	205.66	205.54	115.52
More than five years	149.15	224.51	160.12

(b) Commitments

(₹ in Lacs)

Particulars	March 31, 2017	March 31, 2016	April 1, 2015
Capital Commitments			
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of capital advances)	127.37	52.96	2,112.52

(c) Contingent Liabilities

A. Claims against the company not acknowledged as debts

(₹ in Lacs)

Particulars	As at March 31, 2017	As at March 31, 2016
a) The Company has filed a petition before the Hon'ble Patna High Court against an initial claim for additional contribution of ₹ 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 ₹ 12.50 lacs to ESIC. The Hon'ble High Court had initially stayed the matter and on July 18, 2012 disposed of the Petition with the Order of "No Coercive Step shall be taken against HMVL" with direction to move for ESI Court. Matter is still pending in Lower Court. There is no further progress in the matter during the year.	73.37	73.37
b) The Company has filed a petition before the Hon'ble Patna High Court against the demand of ₹ 10.07 lacs (including interest) for short payment of ESI dues pertaining to the years from 2001 to 2005. The Hon'ble High Court had initially stayed the matter and on July 18, 2012 disposed of the Petition with the Order of "No Coercive Step shall be taken against HMVL" with direction to move for ESI Court. Matter is still pending in Lower Court. There is no further progress in the matter during the year.	10.07	10.07

Notes to Financial Statements

For the year ended March 31, 2017

B. During the current year, the management has received several claims substantially from employees in UP, Jharkhand and Bihar who are either retired or separated from the Company regarding the benefits of Majithia Wage Board recommendations. However, all such claims/ recovery order(s) issued by ALC/ DLC office are generally either stayed by the respective Hon'ble High Court(s) or are pending before ALC/ DLC.

Based on management assessment and current status of the above matters, the management is confident that no provision is required in the financial statements as on March 31, 2017.

NOTE 34 : 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 ##
Fellow subsidiaries (with whom transactions have occured during the year)	Firefly e-Ventures Limited
	HT Mobile Solutions Limited
	HT Overseas Pte. Ltd.
	HT Learning Centers Limited
Associate/ Fellow subsidiary	HT Digital Streams Limited (became Associate w.e.f December 31, 2016)
Joint Venture of group company	India Education Services Private Limited
Entities which are post employment benefit plans (with whom transactions have occurred during the year)	HMVL Editorial Employees Gratuity Fund
	HMVL Non Editorial & Other Employees Gratuity Fund
Key Management Personnel and their relatives (with whom transactions have occurred during the year)	Mr. Priyavrat Bhartia
	Mr. Shamit Bhartia (appointed as MD of HMVL w.e.f February 4, 2017)
	Mr. Ashwani Windlass (Non-Executive Independent Director)
	Mr. Piyush G Mankad (Non-Executive Independent Director)
	Mr. Shardul S. Shroff (Non-Executive Independent Director)
	Dr. Mukesh Aghi (Non-Executive Independent Director)
	Mr. Benoy Roychowdhury (Whole time Director)

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

Earthstone Holding (Two) Limited is the holding Company of The Hindustan Times Limited.

ii) Transactions with related parties

Refer Note 34 A

iii) Terms and conditions of transactions with related parties

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. . This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

iv) Transactions with key management personnel

Refer Note 34 A

Notes to Financial Statements

For the year ended March 31, 2017

NOTE 34A : TRANSACTIONS DURING THE YEAR WITH RELATED PARTIES

	Holding Company				Fellow Subsidiaries								Associate / Fellow Subsidiary	
	The Hindustan Times Ltd		HT Media Ltd.		Firefly e-Ventures Ltd		HT Mobile Solutions Ltd		HT Learning Centers Ltd.		HT Overseas Pte. Ltd.		HT Digital Streams Ltd (Refer Note C)	
Particulars	Mar-17	Mar-16	Mar-17	Mar-16	Mar-17	Mar-16	Mar-17	Mar-16	Mar-17	Mar-16	Mar-17	Mar-16	Mar-17	Mar-16
REVENUE TRANSACTIONS														
INCOME														
Sale of Stores & Spares Material	-	-	0.40	8.74	-	-	-	-	-	-	-	-	-	-
Jobwork Revenue	-	-	510.48	516.87	2.74	1.68	-	-	-	-	-	-	-	-
Sale of Advertisement Space in Publication	0.14	0.18	551.51	308.22	139.90	153.59	0.35	0.10	189.20	212.08	-	-	-	-
Sale of Newspaper for Circulation	-	-	2,394.53	2,562.60	-	-	-	-	-	-	-	-	-	-
Infrastructure Support Services (Seats) Given	-	-	87.82	176.95	-	-	-	-	-	-	-	-	155.28	-
Media Marketing Commission & Collection Charges Received	-	-	86.54	78.57	-	-	-	-	-	-	-	-	-	-
Rent Received	-	-	28.80	-	-	-	-	-	-	-	-	-	-	-
EXPENSE														
Purchase of Stores & Spares Material	-	-	8.65	3.01	-	-	-	-	-	-	-	-	-	-
Printing / Service Charges Paid	-	-	1,528.19	1,499.69	11.22	47.76	-	-	-	-	-	-	-	-
Advertisement Expenses	-	-	55.54	71.09	27.94	-	23.88	6.02	-	-	-	-	-	-
Purchase of Newspaper for Circulation	-	-	547.07	552.23	-	-	-	-	-	-	-	-	-	-
Infrastructure Support Services (Seats) Taken	-	-	390.62	363.36	-	-	-	-	-	-	-	-	-	-
Media Marketing Commission & Collection Charges Paid	-	-	350.11	276.86	-	-	-	-	-	-	-	-	-	-
Remuneration paid to Key managerial personnel	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Non Executive Director's Sitting Fee and Commission	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fee for Newsprint Procurement Support Services	-	-	-	-	-	-	-	-	-	-	24.10	193.41	-	-
News Content Procurement Fees	-	-	-	-	-	-	-	-	-	-	-	-	1,800.28	-
OTHERS														
Reimbursement of expenses incurred on behalf of the company by parties	-	-	63.26	70.43	-	-	-	-	-	-	-	-	-	-
Reimbursement of expenses incurred on behalf of the party by company	-	-	33.82	10.00	0.02	-	-	-	-	-	-	-	66.35	-
Purchase of Property, Plant & Equipment and Intangible Assets by Company	-	-	157.60	6,227.39	-	-	-	-	-	-	-	-	-	-
Sale of Property, Plant & Equipment by Company	-	-	2.70	-	-	-	-	-	-	-	-	-	-	-
Contribution to Gratuity Trust	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Notes to Financial Statements

For the year ended March 31, 2017

NOTE 34A : TRANSACTIONS DURING THE YEAR WITH RELATED PARTIES (CONTD.)

	Key Managerial Personnel(KMP) Refer Note B								Joint Venture of Group Company		Entities which are post employment benefit plans					
	Benoy Roychowdhury		Shamit Bhartia		Priyavrat Bhartia		Non-executive Directors		India Education Services Private Limited		HMVL Editorial Employees Gratuity Fund		HMVL Non Editorial & Other Employees Gratuity Fund		Total	
Particulars	Mar-17	Mar-16	Mar-17	Mar-16	Mar-17	Mar-16	Mar-17	Mar-16	Mar-17	Mar-16	Mar-17	Mar-16	Mar-17	Mar-16	Mar-17	Mar-16
REVENUE TRANSACTIONS																
INCOME																
Sale of Stores & Spares Material	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.40	8.74
Jobwork Revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	513.22	518.55
Sale of Advertisement Space in Publication	-	-	-	-	-	-	-	-	101.00	25.42	-	-	-	-	982.11	699.59
Sale of Newspaper for Circulation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2,394.53	2,562.60
Infrastructure Support Services (Seats) Given	-	-	-	-	-	-	-	-	-	-	-	-	-	-	243.10	176.95
Media Marketing Commission & Collection Charges Received	-	-	-	-	-	-	-	-	-	-	-	-	-	-	86.54	78.57
Rent Received	-	-	-	-	-	-	-	-	-	-	-	-	-	-	28.80	-
EXPENSE																
Purchase of Stores & Spares Material	-	-	-	-	-	-	-	-	-	-	-	-	-	-	8.65	3.01
Printing / Service Charges Paid	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,539.41	1,547.45
Advertisement Expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-	107.36	77.11
Purchase of Newspaper for Circulation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	547.07	552.23
Infrastructure Support Services (Seats) Taken	-	-	-	-	-	-	-	-	-	-	-	-	-	-	390.62	363.36
Media Marketing Commission & Collection Charges Paid	-	-	-	-	-	-	-	-	-	-	-	-	-	-	350.11	276.86
Remuneration paid to Key managerial personnel	237.97	214.86	58.68	-	376.45	166.88	-	-	-	-	-	-	-	-	673.10	381.74
Non Executive Director's Sitting Fee and Commission	-	-			-	-	48.70	46.00	-	-	-	-	-	-	48.70	46.00
Fee for Newsprint Procurement Support Services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	24.10	193.41
News Content Procurement Fees	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,800.28	-
OTHERS																
Reimbursement of expenses incurred on behalf of the company by parties	-	-	-	-	-	-	-	-	-	-	-	-	-	-	63.26	70.43
Reimbursement of expenses incurred on behalf of the party by company	-	-	-	-	-	-	-	-	-	-	-	-	-	-	100.19	10.00
Purchase of Property, Plant & Equipment and Intangible Assets by Company	-	-	-	-	-	-	-	-	-	-	-	-	-	-	157.60	6,227.39
Sale of Property, Plant & Equipment by Company	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2.70	-
Contribution to Gratuity Trust	-	-	-	-	-	-	-	-	-	-	104.74	38.26	225.39	210.72	330.13	248.98

Notes to Financial Statements
For the year ended March 31, 2017

NOTE 34A : TRANSACTIONS DURING THE YEAR WITH RELATED PARTIES (CONTD.)

	Holding Company						Fellow Subsidiaries												Associate / Fellow Subsidiary		
	The Hindustan Times Ltd			HT Media Ltd.			Firefly e-Ventures Ltd			HT Mobile Solutions Ltd			HT Learning Centers Ltd.			HT Overseas Pte. Ltd.			HT Digital Streams Ltd. Refer Note C		
Particulars	Mar-17	Mar-16	Mar-15	Mar-17	Mar-16	Mar-15	Mar-17	Mar-16	Mar-15	Mar-17	Mar-16	Mar-15	Mar-17	Mar-16	Mar-15	Mar-17	Mar-16	Mar-15	Mar-17	Mar-16	Mar-15
BALANCE OUTSTANDING AS ON 31-03-17																					
Investment in Shares	-	-		-	-		-	-		-	-		-	-		-	-		7,450.00	-	-
Receivable as Advances / Trade Receivable	0.46	0.32	0.15	690.82	565.95	1,033.08	24.07	143.41	19.90	0.24	0.09	-	61.77	32.86	15.67	-	-	-	124.56	-	-
Payable as Creditors	-	-	-	328.88	217.17	249.64	56.69	15.29	24.51	1.31	6.38	12.79	-	-	-	15.42	9.75	15.82	511.73	-	-

	Key Managerial Personnel (KMP) Refer Note B												Joint venture of Group company			Entities which are post employment benefit plans						Total		
	Benoy Roychowdhury			Shamit Bhartia			Priyavrat Bhartia			Non-executive Directors			India Education Services Private Limited			HMVL Editorial Employees Gratuity Fund			HMVL Non Editorial & Other Employees Gratuity Fund					
Particulars	Mar-17	Mar-16	Mar-15	Mar-17	Mar-16	Mar-15	Mar-17	Mar-16	Mar-15	Mar-17	Mar-16	Mar-15	Mar-17	Mar-16	Mar-15	Mar-17	Mar-16	Mar-15	Mar-17	Mar-16	Mar-15	Mar-17	Mar-16	Mar-15
BALANCE OUTSTANDING AS ON 31-03-17																								
Investment in Shares	-	-	-	-	-	-	-	-	-	-	-	-	-	-		-	-	-	-	-	-	7,450.00	-	-
Receivable as Advances / Trade Receivables	-	-	-	-	-	-	-	-	-	-	-	-	-	16.58	-	-	-	-	-	-	-	901.92	759.21	1,068.80
Payable as Creditors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	914.03	248.59	302.76

Note A:- The transactions above do not include service tax, vat etc.

Note B:- Key Managerial Personnel and Relatives of Promoters who are under the employment of the Company are entitled to post employment benefits and other long term employee benefits recognised as per Ind-AS 19 - 'Employee Benefits' in the financial statements. As these employee benefits are lump sum amounts provided on the basis of actuarial valuation, the same is not included above.

Note C:- The Scheme of Arrangement u/s 391-394 of Companies Act, 1956 (Scheme) between Company and HT Digital Streams Limited (HTDSL) and their respective shareholders and creditors, for transfer and vesting of the Multi-media Content Management Undertaking of the Company ('MMCM Undertaking') to and in HTDSL as going concern on slump exchange basis, with effect from closing hours of March 31, 2016 ('Appointed Date'), has been sanctioned by Patna High Court. The Scheme became effective upon filing of aforesaid orders with the Registrar of Companies, Bihar on December 31, 2016 (Effective Date). (Refer Note 30 for detail)

In terms of the Scheme, following transactions have taken place between the Appointed date (March 31, 2016) and the effective date (December 31, 2016):

a) Assets and liabilities relatable to MMCM Undertaking on appointed date have become the assets and liabilities of HTDSL
b) HTDSL has allotted 85,87,896 Equity Shares of ₹ 10/- each in discharge of purchase consideration on the effective date for 42.83% of equity share capital of HTDSL.
c) Transfer of revenue and expenses relatable to MMCM undertaking from the appointed date (closing hours of March 31, 2016) and effective date (December 31, 2016) for transfer and vesting of MMCM undertaking from HMVL to HTDSL.

These are not related party transactions by virtue of clause 6.5.1(iv) of scheme of arrangement and accordingly transactions after effective date have been disclosed above.

Notes to Financial Statements

For the year ended March 31, 2017

NOTE 35 : SEGMENT INFORMATION

The Company's operations comprise of only one segment i.e. "Printing and Publishing of Newspaper". The management also reviews and measure the operating results taking the whole business as one segment and accordingly make decision about the resources allocation. In view of the same separate segment information is not required to be given as per the requirement of Ind 108 on "Operating Segments"

The analysis of geographical segment is based on the geographical location of the customers. The Company sells its products mostly within India with insignificant export income and does not have any operations in economic environments with different risks and returns and hence, it has been considered as to be operating in a single geographical segment.

NOTE 36 : HEDGING ACTIVITIES AND DERIVATIVES

Derivatives not designated as hedging instruments

The company uses foreign exchange forward contracts, to manage its foreign currency exposures. These contracts are not designated as cash flow hedges and are entered into for periods consistent with underlying transactions exposure with general tenure of 7 days to 60 months.

NOTE 37 : FAIR VALUES

Set out below, is a comparison by class of the carrying amounts and fair value of the company's financial instruments:

(₹ in Lacs)

Particulars	Carrying value			Fair value		
	March 31, 2017	March 31, 2016	April 1, 2015	March 31, 2017	March 31, 2016	April 1, 2015
Financial assets measured at Amortised Cost						
Investment in Bonds (Refer Note 6B)	835.66	849.44	812.64	855.44	873.64	835.77
Other non-current financial assets (Refer Note 6B)	17.41	37.73	32.44	17.41	37.73	32.44
Financial assets measured at fair Value						
Other Investments (Refer Note 6B)	91,643.17	78,329.98	60,280.00	91,643.17	78,329.98	60,280.00
Forward contract (Refer Note 6D)	6.55	-	-	6.55	-	-
Total	**92,502.79**	**79,217.15**	**61,125.08**	**92,522.57**	**79,241.35**	**61,148.21**
Financial liabilities						
Financial liabilities measured at fair Value						
Forward contract (Refer Note 15C)	-	322.88	28.23	-	322.88	28.23
Total	**-**	**322.88**	**28.23**	**-**	**322.88**	**28.23**

The management assessed that cash and cash equivalents, trade receivables, trade payables, current borrowings other current financial assets and other current financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments. The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

- The Company has investment in quoted mutual funds being valued at Net Asset value.

Notes to Financial Statements

For the year ended March 31, 2017

-The Company invests in quoted equity shares valued at closing price of stock on recognized stock exchange.

- The Company enters into derivative financial instruments such as foreign exchange forward contracts being valued using valuation techniques, which employs the use of market observable inputs. The company uses Mark to Market Valuation provided by Bank for valuation of these derivative contracts.

- The loans and investment in bonds are evaluated by the company based on parameters such as interest rate, risk factors, risk characteristics and individual credit-worthiness of the counter party. Based on this evaluation, allowances are taken into account for the expected losses.

NOTE 37A : FAIR VALUE HIERARCHY

The fair value of financial instruments as referred to in note above have been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and lowest priority to unobservable inputs (Level 3 measurements).

The categories used are as follows:

-Level 1: Quoted prices for identical instruments in an active market;
-Level 2: Directly or indirectly observable market inputs, other than Level 1 inputs; and
-Level 3: Inputs which are not based on observable market data.

For assets and liabilities which are measured at fair value as at Balance Sheet date, the classification of fair value calculations by category is summarized below:

(₹ in Lacs)

As at March 31, 2017	Date of valuation	Total	Level 1	Level 2	Level 3
Assets measured at fair value:					
Mutual Fund Investments valued at FVTPL	March 31, 2017	91,594.66	91,594.66	-	-
Other Investments valued at FVTPL	March 31, 2017	48.51	48.51	-	-
Foreign exchange forward contract	March 31, 2017	6.55	-	6.55	-
Assets measured at Amortized Cost :					
Investment in Bonds	March 31, 2017	855.44	855.44	-	-
Other non-current financial assets	March 31, 2017	17.41	-	17.41	-

(₹ in Lacs)

As at March 31, 2016	Date of valuation	Total	Level 1	Level 2	Level 3
Assets measured at fair value:					
Mutual Fund Investments valued at FVTPL	March 31, 2016	78,287.62	78,287.62	-	-
Other Investments valued at FVTPL	March 31, 2016	42.36	42.36	-	-
Liabilities measured at fair value:					
Foreign exchange forward contract	March 31, 2016	322.88	-	322.88	-
Assets measured at Amortized Cost :					
Investment in Bonds	March 31, 2016	873.64	873.64	-	-
Other non-current financial assets	March 31, 2016	37.73	-	37.73	-

(₹ in Lacs)

As at April 1, 2015	Date of valuation	Total	Level 1	Level 2	Level 3
Assets measured at fair value:					
Mutual Fund Investments valued at FVTPL	April 1, 2015	60,193.31	60,193.31	-	-
Other Investments valued at FVTPL	April 1, 2015	86.69	86.69	-	-
Liabilties measured at fair value:					
Foreign exchange forward contract	April 1, 2015	28.23	-	28.23	-
Assets measured at Amortized Cost :					
Investment in Bonds	April 1, 2015	835.77	835.77	-	-
Other non-current financial assets	April 1, 2015	32.44	-	32.44	-

Notes to Financial Statements

For the year ended March 31, 2017

There were no significant changes in the classification and no significant movements between the fair value hierarchy classifications of assets and liabilities during FY 2016-17 and 2015-16.

The Company enters into derivative financial instruments such as foreign exchange forward contracts being valued using valuation techniques, which employs the use of market observable inputs. The company uses Mark to Market provided by Bank for valuation of these derivative contracts.

NOTE 38 : FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The company's principal financial liabilities, other than derivatives, comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the company's operations and to support its operations. The company's principal financial assets include loans, trade and other receivables, and cash and cash equivalents that derive directly from its operations. The company also enters into foreign exchange derivative transactions.

The company is exposed to market risk, credit risk and liquidity risk. The company's senior management oversees the mitigation of these risks. The company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the company's policies and risk objectives. All derivative activities for risk management purposes are carried out by specialist teams that have the appropriate skills, experience and supervision. It is the company's policy that no trading in foreign exchange derivatives for speculative purposes will be undertaken. The policies for managing each of these risks, which are summarised below:-

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits and derivative financial instruments.

The sensitivity analysis in the following sections relate to the position as at March 31, 2017 and March 31, 2016.

The sensitivity analysis have been prepared on the basis that the amount of net debt, the ratio of fixed to floating interest rates of the debt and derivatives and the proportion of financial instruments in foreign currencies are all constant and on the basis of hedge designations in place at March 31, 2017.

The analysis exclude the impact of movements in market variables on: the carrying values of gratuity and other post-retirement obligations and provisions.

The sensitivity of the relevant profit and loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at March 31, 2017 and March 31, 2016.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The company's exposure to the risk of changes in market interest rates relates primarily to the company's current debt obligations with fixed interest rates.

The Company manages its interest rate risk for short term borrowings by majorly raising funds at a fixed rate and for long term borrowing by selectively using Interest rate swaps, coupon only swap and other derivative instruments to manage its exposure to interest rate movements. These exposures are reviewed by appropriate levels of management as and when required.

Notes to Financial Statements

For the year ended March 31, 2017

The exposure of the Company's financial liabilities as at March 31, 2017 to interest rate risk is as follows:

(₹ in Lacs)

	Total	Floating rate financial liabilities	Fixed rate financial liabilities
Financial Liabilities* (Refer Note 15A)	11,704.92	-	11,704.92

The exposure of the Company's financial liabilities as at March 31, 2016 to interest rate risk is as follows:

(₹ in Lacs)

	Total	Floating rate financial liabilities	Fixed rate financial liabilities
Financial Liabilities* (Refer Note 15A)	17,274.42	-	17,274.42

The exposure of the Company's financial liabilities as at April 1, 2015 to interest rate risk is as follows:

(₹ in Lacs)

	Total	Floating rate financial liabilities	Fixed rate financial liabilities
Financial Liabilities* (Refer Note 15A)	9,844.65	-	9,844.65

*Interest rate sensitivity

Since the Company's financial liabilities are usually under the fixed rate, the interest rate sensitivity is not disclosed.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The company's exposure to the risk of changes in foreign exchange rates relates primarily to the company's operating activities (when revenue or expense is denominated in a foreign currency), investments & borrowing in foreign currency etc.

The company manages its foreign currency risk by hedging foreign currency transactions with forward covers and option contracts. These transactions generally relates to purchase of imported newsprint, investment & borrowings in foreign currency.

When a derivative is entered into for the purpose of being a hedge, the company negotiates the terms of those derivatives to match the terms of the underlying exposure. For hedges of forecast transactions the derivatives cover the period of exposure from the point the cash flows of the transactions up to the point of settlement of the resulting receivable or payable that is denominated in the foreign currency.

Foreign currency sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change in exchange rates, with all other variables held constant. The impact on the company's profit before tax is due to changes in the fair value of monetary assets and liabilities.

(₹ in Lacs)

	Change in Foreign Currency Rate		Effect on profit before tax	
Particulars	**March 31, 2017**	**March 31, 2016**	**March 31, 2017**	**March 31, 2016**
Change in USD rate				
Trade Payables	+/(-) 1%	+/(-) 1%	7.85	3.61
Trade Receivables	+/(-) 1%	+/(-) 1%	-	-
Buyer's credit	+/(-) 1%	+/(-) 1%	-	2.70
Advance from Customer	+/(-) 1%	+/(-) 1%	0.09	0.09
Balance on current account	+/(-) 1%	+/(-) 1%	0.04	0.04
Income Accrued on Investments	+/(-) 1%	+/(-) 1%	-	0.02
Interest Payable	+/(-) 1%	+/(-) 1%	0.11	0.45
Change in SGD rate				
Trade Payables	+/(-) 1%	+/(-) 1%	0.15	0.10

Notes to Financial Statements

For the year ended March 31, 2017

Commodity price risk

The company is affected by the price volatility of certain commodities. Its operating activities require the ongoing purchase of newsprint and therefore require a continuous supply of newsprint. Due to the volatility of the price of the newsprint, the Company also entered into various purchase contracts.

The management of company has developed and enacted a risk management strategy regarding commodity price risk and its mitigation.

Commodity price sensitivity

The following table shows the effect of price changes in newsprint and ink:

Particulars	Change in year-end price	Effect on profit before tax ₹ in Lacs
March 31, 2017		
Newsprint & Ink	+/- 1%	349.43
March 31, 2016		
Newsprint & Ink	+/- 1%	346.46

Equity price risk

The company's listed and non-listed equity securities are susceptible to market price risk arising from uncertainties about future values of the investment securities. The Company manages the equity price risk through diversification and by placing limits on individual and total equity instruments. Reports on the equity portfolio are submitted to the company's senior management on a regular basis. The company's Investment Commitee approves all equity investment decisions.

Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

Trade receivables

An impairment analysis is performed at each reporting date on an individual basis for major clients. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in Note 10A.

The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets.

Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the company's policy. Investments of surplus funds are made as per guidelines and within limits approved by Board of Directors. Board of Directors/ Management reviews and update guidelines, time to time as per requirement. The guidelines are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

Liquidity risk

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

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of Bank overdrafts, Bank loans. Approximately 100% of the Company's debt will mature in less than one year at March 31, 2017 (March 31, 2016: 100%, April 1, 2015: 100%) based on the carrying value of borrowings reflected in the financial statements.

Notes to Financial Statements

For the year ended March 31, 2017

The Company assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Company has access to a sufficient variety of sources of funding i.e. investments / bank limits for borrowing/ cash accrual from operation and debt maturing within 12 months can be paid/ rolled over with existing lenders.

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

(₹ in Lacs)

	Within 1 year	More than 1 years	Total
As at March 31, 2017			
Borrowings (Refer Note 15A)	11,704.92	-	11,704.92
Trade and other payables (Refer Note 15B)	9,082.46	-	9,082.46
Other financial liabilities (Refer Note 15C)	3,912.06	-	3,912.06
As at March 31, 2016			
Borrowings (Refer Note 15A)	17,274.42	-	17,274.42
Trade and other payables (Refer Note 15B)	9,303.08	-	9,303.08
Other financial liabilities (Refer Note 15C)	6,217.58	-	6,217.58
As at April 1, 2015			
Borrowings (Refer Note 15A)	9,844.65	-	9,844.65
Trade and other payables (Refer Note 15B)	9,846.23	-	9,846.23
Other financial liabilities (Refer Note 15C)	4,475.66	-	4,475.66

Collateral

The Company has pledged part of its Investment in Mutual Funds in order to fulfil the collateral requirements for Borrowing. At March 31, 2017, March 31, 2016 and April 1, 2015, the invested values of the Investment in Mutual Funds pledged were ₹ 8,300.00 lacs, ₹ 7,800.00 lacs and ₹ 7,000.00 lacs, respectively. The counterparties have an obligation to return the securities to the company and the company has an obligation to repay the borrowing to the counterparties upon maturity/ due date / mutual agreement. There are no other significant terms and conditions associated with the use of collateral. Securities except pledge given against outstanding Bank facilities details is provided in borrowing note.

NOTE 39 : CAPITAL MANAGEMENT

For the purpose of the company's capital management, capital includes issued equity capital, share premium and all other equity reserves. The primary objective of the company's capital management is to maximise the shareholder value.

The company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. 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.

(₹ in Lacs)

Particulars	March 31, 2017	March 31, 2016	April 1, 2015
Borrowings (Refer Note 15A)	11,704.92	17,274.42	9,844.65
Trade payables (Refer Note 15B)	9,082.46	9,303.08	9,846.23
Other financial liabilities (Note 15C)	3,912.06	6,217.58	4,475.66
Sub-Total	**24,699.43**	**32,795.07**	**24,166.53**
Less: Cash and cash equivalents (Note 10B)	(3,791.74)	(4,469.09)	(3,959.58)
Less: Other Bank Balances (Note 10C)	(5.13)	(3.03)	(2.43)
Net debt	**20,902.56**	**28,322.95**	**20,204.53**
Equity & Other Equity	1,17,084.51	91,070.00	74,377.46
Total capital	**1,17,084.51**	**91,070.00**	**74,377.46**
Capital and net debt	**1,37,987.07**	**1,19,392.95**	**94,581.99**
Gearing ratio	**15.15%**	**23.72%**	**21.36%**

Notes to Financial Statements

For the year ended March 31, 2017

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2017 and March 31, 2016.

NOTE 40 : STANDARDS ISSUED BUT NOT YET EFFECTIVE

In March 2017, the Ministry of Corporate Affairs issued the company's (Indian Accounting Standards) (Amendments) Rules, 2017, notifying amendments to Ind-AS-7, 'Statement of cash flows' and Ind-AS 102, 'Share- based payment'. These amendments are in accordance with the recent amendments made by International Accounting standards Board (IASB) to IAS 7, 'Statement of cash flows' and IFRS 2, 'Share- based payment' respectively. The amendments are applicable to the Company from April 1, 2017.

Amendment to Ind-AS 7:

The amendment to Ind-AS 7 required the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the Balance Sheet for liabilities arising from financing activities, to meet the disclosure requirements. The effect on the financial statements is being evaluated by the Company.

Amendment to Ind-AS 102 :

The amendment to Ind-AS 102 provides specific guidance to measurement of cash settled awards, modification of cash settled awards and awards that include a net settlement feature in respect of withholding taxes.

It clarifies that the fair value of cash settled awards is determined on a basis consistent with that used for equity settled awards. Market based performance conditions and non- vesting conditions are reflected in the 'fair values', but non- market performance conditions and services vesting conditions are reflected in the estimate of the number of awards expected to vest. Also, the amendment clarifies that if the terms and conditions of a cash settled share based payment transaction are modified with the result that it becomes an equity settled share based payment transaction, the transaction is accounted for as such from the date of the modification. Further, the amendment requires the award that include a net settlement feature in respect of withholding taxes to be treated as equity settled in its entirety. The cash payment to the tax authority is treated as if it was part of an equity settlement. The effect on the financial statements is being evaluated by the Company.

NOTE 41 : BASED ON THE INFORMATION AVAILABLE WITH THE COMPANY, DETAILS OF DUES TO MICRO AND SMALL ENTERPRISES AS DEFINED UNDER THE MSMED ACT, 2006

(₹ in Lacs)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Principal Amount	38.92	1.84	42.81
Interest due thereon at the end of the accounting year	0.35	0.01	0.06
The amount of interest paid by the buyer in terms of Section 16, of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-	-
The amount of interest due and payable for the year for delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006.	-	-	-
The amount of interest accrued and remaining unpaid at the end of the accounting year	0.35	0.01	0.06
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under Section 23 of MSMED Act, 2006.	-	-	-

Notes to Financial Statements

For the year ended March 31, 2017

NOTE 42 : CAPITALIZED EXPENDITURE

During the year, the company has capitalized the following expenses of revenue nature to the cost of fixed asset/capital work in progres (CWIP). Consequently, expenses disclosed under the respective notes are net of amounts capitalised by the company.

(₹ in Lacs)

Particulars	As at March 31, 2017	As at March 31, 2016
Raw Material Consumption	6.91	29.00
Consumption of stores and spares	1.76	-
Printing and service charges	-	29.86
Travelling and conveyance	5.10	33.69
Miscellaneous Expenses	6.14	13.21
Total	**19.90**	**105.76**

NOTE 43 : SPECIFIED BANK NOTES (SBN's)

Ministry of Corporate Affairs issued an amendment to Schedule III of the Companies Act, 2013, regarding general instructions for preparation of Balance Sheet, to disclose the details of Specified Bank Notes (SBN) held and transacted during the period November 8, 2016 to December 30, 2016.

The aforesaid disclosure is as follows:

(₹ in Lacs)

Particulars	SBNs	Other denomination notes	Total
Closing cash in hand - November 8, 2016	200.55	4.89	205.44
+ Permitted receipts	-	282.70	282.70
- Permitted payments	-	22.99	22.99
- Amount deposited into banks	200.55	223.88	424.43
Closing cash in hand - December 30, 2016	**-**	**-**	**40.71**

Explanation: For the purposes of this clause, the term 'Specified Bank Notes'(SBN) shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs number S.O. 3407(E), dated the November 8, 2016.

The aforesaid disclosures of SBN's have been compiled basis the bank confirmations and compilation of pay in slips.

NOTE 44 : DETAILS OF CSR EXPENDITURE

Pursuant to the applicability of CSR (Corporate Social Responsibility) provisions of the Companies Act, 2013 the Company has made the requisite expenditure towards CSR as per details below :

(a) Gross amount required to be spent by the Company during the year is ₹ 395.00 lacs (Previous Year ₹ 304.00 lacs).

Notes to Financial Statements

For the year ended March 31, 2017

(b) Details of amount spent during the year ended March 31, 2017:

CSR Project or activity identified	Amount spent/ contributed on the projects or programs (₹ in lacs)	Amount spent : Direct or through implementing agency
Promoting health- care including preventive health care	10.00	Through Manorama Devi Birla Charitable Trust*
Rural development projects	229.58	Direct contribution**
Rural development projects	29.12	Through Kadam Society*
Protection of National Heritage, Art & Culture including restoration of buildings and sites of historical importance and works of art	50.00	Through Kala Ghoda Association*
Promoting health- care including preventive health care	50.00	Direct contribution**
Promoting education	5.84	Direct contribution**
Promoting education	24.00	Through HT Foundation for change (HTFFC)*
Total	**398.54**	

(c) Details of amount spent during the year ended March 31, 2016

CSR Project or activity identified	Amount spent/ contributed on the projects or programs (₹ in lacs)	Amount spent : Direct or through implementing agency
Promoting health- care including preventive health care	40.00	Direct contribution in association with medical partner, Jaypee Hospitals **
Promoting health- care including preventive health care	55.00	Through Manorama Devi Birla Charitable Trust *
Promoting Education/ Vocational training of children, women and members of under- privileged Section of the society	89.00	Through HT Foundation for change (HTFFC)*
Protection of National Heritage, Art & Culture including restoration of buildings and sites of historical importance and works of art	55.00	Through Kala Ghoda Association*
Rural Development Projects	60.96	Direct contribution **
Total	**299.96**	

* Included in Donations/ Contribution expenses

** Included in Advertisement and sales promotion expenses

NOTE 45 : FIRST-TIME ADOPTION OF IND-AS

1 These financial statements, for the year ended March 31, 2017, are the first the company has prepared in accordance with Ind-AS. For periods up to and including the year ended March 31, 2016, the company prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP).

Accordingly, the company has prepared financial statements which comply with Ind-AS applicable for periods ending on March 31, 2017, together with the comparative period data as at and for the year ended March 31, 2016, as described in the summary of significant accounting policies. In preparing these financial statements, the company's opening balance sheet was prepared as at April 1, 2015, the company's date of transition to Ind-AS. This note explains the principal adjustments made by the company in restating its Indian GAAP financial statements, including the balance sheet as at April 1, 2015 and the financial statements as at and for the year ended March 31, 2016.

2 Exemptions and exceptions availed

Set out below are the applicable Ind-AS 101 optional exemptions and mandatory exceptions applied in the transition from Indian GAAP to Ind- AS.

Notes to Financial Statements

For the year ended March 31, 2017

A Ind-AS optional exemptions

I Deemed Cost

- The company has elected to regard the carrying value of Property, Plant & Equipment and intangible assets as per Indian GAAP as its deemed cost at the date of the transition to Ind-AS. This exemption is also used for intangible assets covered by Ind-AS 38.

II Leases

The company has applied the transitional provision in Appendix C of Ind-AS 17 Determining whether an arrangement contains a Lease and has assessed all arrangements based upon the conditions in place as at the date of transition.

III Fair value measurement of financial assets and liabilities

Under Indian GAAP the financial assets and liabilities were being carried at the transaction value.

First-time adopters may apply Ind-AS 109 to day one gain or loss provisions prospectively to transactions occurring on or after the date of transition to Ind-AS. Therefore, unless a first-time adopter elects to apply Ind-AS 109 retrospectively to day one gain or loss transaction, transactions that occurred prior to the date of transition to Ind-AS do not need to be retrospectively restated.

IV Embedded Derivatives

The company has evaluated all its agreements on the basis of conditions that existed at the later of the date it first became a party to the contract and the date of reassessment.

V Business combinations

The Company has used the exemption under Ind-AS 101 at the date of transition to Ind-AS i.e., carrying amounts of assets and liabilities, that are required to be recognized under Ind-AS, is their deemed cost at the date of acquisition. After the date of acquisition, measurement is in accordance with the respective Ind-AS. The Company recognises all assets and liabilities assumed in a past business combination.

VI Share Based Payment Transactions

The Company has availed exemption under Ind-AS 101 in respect of Share-based payments that had been vested before the transition date. The Company has elected to avail this exemption and accordingly, vested options have been measured at intrinsic value .

B Ind-AS mandatory exemptions

Estimates

a) The company's estimates in accordance with Ind-AS at the date of transition to Ind-AS are consistent with estimates made for the same date in accordance with Indian GAAP (after adjustments to reflect any difference in accounting policies) apart from the following items where application of Indian GAAP did not require estimation :

- Impairment of finanical assets based on expected credit loss model

The estimates used by the company to present these amounts in accordance with Ind-AS reflect conditions as at the transition date and as of March 31, 2016

b) Ind-AS 101 treats the information received after the date of transition to Ind-AS as non-adjusting events. The entity shall not reflect that new information in its opening Ind-AS Balance Sheet (unless the estimates need adjustment for any differences in accounting policies or there is objective evidence that the estimates were in error).

Notes to Financial Statements

For the year ended March 31, 2017

The presentation requirements under Indian GAAP differs from Ind-AS, and hence, Indian GAAP information has been regrouped for ease of reconciliation with Ind-AS. The Regrouped Indian GAAP information is derived from the Financial Statements of the Company prepared in accordance with Indian GAAP.

I. Reconciliation of equity as at April 1, 2015 (date of transition to Ind-AS)

(₹ in Lacs)

Particulars	Footnotes	Regrouped Indian GAAP	Ind-AS Adjustments	Ind-AS
Assets				
Non-current assets				
Property, plant and equipment		17,871.52	-	17,871.52
Capital work in progress		322.33	-	322.33
Investment properties		29.04	-	29.04
Intangible assets		136.43	-	136.43
Financial assets				
Investments		50,217.59	-	50,217.59
Loans	6	461.69	(3.12)	458.57
Other financial assets		32.44	-	32.44
Other non-current assets	6	745.28	2.94	748.22
		69,816.32	**(0.18)**	**69,816.14**
Current assets				
Inventories		4,484.11	-	4,484.11
Financial assets				
Investments	11	10,904.20	(29.16)	10,875.05
Trade receivables		10,716.94	-	10,716.94
Cash and cash equivalents		3,959.58	-	3,959.58
Other Bank Balance		2.43	-	2.43
Other Financial Assets		845.39	-	845.39
Other current assets		1,249.40	-	1,249.40
Total assets		**1,01,978.37**	**(29.33)**	**1,01,949.04**
Equity and liabilities				
Equity				
Equity share capital		7,339.38	-	7,339.38
Other equity		66,526.69	511.39	67,038.08
Total equity		**73,866.07**	**511.39**	**74,377.46**
Non-current liabilities				
Deferred tax liabilities	10	586.77	496.53	1,083.30
Other non-current liabilities	7	5.67	(5.67)	-
Current liabilities				
Financial liabilities				-
Borrowings		9,844.65	-	9,844.65
Trade payables		9,846.23	-	9,846.23
Other financial liabilities	1	4,455.57	20.09	4,475.66
Provisions	2	1,410.83	(1,060.01)	350.82
Income tax liabilities (net)		751.73	-	751.73
Other current liabilities	5	1,210.85	8.34	1,219.19
Total liabilities		**28,112.30**	**(540.72)**	**27,571.58**
Total equity and liabilities		**1,01,978.37**	**(29.33)**	**1,01,949.04**

Notes to Financial Statements

For the year ended March 31, 2017

II. Reconciliation of equity as at March 31, 2016

(₹ in Lacs)

Particulars	Footnotes	Regrouped Indian GAAP	Ind-AS Adjustments	Ind-AS
Assets				
Non-current assets				
Property, plant and equipment		17,825.29	-	17,825.29
Capital work in progress		153.77	-	153.77
Investment properties		326.73	-	326.73
Intangible assets		6,840.15	-	6,840.15
Intangible assets under development		104.12	-	104.12
Financial assets				
Investments		57,861.32	-	57,861.33
Loans	6	423.31	(5.19)	418.12
Other financial assets		37.73	-	37.73
Income tax assets (Net)		87.09	-	87.09
Other non-current assets	6	165.56	4.87	170.43
		83,825.07	**(0.32)**	**83,824.76**
Current assets				
Inventories		4,821.09	-	4,821.09
Financial assets				
Investments	11	21,321.43	(3.34)	21,318.09
Trade receivables		11,767.28	-	11,767.28
Cash and cash equivalents		4,469.09	-	4,469.09
Other Bank balances		3.03	-	3.03
Other financial assets		327.77	-	327.77
Other current assets		1,810.43	-	1,810.43
Total assets		**1,28,345.19**	**(3.66)**	**1,28,341.54**
Equity and liabilities				
Equity				
Equity share capital		7,339.38	-	7,339.38
Other equity		83,521.35	209.27	83,730.62
Total equity		**90,860.73**	**209.27**	**91,070.00**
Non-current liabilities				
Deferred tax liabilities	10	815.50	813.40	1,628.90
Other non-current liabilities	7	9.45	(9.45)	-
Current liabilities				
Financial liabilities				
Borrowings		17,274.42	-	17,274.42
Trade payables		9,303.08	-	9,303.08
Other financial liabilities	1	6,197.24	20.34	6,217.58
Provisions	2	1,506.01	(1,060.01)	446.00
Income tax liabilities (net)		432.66	-	432.66
Other current liabilities	5	1,946.10	22.80	1,968.90
Total liabilities		**37,484.46**	**(212.93)**	**37,271.54**
Total equity and liabilities		**1,28,345.19**	**(3.66)**	**1,28,341.54**

Notes to Financial Statements

For the year ended March 31, 2017

Reconciliation of Total Comprehensive Income for the year ended March 31, 2016

(₹ in Lacs)

Particulars	Footnotes	Indian GAAP	Ind-AS Adjustments (Remeasurement and Reclassification)	Ind-AS
Income				
Revenue from operations	4,5,8	91,852.86	(81.29)	91,771.57
Other income	1,5,6,9,11	6,074.63	32.47	6,107.10
Total Income (I)		**97,927.49**	**(48.82)**	**97,878.67**
Cost of raw material and components consumed		34,646.40	-	34,646.40
(Increase)/ decrease in inventories of finished goods, work-in-progress and traded goods		(1.34)	-	(1.34)
Employee benefits expense	3	9,749.15	(194.76)	9,554.39
Depreciation and amortization expense		2191.41	-	2,191.41
Finance costs		1,133.23	-	1,133.23
Other expenses	1,4,6,7,8,9	21,475.49	(63.56)	21,411.93
Total expense (II)		**69,194.34**	(258.32)	**68,936.02**
Profit/(loss) before exceptional items and tax from continuing operations (I-II)		**28,733.15**	**209.50**	**28,942.65**
Exceptional items		-	-	-
Profit/(loss) before exceptional items and tax from continuing operations (III)		**28,733.15**	**209.50**	**28,942.65**
(1) Current tax		8,266.76	-	8,266.76
(2) Adjustment of tax relating to earlier periods		(609.26)	-	(609.26)
(3) Deferred tax charge/(credit)	10	228.73	390.57	619.30
Total tax expenses (IV)		**7,886.23**	**390.57**	**8,276.80**
Profit from Continuing operations after tax (V=III-IV)		**20,846.92**	**(181.07)**	**20,665.85**
Profit/(loss) from discontinued operations		(4,270.00)	-	(4,270.00)
Tax expense of discontinued operations		(1,477.76)	-	(1,477.76)
Profit/(loss) from Discontinued operations (after tax) (VI)		**(2,792.24)**	**-**	**(2,792.24)**
Profit /(loss) for the year (VII=V+VI)		**18,054.68**	**(181.07)**	**17,873.61**
Other comprehensive Income				
Remeasurement of the defined benefit plans	3	-	(194.75)	(194.75)
Income tax relating to items that will not be reclassified to profit and loss	3	-	73.70	73.70
Other comprehensive income for the year, net of tax (VIII)		**-**	**(121.05)**	**(121.05)**
Total comprehensive income for the year, net of tax (VII + VIII)		**18,054.68**	**(302.12)**	**17,752.56**

Notes to Financial Statements

For the year ended March 31, 2017

Footnotes to the reconciliation of equity as at April 1, 2015 and March 31, 2016 and profit or loss for the year ended March 31, 2016

1. **Derivative instruments**

   The fair value of forward foreign exchange contracts is recognised under Ind-AS, and was not recognised under Indian GAAP. On the date of transition, impact of ₹ (-)20.09 lacs in opening retained earnings as at April 01, 2015 and ₹ (-)20.34 lacs on retained earnings as at March 31, 2016.

2. **Proposed Dividend and tax thereon**

   Under Indian GAAP, dividends proposed by the board of directors after the balance sheet date but before the approval of the financial statements were considered as adjusting events. Accordingly, provision for proposed dividend was recognised as a liability. Under Ind-AS, such dividends are recognised when the same is approved by the shareholders in the general meeting. Accordingly, the liability for proposed dividend of ₹ 1,060.01 lacs as at March 31, 2016 (April 1, 2015 – ₹ 1,060.01 lacs) included under provisions has been reversed with corresponding adjustment to retained earnings. Consequently, the total equity increased by an equivalent amount.

3. **Remeasurements of post-employment benefit obligations**

   Both under Indian GAAP and Ind-AS, the Company recognised costs related to its post-employment defined benefit plan on an actuarial basis. Under Indian GAAP, the entire cost, including actuarial gains and losses, are charged to profit or loss. Under Ind-AS, remeasurements [comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets excluding amounts included in net interest on the net defined benefit liability] are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI. Thus the employee benefit cost is reduced by ₹ 194.75 lacs with a tax impact of ₹ 73.70 lacs and remeasurement gains/ losses on defined benefit plans has been recognized in the OCI net of tax.

4. **Agent Commission Paid**

   Under Indian GAAP, service charges paid on advertisement revenue is deducted from revenue. As per Ind-AS, the same has to be shown under other expenses. Hence service charges amounting to ₹ 247.86 lacs has been reclassified as an expense for the year ended March 31, 2016.

5. **Extended credit given**

   As per Ind-AS if there is a significant lag between when the goods or services are provided and the consideration is received the time value of money should also be taken into account. That is, deferred payments might indicate that there is both a sale and a financing transaction. If there is a financing element it is necessary to discount the consideration to present value in order to arrive at fair value. On the date of transition, impact of ₹ (-)8.34 lacs in opening retained earnings as at April 01, 2015 and ₹ (-)22.80 lacs on retained earnings as at March 31, 2016.

Notes to Financial Statements

For the year ended March 31, 2017

6. Fair value of security deposit

Under Indian GAAP all the security deposits given to the lessor are recorded at transaction value. Ind-AS 109 requires financial assets which are classified as amotised cost to be initially measured at fair value and subsequently at amortized cost using the effective interest method (EIR).

7. Straight lining of lease escalation

Indian GAAP mandate straight lining of lease escalation in case of non cancellable leases. Ind-AS 17 does not mandate straight-lining of lease escalation, if they are in line with the expected general inflation compensating the lessor for expected inflationary cost. On the date of transition, impact of ₹ 5.67 lacs in opening retained earnings as at April 01, 2015 and ₹ 9.45 lacs on retained earnings as at March 31, 2016.

8. Circulation Revenue - Gift cost reclass

As per Ind-AS, the gift cost is grouped under deduction from revenue and hence is netted off from circulation revenue. In Indian GAAP the gift cost was accounted for as advertisement and sales promotion expenses. This has resulted in decrease in circulation revenue for year March 31, 2016 by ₹ (-) 267.87 lacs and also reduction in advertisement and sales promotion expenses by the same amount.

9. Cash discount received

As per Ind-AS 1, cash discount received on before time payments were netted off from respective expenses resulting in decrease in expenses by ₹ 9.4 lacs and correspondingly decrease in other income for financial year ended March 31, 2016.

10. Deferred tax

Indian GAAP requires deferred tax accounting using the income statement approach, which focuses on differences between taxable profits and accounting profits for the period. Ind-AS 12 requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. The application of Ind-AS 12 approach has resulted in recognition of deferred tax on new temporary differences which was not required under Indian GAAP.

In addition, the various transitional adjustments lead to temporary differences. According to the accounting policies, the company has to account for such differences. Deferred tax adjustments are recognised in correlation to the underlying transaction either in retained earnings or a separate component of equity. On the date of transition, the net impact on deferred tax liabilities is of ₹ 496.53 lacs (March 31, 2016: ₹ 813.40 lacs).

Notes to Financial Statements

For the year ended March 31, 2017

11. Fair Valuation of Equity Investments

Under the Indian GAAP, investments in equity instruments were classified as long-term investments or current investments based on the intended holding period and realisability. Long-term investments were carried at cost less provision for other than temporary decline in the value of such investments. Current investments were carried at lower of cost and fair value. Under Ind-AS, these investments are required to be measured at fair value. On the date of transition, impact of ₹ (-) 29.16 lacs in opening retained earnings as at April 01, 2015 and ₹ (-) 3.34 lacs on retained earnings as at March 31, 2016.

12. Statement of cash flows

The transition from Indian GAAP to Ind-AS has not had a material impact on the statement of cash flows.

13. Other comprehensive income

Under Indian GAAP, the Company has not presented other comprehensive income (OCI) separately. Hence, it has reconciled Indian GAAP profit to profit as per Ind-AS. Further, Indian GAAP profit is reconciled to total comprehensive income as per Ind-AS.

As per our report of even date

For **S. R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/ E300005

per **Vishal Sharma**
Partner
Membership No. 096766

Place: New Delhi
Date: May 18, 2017

For and on behalf of the Board of Directors of Hindustan Media Ventures Limited

Tridib Barat
Company Secretary

Ratul Bhaduri
Chief Financial Officer

Vivek Khanna
Chief Executive Officer

Shamit Bhartia
Managing Director
(DIN: 00020623)

Shobhana Bhartia
Chairperson
(DIN: 00020648)

INDEPENDENT AUDITOR'S REPORT

To the Members of Hindustan Media Ventures Limited

REPORT ON THE CONSOLIDATED IND-AS FINANCIAL STATEMENTS

We have audited the accompanying consolidated Ind-AS financial statements of Hindustan Media Ventures Limited (hereinafter referred to as "the Holding Company"), and its associate Company (the Holding Company and its associates together referred to as "the Group"), comprising of the consolidated Balance Sheet as at March 31, 2017, the consolidated Statement of Profit and Loss including other comprehensive income, the consolidated Cash Flow Statement, the consolidated Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind-AS financial statements").

MANAGEMENT'S RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Holding Company's Board of Directors is responsible for the preparation of these consolidated Ind-AS financial statements in terms of the requirement of the Companies Act, 2013 ("the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group in accordance with accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the Companies (Indian Accounting Standard) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind-AS financial statements by the Directors of the Holding Company, as aforesaid.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these consolidated Ind-AS financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated Ind-AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind-AS financial statements.

OPINION

In our opinion and to the best of our information and according to the explanations given to us the aforesaid consolidated 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 consolidated state of affairs of the Group as at March 31, 2017, their consolidated profit including other comprehensive income, their consolidated cash flows and consolidated statement of changes in equity for the year ended on that date.

EMPHASIS OF MATTER

We draw attention to Note 30 of the consolidated financial statements in respect of the Scheme of Arrangement u/s 391-394 of the Companies Act, 1956 between the Company and HT Digital Streams Limited (the Scheme) approved by the Hon'ble High Courts of Delhi and Patna. As per the approved scheme, the Company has followed the applicable Accounting Standards specified under section 133 of the Companies Act, 2013, read with Rule 7 of Companies (Accounts) Rules, 2014 and other Generally Accepted Accounting Principles as on the Appointed Date (i.e. March 31, 2016). This is not similar to the accounting as per the currently applicable Indian Accounting Standards (Ind-AS) prescribed under Section 133 of the Companies Act, 2013, read with relevant rules issued thereunder. Our opinion is not qualified in respect to this matter.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

As required by section 143 (3) of the Act, to the extent applicable, 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 purpose of our audit of the aforesaid consolidated Ind-AS financial statements;

(b) In our opinion proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books;

(c) The consolidated Balance Sheet, consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the consolidated Cash Flow Statement and consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated Ind-AS financial statements;

(d) In our opinion, the aforesaid consolidated Ind-AS financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and Companies (Indian Accounting Standard) Rules, 2015, as amended;

(e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2017 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors who are appointed under Section 139 of the Act, of its associate company incorporated in India, none of the directors of the Group's companies, its associates incorporated in India is disqualified as on March 31, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) With respect to the adequacy and the operating effectiveness of the internal financial controls over financial reporting of the Holding Company and its associate company incorporated in India, refer to our separate report in "Annexure 1" to this report;

(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 on separate financial statements as also the other financial information of the associate, as noted in the 'Other matter' paragraph:

i. The consolidated Ind-AS financial statements disclose the impact of pending litigations on its consolidated financial position of the Group – Refer Note 33 to the consolidated Ind-AS financial statements;

ii. Provision has been made in the consolidated Ind-AS financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer (a) Note 15 to the consolidated Ind-AS financial statements in respect of such items as it relates to the Group and (b) the Group's share of net loss in respect of its associate;

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company, its associates incorporated in India during the year ended March 31, 2017.

iv. The Holding Company and its associate incorporated in India, have provided requisite disclosures in Note 43 to these consolidated Ind AS financial statements as to the holding of Specified Bank Notes on November 8, 2016 and December 30, 2016 as well as dealings in Specified Bank Notes during the period from November 8, 2016 to December 30, 2016. Based on our audit procedures and relying on the management representation of the Holding Company regarding the holding and nature of cash transactions, including Specified Bank Notes, we report that these disclosures are in accordance with the books of account maintained by the Group including its associate and as produced to us by the Management of the Holding Company.

For **S. R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/ E300005

per **Vishal Sharma**
Partner
Membership No. 096766

Place: New Delhi
Date: May 18, 2017

ANNEXURE 1 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF HINDUSTAN MEDIA VENTURES LIMITED

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

In conjunction with our audit of the consolidated financial statements of Hindustan Media Ventures Limited as of and for the year ended March 31, 2017, we have audited the internal financial controls over financial reporting of Hindustan Media Ventures Limited (hereinafter referred to as the "Holding Company") and its associate company, which is incorporated in India, as of that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The respective Board of Directors of the of the Holding Company, its associate company, which is incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding 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 the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

AUDITOR'S 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, both, issued by Institute of Chartered Accountants of India, and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. 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 in terms of Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the 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 Holding Company and its associate company, which is incorporated in India, have, maintained 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, 2017, based on the internal control over financial reporting criteria established by the Holding 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 **S. R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/ E300005

per **Vishal Sharma**
Partner
Membership No. 096766

Place: New Delhi
Date: May 18, 2017

Consolidated Balance Sheet

As at March 31, 2017

(₹ In Lacs)

Particulars	Note No.	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
I ASSETS				
1) Non-current assets				
(a) Property, plant and equipment	3	17,028.86	17,825.29	17,871.52
(b) Capital work in progress	3	322.44	153.77	322.33
(c) Investment property	4	618.21	326.73	29.04
(d) Intangible assets	5	6,849.92	6,840.15	136.43
(e) Intangible assets under development	5	91.68	104.12	-
(f) Investment in an Associate	6A	7,042.00	-	-
(g) Financial assets				
(i) Investments	6B	81,494.70	57,861.33	50,217.59
(ii) Loans	6C	464.41	418.12	458.57
(iii) Other financial assets	6D	17.41	37.73	32.44
(h) Income Tax assets (net)	7	-	87.09	-
(i) Other non-current assets	8	307.08	170.43	748.22
Total non- current assets		**1,14,236.71**	**83,824.76**	**69,816.14**
2) Current assets				
(a) Inventories	9	4,708.84	4,821.09	4,484.11
(b) Financial assets				
(i) Investments	6B	10,984.13	21,318.09	10,875.05
(ii) Trade receivables	10A	11,629.91	11,767.28	10,716.94
(iii) Cash and cash equivalents	10B	3,791.74	4,469.09	3,959.58
(iv) Other Bank balances	10C	5.13	3.03	2.43
(v) Other financial assets	6D	578.67	327.77	845.39
(c) Other current assets	11	789.02	1,810.43	1,249.40
Total current assets		**32,487.44**	**44,516.78**	**32,132.90**
Total Assets		**1,46,724.15**	**1,28,341.54**	**1,01,949.04**
II EQUITY AND LIABILITIES				
1) Equity				
(a) Equity share capital	12	7,339.38	7,339.38	7,339.38
(b) Other equity	13	1,09,337.13	83,730.62	67,038.08
Total equity		**1,16,676.51**	**91,070.00**	**74,377.46**
2) Liabilities				
Non-current liabilities				
Deferred tax liabilities (net)	14	2,485.24	1,628.90	1,083.30
Total non- current liabilities		**2,485.24**	**1,628.90**	**1,083.30**
Current liabilities				
(a) Financial liabilities				
(i) Borrowings	15A	11,704.92	17,274.42	9,844.65
(ii) Trade Payables	15B	9,082.46	9,303.08	9,846.23
(iii) Other financial liabilities	15C	3,912.06	6,217.58	4,475.66
(b) Provisions	16	284.94	446.00	350.82
(c) Income tax liabilities (net)	17	489.12	432.66	751.73
(d) Other current liabilities	18	2,088.90	1,968.90	1,219.19
Total current liabilities		**27,562.40**	**35,642.64**	**26,488.28**
Total liabilities		**30,047.64**	**37,271.54**	**27,571.58**
Total Equity and liabilities		**1,46,724.15**	**1,28,341.54**	**1,01,949.04**
Summary of significant accounting policies	2			

The accompanying notes are an integral part of the financial statements

As per our report of even date

For **S. R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/ E300005

For and on behalf of the Board of Directors of Hindustan Media Ventures Limited

per **Vishal Sharma**
Partner
Membership No. 096766

Tridib Barat
Company Secretary

Ratul Bhaduri
Chief Financial Officer

Vivek Khanna
Chief Executive Officer

Shamit Bhartia
Managing Director
(DIN: 00020623)

Shobhana Bhartia
Chairperson
(DIN: 00020648)

Place: New Delhi
Date: May 18, 2017

Consolidated Statement of Profit and Loss

For the year ended March 31, 2017

(₹ In Lacs)

	Particulars	Note No.	For the year ended March 31, 2017	For the year ended March 31, 2016
I	**Income**			
	a) Revenue from operations	19	93,327.39	91,771.57
	b) Other Income	20	9,204.59	6,107.10
	Total Income		**1,02,531.98**	**97,878.67**
II	**Expenses**			
	a) Cost of materials consumed	21	34,943.43	34,646.40
	b) (Increase)/decrease in inventories	22	(15.01)	(1.34)
	c) Employee benefits expense	23	9,391.59	9,554.39
	d) Finance costs	24	1,614.19	1,133.23
	e) Depreciation and amortization expense	25	2,020.72	2,191.41
	f) Other expenses	26	28,452.58	21,411.93
	Total expenses		**76,407.50**	**68,936.02**
III	**Profit before exceptional items and tax from continuing operations(I-II)**		**26,124.48**	**28,942.65**
IV	**Earnings before interest, tax, depreciation and amortization (EBITDA)**			
	-Continuing operations [III+II(d)+II(e)]		29,759.39	32,267.29
	-Discontinued operations	30	-	(4,211.90)
	Total Earnings before interest, tax, depreciation and amortization (EBITDA)		**29,759.39**	**28,055.39**
V	**Tax expense**			
	Current tax	14	6,022.79	8,266.76
	Adjustment of current tax related to earlier periods	14	(119.25)	(609.26)
	Deferred tax charge/(credit)	14	860.85	619.30
	Total tax expense		**6,764.39**	**8,276.80**
VI	**Profit from Continuing operations after tax (III-V)**		**19,360.09**	**20,665.85**
	Profit/(loss) from discontinued operations	30	-	(4,270.00)
	Tax charge/(credit) including deferred tax of discontinued operations.	30	-	(1,477.76)
VII	**Profit/(loss) from Discontinued operations (after tax)**		-	**(2,792.24)**
VIII	**Profit for the year (VI+VII)**		**19,360.09**	**17,873.61**
IX	**Share of Profit/(loss) on Associate**		**(408.00)**	**-**
X	**Profit/ (loss) for the year (VIII+IX)**		**18,952 .09**	**17,873.61**
XI	**Other Comprehensive Income**	27		
	Items that will not to be reclassified to profit and loss			
	Remeasurement gain/(loss) on net defined benefit plans		(17.43)	(194.75)
	Income tax effect		4.50	73.70
	Other comprehensive income for the year, net of tax		**(12.93)**	**(121.05)**
XII	**Total Comprehensive Income for the year, net of tax (X + XI)**		**18,939.16**	**17,752.56**
XIII	**Earnings/(loss) per share for continuing and discontinued operations**			
	Basic (Nominal value of shares ₹ 10/-)	28	25.82	24.35
	Diluted (Nominal value of shares ₹ 10/-)	28	25.82	24.35
	Earnings/(loss) per share for continuing operations			
	Basic (Nominal value of shares ₹ 10/-)	28	25.82	28.16
	Diluted (Nominal value of shares ₹ 10/-)	28	25.82	28.16
	Earnings/(loss) per share for discontinued operations			
	Basic (Nominal value of shares ₹ 10/-)	28	-	(3.81)
	Diluted (Nominal value of shares ₹ 10/-)	28	-	(3.81)
	Summary of significant accounting policies	2		

The accompanying notes are an integral part of the financial statements

As per our report of even date

For **S. R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/ E300005

For and on behalf of the Board of Directors of Hindustan Media Ventures Limited

per **Vishal Sharma**
Partner
Membership No. 096766

Tridib Barat
Company Secretary

Ratul Bhaduri
Chief Financial Officer

Vivek Khanna
Chief Executive Officer

Shamit Bhartia
Managing Director
(DIN: 00020623)

Shobhana Bhartia
Chairperson
(DIN: 00020648)

Place: New Delhi
Date: May 18, 2017

Consolidated Cash Flow Statement

For the year ended March 31, 2017

(₹ In Lacs)

	Year ended March 31, 2017	Year ended March 31, 2016
Cash flow from operating activities		
Profit Before tax from continuing operations	26,124.48	28,942.65
Profit/ (Loss) before tax from discontinued operations	-	(4,270.00)
Profit before taxation	**26,124.48**	**24,672.65**
Non-cash adjustment for reconciling profit before tax to net cash flows		
Depreciation and Amortization expense	2,020.72	2,249.51
Loss/ (Gain) on disposal of Property, Plant and Equipment	2.98	12.08
Unrealized foreign exchange loss	(384.29)	133.93
Unclaimed balances/unspent liabilities written back (net)	(226.88)	(396.89)
Interest Income from investments, bank deposits and others	(8,422.33)	(5,282.02)
Finance Cost	1,559.12	1,072.26
Impaiment of doubtful debts and advances	444.63	437.99
Operating profit before working capital changes	**21,118.43**	**22,899.51**
Movements in working capital :		
(Increase)/Decrease in trade receivables	(307.26)	(1,488.33)
(Increase)/Decrease in inventories	112.25	(336.98)
(Increase)/Decrease in loans & advances	(46.29)	40.45
(Increase)/Decrease in other current and non-current assets	1,016.72	(562.97)
(Increase)/Decrease in other current and non-current financial assets	(250.89)	517.62
Increase/ (Decrease) in trade payables	139.01	(115.51)
Increase/ (Decrease) in other liabilities	137.93	749.71
Increase/ (Decrease) in other financial liabilities	(1,913.48)	1,415.29
Increase/ (Decrease) in provisions	17.14	(99.57)
Cash generated from operations	**20,023.56**	**23,019.22**
Direct taxes paid (net of refunds)	(5,759.99)	(6,585.90)
Cash flow before extraordinary items	14,263.57	16,433.32
Net cash from operating activities (A)	**14,263.57**	**16,433.32**
Cash flows from investing activities		
Purchase of property plant and equipment and intangible assets	(1,732.12)	(8,227.61)
Proceeds from sale of property plant and equipment and intangible assets	59.32	(8.17)
Purchase of mutual funds and bonds	(34,638.38)	(68,528.66)
Sale / maturity of mutual funds and bonds	24,778.58	51,356.34
Purchase of Investment property	(291.48)	(297.68)
Interest Income from investments, bank deposits and others	4,968.92	4,404.37
Investment in long term deposit with scheduled banks	-	(5.29)
Proceeds from deposits matured (net)	20.31	-
Net cash from investing activities (B)	**(6,834.85)**	**(21,306.70)**
Cash flows from financing activities		
Dividend paid on equity shares	(882.83)	(883.75)
Tax on equity dividend paid	(179.29)	(179.29)
Interest paid	(1,522.31)	(1,078.41)
Proceeds/ (Repayment) of Short term borrowings (net)	(5,521.64)	7,521.92
Net cash from financing activities (C)	**(8,106.07)**	**5,380.47**
Net Increase/(Decrease) in cash and cash equivalents (A + B + C)	**(677.35)**	**507.09**
Cash and cash equivalents at the beginning of the year	4,469.09	3,962.00
Cash and cash equivalents at the end of the year	**3,791.74**	**4,469.09**
Components of cash and cash equivalents as at end of the year		
Cash and cheques on hand	2,648.85	3,649.37
With Scheduled banks - on current accounts	1,142.89	819.72
Cash & Cash equivalents in Cash Flow Statement	**3,791.74**	**4,469.09**

The accompanying notes are an integral part of the financial statements

As per our report of even date

For **S. R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/ E300005

For and on behalf of the Board of Directors of Hindustan Media Ventures Limited

per **Vishal Sharma**
Partner
Membership No. 096766

Tridib Barat
Company Secretary

Ratul Bhaduri
Chief Financial Officer

Vivek Khanna
Chief Executive Officer

Shamit Bhartia
Managing Director
(DIN: 00020623)

Shobhana Bhartia
Chairperson
(DIN: 00020648)

Place: New Delhi
Date: May 18, 2017

Consolidated Statement of Changes in Equity

For the year ended March 31, 2017

A. EQUITY SHARE CAPITAL (REFER NOTE 12)

Equity Shares of ₹ 10 each issued, subscribed and fully paid up

Particulars	No of shares	₹ Lacs
Balance as at April 1, 2015	7,33,93,770	7,339.38
Changes in share capital during the year	-	-
Balance as at March 31, 2016	7,33,93,770	7,339.38
Changes in share capital during the year	-	-
Balance as at March 31, 2017	**7,33,93,770**	**7,339.38**

B. OTHER EQUITY ATTRIBUTABLE TO EQUITY HOLDERS (REFER NOTE 13)

(₹ in Lacs)

Particulars	Capital reserve (refer Note 30)	Capital redemption reserve	Securities premium	General Reserve	Retained earnings	Total
Balance as at April 1, 2015	**238.00**	**0.50**	**24,239.12**	**687.87**	**41,872.59**	**67,038.08**
Change during the year	-	-	-	-	17,873.61	17,873.61
Other comprehensive income	-	-	-	-	(121.05)	(121.05)
Dividend	-	-	-	-	(880.73)	(880.73)
Dividend distribution tax	-	-	-	-	(179.29)	(179.29)
Balance as at March 31, 2016	**238.00**	**0.50**	**24,239.12**	**687.87**	**58,565.13**	**83,730.62**
Change during the year	7,727.37	-	-	-	18,952.09	26,679.46
Other comprehensive income	-	-	-	-	(12.93)	(12.93)
Dividend	-	-	-	-	(880.73)	(880.73)
Dividend distribution tax	-	-	-	-	(179.29)	(179.29)
Balance as at March 31, 2017	**7,965.37**	**0.50**	**24,239.12**	**687.87**	**76,444.27**	**1,09,337.13**

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

For **S. R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/ E300005

per **Vishal Sharma**
Partner
Membership No. 096766

Place: New Delhi
Date: May 18, 2017

For and on behalf of the Board of Directors of Hindustan Media Ventures Limited

Tridib Barat
Company Secretary

Ratul Bhaduri
Chief Financial Officer

Vivek Khanna
Chief Executive Officer

Shamit Bhartia
Managing Director
(DIN: 00020623)

Shobhana Bhartia
Chairperson
(DIN: 00020648)

Consolidated Notes to Financial Statements

For the year ended March 31, 2017

1. CORPORATE INFORMATION

Hindustan Media Ventures Limited ("HMVL" or "the Parent Company") is a Public Limited Company domiciled in India & incorporated under the provision of the Companies Act, 1913. Its shares are listed on Bombay Stock Exchange (BSE) & National Stock Exchange (NSE).

HT Media Limited ("Holding Company") holds 74.30% of Equity Share Capital of the Parent Company. The Parent Company is engaged in the business of publishing 'Hindustan', a Hindi Daily, and two monthly Hindi magazines 'Nandan' and 'Kadambani'. The registered office of the Parent Company is located at Budh Marg, Patna- 800001.

The Consolidated Financial Results for the year ended March 31, 2017 include the financial results of the Company and its Associate namely HT Digital Streams Limited (HTDSL). HTDSL became an associate of the Company with effect from December 31, 2016 pursuant to Scheme of Arrangement as referred to in note 30. The consolidation is done as per Equity Method of accounting as prescribed under Ind AS-28 Investments in Associates.

Information on other related party relationships of the Parent Company is provided in Note 34.

The financial statements of the Parent Company for the year ended March 31, 2017 are authorised for issue in accordance with a resolution of the Board of Directors on May 18, 2017.

2. SIGNIFICANT ACCOUNTING POLICIES FOLLOWED BY PARENT COMPANY

2.1.1 Basis of preparation

The Consolidated financial statements of the Parent Company have been prepared in accordance with Indian Accounting Standards ('Ind-AS') notified under the Companies (Indian Accounting Standard) Rules, 2015 and Companies (Indian Accounting Standard) (Amendment) Rules, 2016.

For all periods up to and including the year ended March 31, 2016, the Parent Company prepared its financial statements in accordance with the Accounting Standards notified under the Section paragraph of the 133 of the Companies Act, 2013 read together with Companies (Accounts) Rules 2014 (Indian GAAP). These financial statements for the year ended March 31, 2017 are the first the Parent Company has prepared in accordance with Ind-AS. Refer Note 46 on information on how the Parent Company has adopted Ind-AS.

The accounting policies are applied consistently to all the periods presented in the financial statements, including the preparation of the opening Ind-AS Balance Sheet as at April 1, 2015 being the date of transition to Ind-AS.

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

- Derivative financial instruments

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

- Defined benefit plans - plan assets measured at fair value;

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

The Consolidated financial statements are presented in Indian Rupee (₹), which is also the Parent Company's functional currency.

2.1.2 Basis of consolidation

The consolidated financial statements comprise the financial statements of the Parent Company and its associate.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If the associate uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to the consolidated financial statements to ensure conformity with the Parent Company's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company, i.e., year ended on 31 March.

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Consolidation procedure for Associates:
Interests in joint ventures are accounted for using the equity method, after initially being recognised at cost in the consolidated balance sheet.

2.2 Summary of significant accounting policies

a) Current versus non-current classification

The Parent 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 be 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 Parent Company classifies all other liabilities as non-current.

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

The operating cycle is the time between publishing of advertisement and circulation of newspaper and its realisation in cash and cash equivalents. The Parent Company has identified twelve months as its operating cycle.

b) Foreign Currencies

Transactions and Balances

Transactions in foreign currencies are initially recorded by the Parent Company at their respective functional currency spot rates at the date the transaction first qualifies for recognition. However, for practical reasons, the Parent 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 Parent Company's monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or as expenses in the year in which they arise.

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

c) Fair value measurement

The Parent 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 Parent 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.

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

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes :

- Disclosures for valuation methods, significant estimates and assumptions (Note 37)
- Quantitative disclosures of fair value measurement hierarchy (Note 37A)
- Investment properties (Note 4)
- Financial instruments (including those carried at amortised cost) (Note 37)

d) Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Parent 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 Parent 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.

Service tax, Sales tax and value added tax (VAT) is not received by the Parent Company on its own account. Rather, it is tax collected on value added to the commodity by the seller on behalf of the government. Accordingly, it is excluded from revenue.

The specific recognition criteria described below must also be met before revenue is recognised

Advertisements

Revenue is recognized as and when advertisement is published/ displayed Revenue from advertisement is measured at the fair value of the consideration received or receivable, net of allowances, trade discounts and volume rebates.

Sale of News & Publications, Waste Paper and Scrap

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on delivery of the goods. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates.

Printing Job Work

Revenue from printing job work is recognized on the stage of completion of job work as per

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terms of the agreement. Revenue from job work is measured at Fair Value of the consideration received or receivable, net of allowances, trade discounts and volume rebates, if any.

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 Parent Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in finance income in the statement of profit and loss.

Dividends

Revenue is recognised when the Parent Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

Rental Income

Rental Income arising from operating leases on investment properties is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of profit or loss due to its operating nature unless either:

- Another systematic basis is more representative of the time pattern in which use benefit derived from the leased asset is diminished, even if the rentals are not on that basis, or

- The rentals are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases. If rentals vary according to factors other than inflation, then this condition is not met.

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.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled,

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based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

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

In the situations where the Parent Company is entitled to a Tax holiday under the income Tax Act, 1961 enacted in India or Tax laws prevailing in the respective tax jurisdictions where it operates, no deferred tax (asset or liability) is recognised in respect of temporary differences which reverse during the tax holiday period, to the extent the Parent Company's gross total income is subject to the deduction during the tax holiday period. Deferred tax in respect of temporary differences which reverse after the tax holiday period is recognized in the year in which the temporary differences originate. For recognition of deferred taxes, the temporary differences which originate first are considered to reverse first.

Sales/ value added taxes paid on acquisition of assets or on incurring expenses

Expenses and assets are recognised net of the amount of sales/ value added taxes paid, except:

- When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable
- When receivables and payables are stated with the amount of sales tax included

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

f) Discontinued operations

A disposal group qualifies as discontinued operation if it is a component of an entity that either has been disposed of, or is classified as held for sale, and:

- Represents a separate major line of business or geographical area of operations,
- Is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations

Or

- Is a subsidiary acquired exclusively with a view to resale

Discontinued operations are excluded from the results of continuing operations and are presented as a single amount as profit or loss after tax from discontinued operations in the statement of profit and loss.

Additional disclosures are provided in Note 30. All other notes to the financial statements mainly include amounts for continuing operations, unless otherwise mentioned.

g) Property, plant and equipment

The Parent Company has applied the one time transition option of considering the carrying cost of property, plant and equipment on the transition date i.e. April 1, 2015 as the deemed cost under Ind-AS.

Property, plant and equipment and capital work-in progress are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met.

Cost comprises the purchase price, borrowing costs if capitalization criteria are met and any directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Recognition:

The cost of an item of property, plant and equipment shall be recognised as an asset if, and only if:

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(a) it is probable that future economic benefits associated with the item will flow to the entity; and

(b) the cost of the item can be measured reliably.

When significant parts of plant and equipment are required to be replaced at intervals, the Parent Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Values of fixed assets acquired from the Parent Company in an earlier year are allocated based on valuation carried out by an independent expert at the time of acquisition.

The Parent Company identifies and determines cost of asset significant to the total cost of the asset having useful life that is materially different from that of the remaining life.

Depreciation methods, estimated useful lives and residual value

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets as follows:

Type of asset	Useful lives estimated by management (Years)
Plant and Machinery	2-21.06
Buildings (Factory)	10-30
Buildings (other than factory buildings)	3-60
Furniture and Fittings	2-10
IT Equipment	2-6
Office Equipment	2-5
Vehicles	8

The Parent Company, based on technical assessment made by the management depreciates certain assets over estimated useful lives which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management has estimated, supported by technical assessment, the useful lives of certain plant and machinery as 16 to 21.06 years. These useful lives are higher than those indicated in Schedule II. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

Depreciation on the property, plant and equipment is provided over the useful life of assets as specified in Schedule II to the Companies Act, 2013. Property, Plant and Equipment which are added/disposed off during the year, depreciation is provided on pro-rata basis with reference to the month of addition/deletion.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised.

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

Expenditure directly relating to construction activity is capitalized. Indirect expenditure incurred during construction period is capitalized as a part of indirect construction cost to the extent the expenditure is related to construction or is incidental thereto. Other indirect costs incurred during the construction periods which are not related to construction activity nor are incidental thereto are charged to Statement of Profit and Loss. Reinvested income earned during the construction period is adjusted against the total of indirect expenditure.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

h) Investments in associates

An associate is an entity over which the Parent Company has significant influence. Significant influence is the power to participate in the financial

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and operating policy decisions of the investee, but is not control or joint control over those policies.

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

The Parent Company's investments in its associate are accounted for using the equity method. Under the equity method, the investment in an associate is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Parent Company's share of net assets of the associate since the acquisition date. Goodwill relating to the associate is included in the carrying amount of the investment and is not tested for impairment individually.

The statement of profit and loss reflects the Parent Company's share of the results of operations of the associate. Any change in OCI of those investees is presented as part of the Parent Company's OCI. In addition, when there has been a change recognised directly in the equity of the associate, the Parent Company recognises its share of any changes, when applicable, in the statement of changes in equity. Unrealised gains and losses resulting from transactions between the Parent Company and the associate are eliminated to the extent of the interest in the associate.

If an entity's share of losses of an associate equals or exceeds its interest in the associate (which includes any long term interest that, in substance, form part of the Parent Company's net investment in the associate), the entity discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Parent Company has incurred legal or constructive obligations or made payments on behalf of the associate. If the associate subsequently reports profits, the entity resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

The aggregate of the Parent Company's share of profit or loss of an associate is shown on the face of the statement of profit and loss.

The financial statements of the associate are prepared for the same reporting period as the Parent Company. When necessary, adjustments are made to bring the accounting policies in line with those of the Parent Company.

After application of the equity method, the Parent Company determines whether it is necessary to recognise an impairment loss on its investment in its associate. At each reporting date, the Parent Company determines whether there is objective evidence that the investment in the associate is impaired. If there is such evidence, the Parent Company calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value, and then recognises the loss as 'Share of profit of an associate's in the statement of profit or loss.

Upon loss of significant influence over the associate, the Parent Company measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate upon loss of significant influence and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

i) Investment properties

Investment properties are properties (land and buildings) that are held for long-term rental yields and/or for capital appreciation. Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

The Company depreciates building component of investment property over 30 years from the date property is ready for possession.

Though the Parent Company measures investment property using cost based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined based on an annual evaluation performed by an accredited external independent valuer.

On transition to Ind AS, the Parent Company has elected to continue with the carrying value of all of its Investment properties recognised as at 1st April 2015 measured as per the Indian GAAP and use that carrying value as the deemed cost of the Investment Properties.

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Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of de-recognition.

j) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

Value for individual software license acquired from the Parent company in an earlier year is allocated based on the valuation carried out by an independent expert at the time of acquisition.

On transition to Ind AS, the Parent Company has elected to continue with the carrying value of all of its Intangible assets recognised as at April 1, 2015 measured as per the previous GAAP and use that carrying value as the deemed cost of the Intangible assets.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Intangible assets with finite lives are amortized on straight line basis using the estimated useful life as follows:

Intangible Assets	Useful life (in years)
Website Development	6.17
Software Licenses	5 - 11.01
Brand	Indefinite useful live

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

k) 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.

l) Leases

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

For arrangements entered into prior to April 1, 2015, the Company has determined whether the

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arrangement contain lease on the basis of facts and circumstances existing on the date of transition.

Company as a lessee

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

Finance leases are capitalised at the commencement of the lease at the inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the statement of profit and loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the Parent Company's general policy on the borrowing costs (See note 2.1.k).

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Parent Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Leasehold improvements represent expenses incurred towards civil works, interiors furnishings, etc. on the leased premises at various locations.

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

Company as a lessor

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Parent Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Parent Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

Leases in which the Parent Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on straight line basis over the term of the relevant lease.

m) Inventories

Inventories are valued as follows :

Raw materials, stores and spares	Lower of cost and net realizable value. However, material and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost is determined on a weighted average basis.
Work- in- progress and finished goods	Lower of cost and net realizable value. Cost includes direct materials and a proportion of manufacturing overheads based on normal operating capacity. Cost is determined on a weighted average basis.
Scrap and waste papers	At net realizable value

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

n) Impairment of non-financial assets

The Parent Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Parent Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current

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market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded Parent Company's or other available fair value indicators.

The Parent Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Parent Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Parent Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the entity operates, or for the market in which the asset is used.

Impairment losses of continuing operations, including impairment on inventories, are recognised in the statement of profit and loss.

An assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Parent Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase

Intangible assets with indefinite useful lives are tested for impairment annually at the CGU level, as appropriate, and when circumstances indicate that the carrying value may be impaired.

o) Provisions

Provisions are recognised when the Parent 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 Parent Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

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

p) Retirement and other employee benefits

Short term employee benefits and defined contribution plans:

All employee benefits payable/available within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages and bonus etc. are recognised in the statement of profit and loss in the period in which the employee renders the related service.

Retirement benefit in the form of provident fund is a defined contribution scheme. The Parent Company has no obligation, other than the contribution payable to the provident fund. The Parent Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet

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date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

Gratuity

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

The Parent Company recognizes termination benefit as a liability and an expense when the Parent Company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the termination benefits fall due more than 12 months after the balance sheet date, they are measured at present value of future cash flows using the discount rate determined by reference to market yields at the balance sheet date on government bonds.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognised in profit or loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Company recognises related restructuring cost

  Net interest is calculated by applying the discount rate to the net defined benefit liability or asset.

The Company recognises the following changes in the net defined benefit obligation as an expense in the Statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

Compensated Absences

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short term employee benefit. The Parent Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The Parent Company treats accumulated leave expected to be carried forward beyond twelve months, as long- term employee benefit for measurement purposes. Such long- term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the period end. Re-measurements, comprising of actuarial gains and losses, are immediately taken to the statement of profit and loss and are not deferred. The Company presents the leave as a current liability in the balance sheet to the extent it does not have an unconditional right to defer its settlement for 12 months after the reporting date. Where Company has the unconditional legal and contractual right to defer the settlement for a period beyond 12 months, the same is presented as non- current liability.

q) Share-based payments

Employees (including senior executives) of the Company receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions).

Equity-settled transactions

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model. The Parent Company has availed option under Ind-AS 101, to apply intrinsic value method to the options already vested before the date of transition and applied Ind-AS 102 Share-based payment to equity instruments that remain unvested as of transition date.

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For the year ended March 31, 2017

That cost is recognised, together with a corresponding increase in share-based payment (SBP) reserves in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Parent Company's best estimate of the number of equity instruments that will ultimately vest. The statement of profit and loss expense or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Parent Company's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions.

No expense is recognised for awards that do not ultimately vest because non-market performance and/or service conditions have not been met. Where awards include a market or non-vesting condition, the transactions are treated as vested irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

When the terms of an equity-settled award are modified, the minimum expense recognised is the expense had the terms had not been modified, if the original terms of the award are met. An additional expense is recognised for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee as measured at the date of modification. Where an award is cancelled by the entity or by the counterparty, any remaining element of the fair value of the award is expensed immediately through profit or loss.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

r) Financial instruments

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

Financial assets

Initial recognition and measurement

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

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified into two categories:

- Debt instruments at amortised cost
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)

Debt instruments at amortised cost

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

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables. For more information on receivables, refer to Note 10.

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Debt instruments at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Parent Company may elect to designate a debt instrument which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

Equity investments

All equity investments in scope of Ind-AS 109 are measured at fair value. Equity instruments which are held for trading recognised by an acquirer in a business combination to which Ind-AS103 applies are Ind-AS classified as at FVTPL. For all other equity instruments, the Parent Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Parent Company makes such election on an instrument-by-instrument basis. The classification is made on Initial recognition and is irrevocable.

If the Parent Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Parent Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

De-recognition

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

- The rights to receive cash flows from the asset have expired, or

- The Parent 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 Parent Company has transferred substantially all the risks and rewards of the asset, or (b) the Parent Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Parent 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 Parent Company continues to recognise the transferred asset to the extent of the Parent Company continuing involvement. In that case, the Parent Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Parent 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 Parent Company could be required to repay.

Impairment of financial assets

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

a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance

b) Trade receivables or any contractual right to receive cash or another financial asset that

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For the year ended March 31, 2017

result from transactions that are within the scope of Ind-AS 11 and Ind-AS 18 (referred to as 'contractual revenue receivables' in these financial statements)

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

- Trade receivables or contract revenue receivables; and
- All lease receivables resulting from transactions within the scope of Ind-AS 17

The application of simplified approach does not require the Parent 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 Parent 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.

ECL is the difference between all contractual cash flows that are due to the Parent Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

- All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms

As a practical expedient, the Parent 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 amortised cost, contractual revenue receivables and lease receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Parent Company does not reduce impairment allowance from the gross carrying amount.

For assessing increase in credit risk and impairment loss, the Parent 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 Parent Company does not have any purchased or originated credit-impaired (POCI) financial assets, i.e., financial assets which are credit impaired on purchase/ origination.

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Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit and 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 Parent Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and derivative financial instruments.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit and loss

Financial liabilities at fair value through profit and loss include financial liabilities designated upon initial recognition as at fair value through profit and loss. This category includes derivative financial instruments entered into by the Parent Company that are not designated as hedging instruments in hedge relationships as defined by Ind-AS 109.

Financial liabilities designated upon initial recognition at fair value through profit and loss are designated as such at the initial date of recognition, and only if the criteria in Ind-AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to Statement of Profit and Loss. However, the Parent Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the Statement of Profit and Loss.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in Statement of Profit and Loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss.

This category generally applies to borrowings. For more information refer Note 15.

De-recognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

Embedded derivatives

An embedded derivative is a component of a hybrid (combined) instrument that also includes a non-derivative host contract - with the effect that some of the cash flows of the combined instrument vary in a way similar to a stand-alone derivative. An embedded derivative causes some or all of the cash flows that otherwise would be required by the contract to be modified according to a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable, provided in the case of a non-financial variable that the variable is not specific to a party to the contract. Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the fair value through profit and loss.

If the hybrid contract contains a host that is a financial asset within the scope of Ind-AS 109, the Parent Company does not separate embedded derivatives. Rather, it applies the classification requirements contained in Ind-AS 109 to the entire hybrid contract. Derivatives embedded in all other host contracts are accounted for as separate derivatives and recorded at fair value if their economic characteristics and risks are not closely

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related to those of the host contracts and the host contracts are not held for trading or designated at fair value though profit and loss. These embedded derivatives are measured at fair value with changes in fair value recognised in profit and loss, unless designated as effective hedging instruments.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

s) Derivative financial instruments

Initial recognition and subsequent measurement

The Parent Company uses derivative financial instruments, such as forward currency contracts, Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

The purchase contracts that meet the definition of a derivative under Ind-AS 109 are recognised in the Statement of Profit and Loss.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to Statement of Profit and Loss.

t) Cash and cash equivalents

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

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

u) Cash dividend and non- cash distribution to equity holders of the parent

The Parent Company recognises a liability to make cash or non-cash distributions to equity holders of the parent when the distribution is authorised and the distribution is no longer at the discretion of the Parent Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

Non-cash distributions are measured at the fair value of the assets to be distributed with fair value re-measurement recognised directly in equity.

Upon distribution of non-cash assets, any difference between the carrying amount of the liability and the carrying amount of the assets distributed is recognised in the Statement of Profit and Loss.

v) Contingent Liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non–occurrence of one or more uncertain future events beyond the control of the Parent Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Parent Company does not recognize a contingent liability but discloses its existence in the financial statements. Contingent assets are only disclosed when it is probable that the economic benefits will flow to the entity.

w) Measurement of EBITDA

The Parent 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 Parent Company measures EBITDA on the face of profit/ (loss) from continuing operations. In the measurement, the Parent Company does not include depreciation and amortization expense, finance costs and tax expense.

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For the year ended March 31, 2017

x) **Earnings per Share**

Basic earnings per share

Basic earnings per share are calculated by dividing:

-the profit attributable to owners of the Parent Company

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

Diluted earnings per share

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

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

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

2.3. Significant accounting judgements, estimates & assumptions

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

The areas involving critical estimates or judgements are below:-

Property, Plant and Equipment

The Parent Company, based on technical assessment and management estimate, depreciates certain assets over estimated useful lives which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management has estimated, supported by technical assessment, the useful lives of certain plant and machinery as 16 to 21.06 years. These useful lives are higher than those indicated in Schedule II. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

Intangible asset – "Hindi Hindustan" Brand

In previous year ended March 31, 2016, the Parent Company had acquired Hindi Business Brand (i.e. Hindustan, Hindustan.in, Nandan, Kadambini, Hum Tum and other Hindi publication related trademarks) from its Parent company, HT Media Limited. Management is of the opinion that, based on an analysis of all of the relevant factors, there is no foreseeable limit to the period over which the trademark is expected to generate net cash inflows for the Parent Company. Hence, the Brand is regarded by Management as having an indefinite useful life.

Contingent Liability and commitments

The Parent Company is involved in various litigations. The management of the Parent Company has used its judgement while determining the litigations outcome of which are considered probable and in respect of which provision needs to be created.

Assessment of lease contracts

Significant judgement is required to apply lease accounting rules under Appendix C to Ind-AS 17: determining whether an Arrangement contains a Lease. In assessing the applicability to arrangements entered into by the Company, management has exercised judgement to evaluate the right to use the underlying assets, substance of the transaction including legally enforced arrangements and other significant terms and conditions of the arrangement to conclude whether the arrangements meet the criteria under Appendix C to Ind-AS 17.

Fair value measurements

When the fair values of financial assets or financial liabilities recorded or disclosed in the financial statements cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgements include consideration of inputs such as liquidity risk, credit risk and volatility.

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For the year ended March 31, 2017

Taxes

Uncertainties exist with respect to the interpretation of complex tax regulations, changes in tax laws, and the amount and timing of future taxable income. Given the wide range of business relationships and the long-term nature and complexity of existing contractual agreements, differences arising between the actual results and the assumptions made, or future changes to such assumptions, could necessitate future adjustments to tax income and expense already recorded. The Parent Company establishes provisions, based on reasonable estimates. The amount of such provisions is based on various factors, such as experience of previous tax assessments and differing interpretations of tax regulations by the taxable entity and the responsible tax authority. Such differences of interpretation may arise on a wide variety of issues depending on the conditions prevailing in the respective domicile of the Companies.

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

Further details on taxes are disclosed in Note 14.

Share Based Payment

The Parent Company measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them. The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in Note 32.

Defined benefit plans

The cost of the defined benefit gratuity plan and other post-employment medical benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

The mortality rate is based on publicly available mortality tables for the specific countries. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates for the respective countries.

Further details about gratuity obligations are given in Note 31.

Consolidated Notes to Financial Statements

For the year ended March 31, 2017

NOTE 3 : PROPERTY, PLANT AND EQUIPMENT AND CAPITAL WORK-IN-PROGRESS

(₹ in Lacs)

Particulars	Land Freehold	Land Leasehold (Refer Note III)	Buildings (Refer note III)	Improvement to Leasehold Premises	Plant and Machinery (Refer note III)	Office Equipments	Furniture	Vehicles	Total
Cost or Valuation									
Deemed cost as at April 1, 2015	**981.37**	**1,239.75**	**3,781.71**	**921.20**	**10,674.01**	**164.19**	**90.73**	**18.56**	**17,871.52**
Additions	-	-	418.16	89.31	1,478.39	126.20	50.74	-	2,162.80
Disposals/ Adjustments	-	-	-	0.56	9.79	11.61	3.16	0.07	25.19
As at March 31, 2016	**981.37**	**1,239.75**	**4,199.87**	**1,009.95**	**12,142.61**	**278.78**	**138.31**	**18.49**	**20,009.13**
Additions	-	-	70.45	1.19	1,071.09	59.55	8.84	36.28	1,247.40
Disposals/ Adjustments	-	-	-	-	44.20	9.47	0.20	-	53.87
Transfer of Discontinued operations (Refer Note 30)	-	-	-	-	106.62	-	-	-	106.62
As at March 31, 2017	**981.37**	**1,239.75**	**4,270.32**	**1,011.14**	**13,062.88**	**328.86**	**146.95**	**54.77**	**21,096.04**
Depreciation/ Impairment as at April 1, 2015	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Charge for the year	-	14.92	213.40	200.63	1,630.44	99.66	42.17	3.90	2,205.12
Disposals	-	-	-	-	8.84	9.82	2.62	-	21.28
As at March 31, 2016	**-**	**14.92**	**213.40**	**200.63**	**1,621.60**	**89.84**	**39.55**	**3.90**	**2,183.84**
Charge for the year	-	14.92	223.32	177.34	1,463.40	80.80	17.07	4.68	1,981.53
Disposals	-	-	-	-	30.93	8.96	0.20	-	40.09
Transfer of Discontinued operations (Refer Note 30)	-	-	-	-	58.10	-	-	-	58.10
As at March 31, 2017	**-**	**29.84**	**436.72**	**377.97**	**2,995.97**	**161.68**	**56.42**	**8.58**	**4,067.11**
Net Block									
As at March 31, 2017	**981.37**	**1,209.91**	**3,833.60**	**633.17**	**10,066.91**	**167.18**	**90.53**	**46.19**	**17,028.86**
As at March 31, 2016	**981.37**	**1,224.83**	**3,986.47**	**809.32**	**10,521.01**	**188.94**	**98.76**	**14.59**	**17,825.29**
As at April 1, 2015	**981.37**	**1,239.75**	**3,781.71**	**921.20**	**10,674.01**	**164.19**	**90.73**	**18.56**	**17,871.52**

(₹ in Lacs)

	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Property, Plant and Equipment	17,028.86	17,825.29	17,871.52
Capital Work in Progress	322.44	153.77	322.33
Total	**17,351.30**	**17,979.06**	**18,193.85**

I. Capital work in progress (CWIP)

The capital work in progress as at March 31, 2017, March 31, 2016 and April 1, 2015 comprises mainly expenditure for the plant and machinery. Total amount of CWIP is ₹ 322.44 lacs (March 31, 2016: ₹ 153.77 lacs, April 1, 2015: ₹ 322.33 lacs).

II. Refer Note 15A for assets subject to charge.

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For the year ended March 31, 2017

III. Details of assets given under operating lease are as under :

(₹ in Lacs)

Particulars	March 31, 2017			March 31, 2016			April 1, 2015		
	Plant and Machinery	Freehold Land	Buildings	Plant and Machinery	Freehold Land	Buildings	Plant and Machinery	Freehold Land	Buildings
Gross block	1,072.40	296.19	807.79	1,070.89	296.19	806.49	492.41	164.00	423.17
Accumulated depreciation	165.19	-	62.28	71.77	-	25.84	-	-	-
Net block	**907.21**	**296.19**	**745.51**	**999.12**	**296.19**	**780.65**	**492.41**	**164.00**	**423.17**
Depreciation for the year	93.41	-	36.44	65.67	-	25.86	-	-	-

IV. Ind-AS 101 Exemption : The Company has availed the exemption available under Ind-AS 101, whereas the carrying value of property, plant and equipment has been carried forwarded at the amount as determined under the Indian GAAP. Regarding the application of deemed cost, the Company has disclosed the cost as at April 1, 2015 net of accumulated depreciation. However, information regarding gross block of assets, accumulated depreciation has been disclosed by the Company separately as follows :

(₹ in Lacs)

Particulars	Gross Block as as at April 1, 2015	Accumulated depreciation as at April 1, 2015	Net Block as at April 1, 2015
Land Freehold	981.37	-	981.37
Leasehold Land	1,281.53	41.78	1,239.75
Buildings	4,582.66	800.95	3,781.71
Improvement to Leasehold Premises	1,609.67	688.47	921.20
Plant and Machinery	19,328.08	8,654.07	10,674.01
Office Equipments	489.47	325.28	164.19
Furniture and Fixtures	345.47	254.74	90.73
Vehicles	28.60	10.04	18.56
Total	**28,646.85**	**10,775.33**	**17,871.52**

NOTE 4 : INVESTMENT PROPERTY

(₹ in Lacs)

Particulars	Amount
Opening balance at April 1, 2015	**29.04**
Additions	297.69
Disposals	-
Closing balance at March 31, 2016	**326.73**
Additions	291.48
Disposals	-
Closing balance at March 31, 2017	**618.21**
Depreciation and impairment	
Opening balance at April 1, 2015	**-**
Depreciation	-
Impairment	-
Disposals	-
Closing balance at March 31, 2016	**-**
Depreciation	-
Impairment	-
Disposals	-
Closing balance at March 31, 2017	-
Net Block	
As at March 31, 2017	**618.21**
As at March 31, 2016	**326.73**
As at April 1, 2015	**29.04**

Consolidated Notes to Financial Statements

For the year ended March 31, 2017

For Investment Property existing as on April 1, 2015 i.e its date of transition to Ind-AS, the company has used Indian GAAP carrying value as deemed costs.

As at March 31, 2017 and March 31, 2016, and April 1, 2015 the fair values of the properties are ₹ 633.00 lacs and ₹ 296.00 lacs and ₹ 36.00 lacs respectively. These valuations are based on valuations performed by an accredited independent valuer. They are specialist in valuing these types of investment properties. A valuation model in accordance with Ind-AS 113 has been applied.

The company has no restrictions on the realisability of its investment properties and there exists contractual obligations of ₹ 19.13 lacs (March 31, 2016 ₹ 12.70 lacs and April 1, 2015-NIL) to purchase the investment property whereas there are no contractual obligation to develop investment property or for repairs and enhancements.

Estimation of Fair Value

The valuation has been determined basis current prices for similar properties in an active market (Level II). However, where such information is not available, current prices in an active market for properties of different nature or recent prices of similar properties in less active markets, adjusted to reflect those differences, has been considered to determine the valuation.

NOTE 5 : INTANGIBLE ASSETS AND INTANGIBLE ASSETS UNDER DEVELOPMENT

(₹ in Lacs)

Particulars	Website Development	Software Licenses	Brand (Refer Note I)	Total (Intangible Assets)
Cost or Valuation				
Deemed cost as at April 1, 2015	**1.79**	**134.64**	**-**	**136.43**
Additions	-	52.10	6,696.00	6,748.10
Disposals/ Adjustments	-	-	-	-
As at March 31, 2016	**1.79**	**186.74**	**6,696.00**	**6,884.53**
Additions		48.96		48.96
Disposals/ Adjustments	-	-	-	-
As at March 31, 2017	1.79	235.70	6,696.00	6,933.49
Amortization				
As at April 1, 2015	-	-	-	-
Charge for the year	1.34	43.04		44.38
Disposals	**-**	**-**	**-**	**-**
As at March 31, 2016	1.34	43.04	-	44.38
Charge for the year	0.45	38.74		39.19
Disposals	-	-	-	-
As at March 31, 2017	**1.79**	**81.78**	**-**	**83.57**
Net Block				
As at March 31, 2017	**-**	**153.92**	**6,696.00**	**6,849.92**
As at March 31, 2016	**0.45**	**143.70**	**6,696.00**	**6,840.15**
As at April 1, 2015	**1.79**	**134.64**	**-**	**136.43**

(₹ in Lacs)

	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Intangible assets	6,849.92	6,840.15	136.43
Intangible asset under development	91.68	104.12	-
Total	**6,941.60**	**6,944.27**	**136.43**

I) In the year ended March 31, 2016; the Company had acquired Hindi Business Brand (i.e. Hindustan, Hindustan.in, Nandan, Kadambini, Hum Tum and other Hindi publication related trademarks from its parent company HT Media

Consolidated Notes to Financial Statements

For the year ended March 31, 2017

Limited. Management is of the opinion that, based on an analysis of all of the relevant factors, there is no foreseeable limit to the period over which the Brand is expected to generate net cash inflows for the Company. Hence, the Brand is regarded by Management as having an indefinite useful life.

Intangible assets with indefinite useful lives are tested for impairment annually, or more frequently if the events and circumstances indicate that the carrying value may be impaired. The useful life of an intangible asset with an indefinite useful life is reviewed annually to determine whether the useful life assessment continues to be supportable.

The management is of the view that Brand does not have a finite life cycle and accordingly the Brand has been determined to have an indefinite useful life and is not amortised. The Company tests the intangible asset annually for impairment or more frequently if there are indications that intangible asset might be impaired.

The calculations of value in use are most sensitive to the following assumptions:

a. Weighted Average Cost of Capital (WACC) of 14.05%.

b. For arriving at the terminal value, management has considered a growth rate of 3%.

II) **Ind-AS 101 Exemption :** The Company has availed the exemption available under Ind-AS 101, whereas the carrying value of intangible assets has been carried forward at the amount as determined under the Indian GAAP. Regarding the application of deemed cost, the Company has disclosed the cost as at April 1, 2015 net of accumulated depreciation. However, information regarding gross block of assets, accumulated depreciation has been disclosed by the Company separately as follows :

(₹ in Lacs)

Particulars	Gross Block as as at April 1, 2015	Accumulated depreciation as at April 1, 2015	Net Block as at April 1, 2015
Website Development	8.27	6.48	1.79
Software Licenses	366.36	231.72	134.64
Total	**374.63**	**238.20**	**136.43**

NOTE 6A : INVESTMENT IN AN ASSOCIATE

(₹ in Lacs)

Particulars	March 31, 2017	March 31, 2016	April 1, 2015
Investment in an associate at cost			
Unquoted:			
HT Digital Streams Ltd. (Refer note 30)	7,042.00	-	-
85.88 lacs (March 31, 2016: NIL, April 1, 2015: NIL) equity shares of ₹ 10 each fully paid up			
Total	**7,042.00**	**-**	**-**
Non- Current	**7,042.00**	**-**	**-**
Current	**-**	**-**	**-**
Aggregate value of unquoted investments	**7,042.00**	**-**	**-**
Aggregate amount of impairment in value of investments	**-**	**-**	**-**

NOTE 6B : FINANCIAL ASSETS-INVESTMENTS

(₹ in Lacs)

Particulars	March 31, 2017	March 31, 2016	April 1, 2015
I. Investment at Fair value through profit and loss			
Quoted			
Investment in equity instruments			
JVL Agro Industries Limited	48.51	42.36	86.69
2.38 lac (March 31, 2016: 2.38 lac, April 1, 2015: 5.90 lac) equity shares of ₹ 10 each fully paid up			
Investment in mutual funds/fixed maturity plans			

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For the year ended March 31, 2017

NOTE 6B : FINANCIAL ASSETS-INVESTMENTS (CONTD.)

(₹ in Lacs)

Particulars	March 31, 2017	March 31, 2016	April 1, 2015
Kotak FMP-Series 172-Growth			
150.00 lac (March 31, 2016 150.00 lac, April 1, 2015 150.00 lac) units of ₹ 10/- each fully paid	1,816.95	1,662.03	1,502.10
Reliance Fixed Horizon Fund - XXVIII Series 14-Growth			
150.00 lac (March 31, 2016 150.00 lac, April 1, 2015 150.00 lac) units of ₹ 10/- each fully paid	1,814.10	1,645.97	1,503.47
Kotak FMP Series 145 - Growth			
100.00 lac (March 31, 2016 100.00 lac, April 1, 2015 100.00 lac) units of ₹ 10/- each fully paid	1,303.01	1,194.13	1,101.49
Birla Sun Life Fixed Term Plan Series KO (1498 Days) Growth			
100.00 lac (March 31, 2016 100.00 lac, April 1, 2015 100.00 lac) units of ₹ 10/- each fully paid	1,293.00	1,184.82	1,097.84
Kotak FMP Series 151 - Growth			
100.00 lac (March 31, 2016 100.00 lac, April 1, 2015 100.00 lac) units of ₹ 10/- each fully paid	1,277.96	1,182.59	1,093.04
Reliance Fixed Horizon Fund - XXVI Series 9 Growth			
100.00 lac (March 31, 2016 100.00 lac, April 1, 2015 100.00 lac) units of ₹ 10/- each fully paid	1,278.74	1,182.17	1,090.79
HDFC FMP 369D April 2014 (1) Series 31 - Growth			
100.00 lac (March 31, 2016 100.00 lac, April 1, 2015 100.00 lac) units of ₹ 10/- each fully paid	1,275.26	1,180.43	1,090.96
HDFC FMP 369D April 2014 (2) Series 31 - Growth			
100.00 lac (March 31, 2016 100.00 lac, April 1, 2015 100.00 lac) units of ₹ 10/- each fully paid	1,270.53	1,176.33	1,087.10
Reliance FHF XXVI Series 13 - Growth			
50.00 lac (March 31, 2016 50.00 lac, April 1, 2015 50.00 lac) units of ₹ 10/- each fully paid	635.02	589.01	543.37
HDFC FMP 1100D April 2014 (1) Series 31 Growth			
100.00 lac (March 31, 2016 100.00 lac, April 1, 2015 100.00 lac) units of ₹ 10/- each fully paid	1,284.38	1,191.38	1,099.88
Sundaram Fixed Term Plan - FL 2 Yrs Growth			
100.00 lac (March 31, 2016 100.00 lac, April 1, 2015 100.00 lac) units of ₹ 10/- each fully paid	1,281.94	1,190.08	1,097.18
Reliance Yearly Interval Fund - Series 6 - Growth			
50.00 lac (March 31, 2016 50.00 lac, April 1, 2015 50.00 lac) units of ₹ 10/- each fully paid	689.22	640.60	592.27
Reliance Fixed Horizon Fund -XXIV-Series 22 Growth			
50.00 lac (March 31, 2016 50.00 lac, April 1, 2015 50.00 lac) units of ₹ 10/- each fully paid	671.13	618.39	570.95
DHFL Pramerica Dynamic Bond Fund - Growth			
1.90 lac (March 31, 2016 1.90 lac, April 1, 2015 1.90 lac) units of ₹ 1,000/- each fully paid	2,971.39	2,649.51	2,505.45
SBI Dynamic Bond Fund - Growth****			
58.40 lac (March 31, 2016 58.40 lac, April 1, 2015 58.40 lac) units of ₹ 10/- each fully paid	1,202.97	1,058.76	1,002.93
UTI Dynamic Bond Fund - Growth			
63.50 lac (March 31, 2016 63.50 lac, April 1, 2015 63.50 lac) units of ₹ 10/- each fully paid	1,218.43	1,064.23	1,002.21
Tata Dynamic Bond Fund - Growth****			

Consolidated Notes to Financial Statements

For the year ended March 31, 2017

NOTE 6B : FINANCIAL ASSETS-INVESTMENTS (CONTD.)

(₹ in Lacs)

Particulars	March 31, 2017	March 31, 2016	April 1, 2015
46.22 lac (March 31, 2016 46.22 lac, April 1, 2015 46.22 lac) units of ₹ 10/- each fully paid	1,173.85	1,063.65	1,002.03
Birla Sun Life Dynamic Bond Fund-Retail-Growth***&****&*****			
151.42 lac (March 31, 2016 171.52 lac, April 1, 2015 95.42 lac) units of ₹ 10/- each fully paid	4,426.77	4,564.49	2,332.42
DHFL Pramerica Short Maturity Fund Annual Bonus Plan			
11.59 lac (March 31, 2016 11.59 lac, April 1, 2015 11.59 lac) units of ₹ 10/- each fully paid	230.14	210.11	194.49
Reliance Interval Fund-IV-Series 2-Growth			
50.00 lac (March 31, 2016 50.00 lac, April 1, 2015 NIL) units of ₹ 10/- each fully paid	579.98	528.66	-
UTI Fixed Income Fund Series XXII - XIII (1100 Days) Growth			
100.00 lac (March 31, 2016 100.00 lac, April 1, 2015 NIL) units of ₹ 10/- each fully paid	1,159.19	1,050.74	-
Reliance Fixed Horizon Fund - XXIX - Series 3 - Growth			
100.00 lac (March 31, 2016 100.00 lac, April 1, 2015 NIL) units of ₹ 10/- each fully paid	1,159.69	1,053.23	-
ICICI Prudential FMP Series 78 - 1170 Days Plan I Cumulative			
100.00 lac (March 31, 2016 100.00 lac, April 1, 2015 NIL) units of ₹ 10/- each fully paid	1,112.98	1,018.80	-
ICICI Prudential FMP Series 78 - 1170 Days Plan J Cumulative			
100.00 lac (March 31, 2016 100.00 lac, April 1, 2015 NIL) units of ₹ 10/- each fully paid	1,108.88	1,014.94	-
Sundaram Fixed Term Plan HI-Growth			
100.00 lac (March 31, 2016 100.00 lac, April 1, 2015 NIL) units of ₹ 10/- each fully paid	1,107.98	1,013.18	-
HDFC FMP 1132D February 2016(1) Series 35-Growth			
100.00 lac (March 31, 2016 100.00 lac, April 1, 2015 NIL) units of ₹ 10/- each fully paid	1,099.70	1,011.95	-
UTI Fixed Term Income Fund Series XXIV-VI (1181 Days) Growth			
100.00 lac (March 31, 2016 100.00 lac, April 1, 2015 NIL) units of ₹ 10/- each fully paid	1,109.45	1,012.93	-
ICICI Prudential FMP Series 78 -1150 Days Plan N Cumulative			
100.00 lac (March 31, 2016 100.00 lac, April 1, 2015 NIL) units of ₹ 10/- each fully paid	1,105.84	1,012.69	-
Reliance Fixed Horizon Fund - XXX- Series 10-Growth			
100.00 lac (March 31, 2016 100.00 lac, April 1, 2015 NIL) units of ₹ 10/- each fully paid	1,104.57	1,010.82	-
Birla Sun Life Fixed Term Plan - Series NL (1148 Days) Growth			
120.36 lac (March 31, 2016 120.36 lac, April 1, 2015 NIL) units of ₹ 10/- each fully paid	1,326.84	1,213.02	-
SBI Debt Fund Series B-34 (1131 Days) - Growth			
100.00 lac (March 31, 2016 100.00 lac, April 1, 2015 NIL) units of ₹ 10/- each fully paid	1,098.35	1,008.01	-
UTI Fixed Term Income Fund Series XXIV - VII (1182 Days) Growth			-
120.00 lac (March 31, 2016 120.00 lac, April 1, 2015 NIL) units of ₹ 10/- each fully paid	1,327.34	1,215.52	-
SBI Debt Fund Series B-35 (1131 Days) - Growth			

Consolidated Notes to Financial Statements

For the year ended March 31, 2017

NOTE 6B : FINANCIAL ASSETS-INVESTMENTS (CONTD.)

(₹ in Lacs)

Particulars	March 31, 2017	March 31, 2016	April 1, 2015
50.00 lac (March 31, 2016 50.00 lac, April 1, 2015 NIL) units of ₹ 10/- each fully paid	547.81	502.22	-
SBI Corporate Bond Fund - Growth****			
22.14 lac (March 31, 2016 22.14 lac, April 1, 2015 NIL) units of ₹ 10/- each fully paid	580.29	527.70	-
Sundaram Select Debt Short Term Asset Plan-Growth			
40.21 lac (March 31, 2016 40.21 lac, April 1, 2015 NIL) units of ₹ 10/- each fully paid	1,130.37	1,042.82	-
ICICI Prudential Long Term Gilt Fund-Growth			
20.44 lac (March 31, 2016 20.44 lac, April 1, 2015 NIL) units of ₹ 10/- each fully paid	1,158.84	1,024.18	-
IDFC Dynamic Bond Fund-Growth***&****			
114.05 lac (March 31, 2016 114.05 lac, April 1, 2015 NIL) units of ₹ 10/- each fully paid	2,299.65	2,033.48	-
IDFC Government Securities Fund-Investment Plan-Growth			
58.06 lac (March 31, 2016 58.06 lac, April 1, 2015 NIL) units of ₹ 10/- each fully paid	1,154.20	1,015.72	-
UTI Dynamic Bond Fund-Growth			
181.75 lac (March 31, 2016 181.75 lac, April 1, 2015 NIL) units of ₹ 10/- each fully paid	3,487.48	3,046.14	-
UTI Gilt Advantage Fund-Growth			
31.75 lac (March 31, 2016 31.75 lac, April 1, 2015 NIL) units of ₹ 10/- each fully paid	1,173.16	1,002.29	-
Birla Sun Life Govt. Securities Long Term-Growth			
23.25 lac (March 31, 2016 23.25 lac, April 1, 2015 NIL) units of ₹ 10/- each fully paid	1,134.73	1,024.54	-
HDFC High Interest Fund-Dynamic Plan-Growth			
20.11 lac (March 31, 2016 20.11 lac, April 1, 2015 NIL) units of ₹ 10/- each fully paid	1,138.67	1,025.27	-
HDFC Gilt Fund Long Term - Growth			
33.99 lac (March 31, 2016 33.99 lac, April 1, 2015 NIL) units of ₹ 10/- each fully paid	1,146.95	1,028.49	-
SBI Magnum Gilt Fund-Long Term-Growth			
63.39 lac (March 31, 2016 63.39 lac, April 1, 2015 NIL) units of ₹ 10/- each fully paid	2,338.74	2,038.30	-
Reliance Dynamic Bond Fund-Growth****			
40.87 lac (March 31, 2016 40.87 lac, April 1, 2015 NIL) units of ₹ 10/- each fully paid	913.93	820.07	-
ICICI Prudential banking and PSU Debt Fund-Growth			
60.17 lac (March 31, 2016 60.17 lac, April 1, 2015 NIL) units of ₹ 10/- each fully	1,128.69	1,016.63	-
Reliance Banking & PSU Debt Fund-Growth			
93.52 lac (March 31, 2016 93.52 lac, April 1, 2015 NIL) units of ₹ 10/- each fully	1,102.36	1,008.92	-
L&T Short Term Opportunities Fund-Growth			
69.02 lac (March 31, 2016 69.02 lac, April 1, 2015 NIL) units of ₹ 10/- each fully	1,099.89	1,010.28	-
IDFC Corporate Bond Fund-Growth****			
196.80 lac (March 31, 2016 99.45 lac, April 1, 2015 NIL) units of ₹ 10/- each fully	2,203.68	1,012.14	-

Consolidated Notes to Financial Statements

For the year ended March 31, 2017

NOTE 6B : FINANCIAL ASSETS-INVESTMENTS (CONTD.)

(₹ in Lacs)

Particulars	March 31, 2017	March 31, 2016	April 1, 2015
TATA Short Term Bond Fund-Growth			
69.60 lac (March 31, 2016 35.11 lac, April 1, 2015 NIL) units of ₹ 10/- each fully	2,191.45	1,010.07	-
IDFC FTP Series-41 - Growth			
NIL (March 31, 2016 50.00 lac, April 1, 2015 50.00 lac) units of ₹ 10/- each fully paid	-	615.60	569.12
ICICI Pru FMP Series 70 - 367 Days Plan N Cumulative			
NIL (March 31, 2016 100.00 lac, April 1, 2015 100.00 lac) units of ₹ 10/- each fully paid	-	1,239.11	1,144.33
Kotak FMP Series 124 -Growth			
NIL (March 31, 2016 50.34 lac, April 1, 2015 50.34 lac) units of ₹ 10/- each fully paid	-	621.98	575.07
DHFL Pramerica Fixed Maturity Plan - Series 31 Growth			
NIL (March 31, 2016 0.50 lac, April 1, 2015 0.50 lac) units of ₹ 1,000/- each fully paid	-	629.67	583.94
ICICI Prudential FMP Series 68 - 745 Days Plan F - Cumulative			
NIL (March 31, 2016 50.00 lac, April 1, 2015 50.00 lac) units of ₹ 10/- each fully paid	-	621.71	576.29
ICICI Prudential FMP Series 68 745 Days Plan H - Cumulative			
NIL (March 31, 2016 50.00 lac, April 1, 2015 50.00 lac) units of ₹ 10/- each fully paid	-	626.90	581.38
ICICI Prudential FMP Series 68 - 745 Days Plan J - Cumulative*			
NIL (March 31, 2016 50.00 lac, April 1, 2015 50.00 lac) units of ₹ 10/- each fully paid	-	633.55	587.93
IDFC Fixed Term Plan Series 23 Growth			
NIL (March 31, 2016 98.22 lac, April 1, 2015 98.22 lac) units of ₹ 10/- each fully paid	-	1,241.93	1,153.42
Birla Sun Life Fixed Term Plan - Series HC - Growth			
NIL (March 31, 2016 50.00 lac, April 1, 2015 50.00 lac) units of ₹ 10/- each fully paid	-	628.35	581.13
IDFC FTP Series 21 - Growth			
NIL (March 31, 2016 50.00 lac, April 1, 2015 50.00 lac) units of ₹ 10/- each fully paid	-	626.15	579.27
Reliance Fixed Horizon Fund - XXIII - Series 12 -Growth			
NIL (March 31, 2016 50.00 lac, April 1, 2015 50.00 lac) units of ₹ 10/- each fully paid	-	631.37	583.16
HDFC FMP 1107D May 2013 (1) Series 25 Growth*&***			
NIL (March 31, 2016 50.00 lac, April 1, 2015 50.00 lac) units of ₹ 10/- each fully paid	-	634.21	583.50
L&T FMP - VII (July1189D A) - Growth			
NIL (March 31, 2016 50.00 lac, April 1, 2015 50.00 lac) units of ₹ 10/- each fully paid	-	657.48	606.35
ICICI Prudential FMP - S 67 - 740 Days - Plan H - Cumulative*			
NIL (March 31, 2016 50.00 lac, April 1, 2015 50.00 lac) units of ₹ 10/- each fully paid	-	638.13	589.68
Reliance Dynamic Bond Fund - Growth			
NIL (March 31, 2016 30.24 lac, April 1, 2015 30.24 lac) units of ₹ 10/- each fully paid	-	606.64	574.63
SBI Short Term Debt Fund - Growth			

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For the year ended March 31, 2017

NOTE 6B : FINANCIAL ASSETS-INVESTMENTS (CONTD.)

(₹ in Lacs)

Particulars	March 31, 2017	March 31, 2016	April 1, 2015
NIL (March 31, 2016 36.14 lac, April 1, 2015 36.14 lac) units of ₹ 10/- each fully paid	-	626.19	579.41
L&T Triple Ace Bond Fund - Bonus			
NIL (March 31, 2016 13.40 lac, April 1, 2015 13.40 lac) units of ₹ 10/- each fully paid	-	195.17	185.96
IDFC Dynamic Bond Growth			
NIL (March 31, 2016 34.17 lac, April 1, 2015 34.17 lac) units of ₹ 10/- each fully paid	-	609.18	579.52
ICICI Prudential Short Term Plan Growth			
NIL (March 31, 2016 40.69 lac, April 1, 2015 40.69 lac) units of ₹ 10/- each fully paid	-	1,259.42	1,164.85
HDFC High Interest Fund Dynamic Plan Growth			
NIL (March 31, 2016 12.26 lac, April 1, 2015 12.26 lac) units of ₹ 10/- each fully paid	-	625.25	591.25
HDFC Medium Term Opportunities Fund - Growth**			
NIL (March 31, 2016 76.45 lac, April 1, 2015 76.45 lac) units of ₹ 10/- each fully paid	-	1,260.48	1,161.54
IDFC Super Saver Income Fund - Medium Term Plan - Growth			
NIL (March 31, 2016 48.58 lac, April 1, 2015 48.58 lac) units of ₹ 10/- each fully paid	-	1,231.01	1,144.52
Kotak Income Opportunities Fund-Growth***			
NIL (March 31, 2016 33.50 lac, April 1, 2015 33.50 lac) units of ₹ 10/- each fully paid	-	546.48	500.81
L&T FMP - VII (March 1124DA) - Growth			
NIL (March 31, 2016 50.00 lac, April 1, 2015 50.00 lac) units of ₹ 10/- each fully paid	-	653.12	599.20
UTI Fixed Income Fund Series XXIV-XIV(1831 Days)-Growth			
125.00 lac (March 31, 2016 NIL, April 1, 2015 NIL) units of ₹ 10/- each fully paid	1,356.91	-	-
Reliance Fixed Horizon Fund XXXI- Series 5 Growth			
50.00 lac (March 31, 2016 NIL, April 1, 2015 NIL) units of ₹ 10/- each fully paid	532.85	-	-
ICICI Prudential FMP - series 79 - 1120 days - Plan J Cumulative			
100.00 lac (March 31, 2016 NIL, April 1, 2015 NIL) units of ₹ 10/- each fully paid	1,055.34	-	-
UTI Fixed Term Income Fund Series - XXV - II (1097 Days)-Growth			
150.00 lac (March 31, 2016 NIL, April 1, 2015 NIL) units of ₹ 10/- each fully paid	1,586.21	-	-
DHFL Pramerica Fixed Duration fund - Series 29-Growth			
0.50 lac (March 31, 2016 NIL, April 1, 2015 NIL) units of ₹ 1,000/- each fully paid	528.25	-	-
ICICI Prudential Fixed Maturity Plan- Series 79- 1118 Days -Plan K-Cumulative			
130.00 lac (March 31, 2016 NIL, April 1, 2015 NIL) units of ₹ 10/- each fully paid	1,364.62	-	-
ICICI Prudential Fixed Maturity Plan - Series 79 - 1106 Days Plan M Cumulative			

Consolidated Notes to Financial Statements

For the year ended March 31, 2017

NOTE 6B : FINANCIAL ASSETS-INVESTMENTS (CONTD.)

(₹ in Lacs)

Particulars	March 31, 2017	March 31, 2016	April 1, 2015
80.00 lac (March 31, 2016 NIL, April 1, 2015 NIL) units of ₹ 10/- each fully paid	838.62	-	-
DHFL Pramerica Fixed Duration Fund - Series 31 Growth			
0.80 lac (March 31, 2016 NIL, April 1, 2015 NIL) units of ₹ 1,000/- each fully paid	840.86	-	-
Reliance Fixed Horizon Fund - XXXI - Series 9 - Growth			
100.00 lac (March 31, 2016 NIL, April 1, 2015 NIL) units of ₹ 10/- each fully paid	1,045.50	-	-
UTI FTIF Series XXV-IX-(1098 days) Growth			
100.00 lac (March 31, 2016 NIL, April 1, 2015 NIL) units of ₹ 10/- each fully paid	1,027.92	-	-
Birla Sun Life Fixed Term Plan-Series OD (1145 days)-Growth			
50.00 lac (March 31, 2016 NIL, April 1, 2015 NIL) units of ₹ 10/- each fully paid	502.94	-	-
Axis Short Term Fund - Growth			
88.65 lac (March 31, 2016 NIL, April 1, 2015 NIL) units of ₹ 10/- each fully	1,631.28	-	-
HDFC Medium Term Opportunities Fund-Growth			
41.11 lac (March 31, 2016 NIL, April 1, 2015 NIL) units of ₹ 10/- each fully	744.49	-	-
Birla Sun Life Short Term Fund -Growth			
25.55 lac (March 31, 2016 NIL, April 1, 2015 NIL) units of ₹ 10/- each fully	1,590.85	-	-
Birla Sun Life Treasury Optimizer Plan-Growth			
7.52 lac (March 31, 2016 NIL, April 1, 2015 NIL) units of ₹ 10/- each fully	1,565.84	-	-
Kotak Flexi Debt Scheme Plan A-Growth			
104.93 lac (March 31, 2016 NIL, April 1, 2015 NIL) units of ₹ 10/- each fully	2,261.22	-	-
Kotak Medium Term Fund-Growth			
185.49 lac (March 31, 2016 NIL, April 1, 2015 NIL) units of ₹ 10/- each fully	2,586.31	-	-
HDFC Banking and PSU Debt Fund-Growth			
116.58 lac (March 31, 2016 NIL, April 1, 2015 NIL) units of ₹ 10/- each fully	1,547.93	-	-
DSP BlackRock Short Term Fund -Growth			
53.79 lac (March 31, 2016 NIL, April 1, 2015 NIL) units of ₹ 10/- each fully	1,540.25	-	-
JM Arbitrage Advantage Fund -Annual Bonus Option - Bonus Units			
NIL (March 31, 2016 95.45 lac, April 1, 2015 NIL) units of ₹ 10/- each fully paid	-	1,026.11	-
UTI Income Opportunities Fund - Growth			
NIL (March 31, 2016 NIL, April 1, 2015 40.27 lac) units of ₹ 10/- each fully paid	-	-	500.77
Reliance Regular Savings Fund Debt Plan Growth			
NIL (March 31, 2016 NIL, April 1, 2015 53.88 lac) units of ₹ 10/- each fully paid	-	-	1,023.84
UTI Short Term Income Fund - IP - Growth			

Consolidated Notes to Financial Statements

For the year ended March 31, 2017

NOTE 6B : FINANCIAL ASSETS-INVESTMENTS (CONTD.)

(₹ in Lacs)

Particulars	March 31, 2017	March 31, 2016	April 1, 2015
NIL (March 31, 2016 NIL, April 1, 2015 95.90 lac) units of ₹ 10/- each fully paid	-	-	1,627.93
L&T Income Opportunities Fund - Growth			
NIL (March 31, 2016 NIL, April 1, 2015 32.17 lac) units of ₹ 10/- each fully paid	-	-	500.63
ICICI Prudential Regular Savings Fund-Growth			
NIL (March 31, 2016 NIL, April 1, 2015 35.77 lac) units of ₹ 10/- each fully paid	-	-	524.58
UTI Short Term Income Fund - Growth			
NIL (March 31, 2016 NIL, April 1, 2015 69.64 lac) units of ₹ 10/- each fully paid	-	-	1,171.57
HDFC Short Term Plan - Growth			
NIL (March 31, 2016 NIL, April 1, 2015 37.89 lac) units of ₹ 10/- each fully paid	-	-	1,025.14
Franklin India Corporate Bond Opportunities Fund - Growth			
NIL (March 31, 2016 NIL, April 1, 2015 37.34 lac) units of ₹ 10/- each fully paid	-	-	526.32
Franklin India STIP - Growth			
NIL (March 31, 2016 NIL, April 1, 2015 0.17 lac) units of ₹ 1,000/- each fully paid	-	-	500.73
Religare Invesco Arbitrage Fund - Bonus			
NIL (March 31, 2016 NIL, April 1, 2015 87.86 lac) units of ₹ 10/- each fully paid	-	-	1,039.74
JM Arbitrage Advantage Fund - Bonus Option			
NIL (March 31, 2016 NIL, April 1, 2015 45.68 lac) units of ₹ 10/- each fully paid	-	-	479.57
Templeton India Income Opportunities Fund - Growth			
NIL (March 31, 2016 NIL, April 1, 2015 36.63 lac) units of ₹ 10/- each fully paid	-	-	590.83
Templeton India STIP - Retail Growth			
NIL (March 31, 2016 NIL, April 1, 2015 0.62 lac) units of ₹ 1,000/- each fully paid	-	-	1,781.39
Franklin India Low Duration Fund - Growth			
NIL (March 31, 2016 NIL, April 1, 2015 66.13 lac) units of ₹ 10/- each fully paid	-	-	1,019.41
IDFC Fixed Term Plan Series 4 Growth*			
NIL (March 31, 2016 NIL lac, April 1, 2015 50.00 lac) units of ₹ 10/- each fully paid	-	-	608.34
Reliance Mutual Fund Fixed Horizon Fund XXII Sr 26 Growth			
NIL (March 31, 2016 NIL lac, April 1, 2015 100.00 lac) units of ₹ 10/- each fully paid	-	-	1,248.82
UTI Fixed Term Income Fund Series XII - X (1096 days) Growth			
NIL (March 31, 2016 NIL lac, April 1, 2015 50.00 lac) units of ₹ 10/- each fully paid	-	-	616.77
Birla Sun Life Fixed Term Plan - Series FW - Growth*			
NIL (March 31, 2016 NIL lac, April 1, 2015 100.00 lac) units of ₹ 10/- each fully paid	-	-	1,248.86
UTI Mutual Fund FTP Sr XII-VIII (1098D) Growth			
NIL (March 31, 2016 NIL lac, April 1, 2015 50.00 lac) units of ₹ 10/- each fully paid	-	-	626.63

Consolidated Notes to Financial Statements

For the year ended March 31, 2017

NOTE 6B : FINANCIAL ASSETS-INVESTMENTS (CONTD.)

(₹ in Lacs)

Particulars	March 31, 2017	March 31, 2016	April 1, 2015
Reliance Fixed Horizon Fund XXII Series 21 Growth*			
NIL (March 31, 2016 NIL lac, April 1, 2015 100.00 lac) units of ₹ 10/- each fully paid	-	-	1,256.56
IDFC Fixed Term Plan Series 2 Growth			
NIL (March 31, 2016 NIL lac, April 1, 2015 150.00 lac) units of ₹ 10/- each fully paid	-	-	1,880.78
HDFC Medium Term Opportunities Fund Growth**			
NIL (March 31, 2016 NIL, April 1, 2015 81.86 lac) units of ₹ 10/- each fully paid	-	-	1,243.77
Templeton India Income Opportunities Fund - Growth			
NIL (March 31, 2016 NIL, April 1, 2015 78.62 lac) units of ₹ 10/- each fully paid	-	-	1,264.16
II. Investment at amortised cost			
Quoted			
Investment in Bonds			
Exxon Mobil Corporation	320.02	326.91	309.08
0.005 Lac (March 31, 2016 0.005 lac, March 31, 2015 0.005 lac) units of USD 1,000/- each fully paid up			
Microsoft Corp	321.16	328.05	309.08
0.005 Lac (March 31, 2016 0.005 lac, March 31, 2015 0.005 lac) units of USD 1,000/- each fully paid up			
NHAI 8.2 250122	19.70	19.70	19.70
0.02 lac (March 31, 2016 0.02 lac, March 31, 2015 0.02 lac) units of ₹ 1,000/- each fully paid up			
PFC 8.20 010222	174.78	174.78	174.78
0.17 lac (March 31, 2016 0.17 lac, March 31, 2015: 0.17 lac) Units of ₹ 1,000/- each, fully paid			
Total Investments	**92,478.83**	**79,179.42**	**61,092.64**
Non - Current	**81,494.70**	**57,861.33**	**50,217.59**
Current	**10,984.13**	**21,318.09**	**10,875.05**
Aggregate book value of quoted investments	**92,478.83**	**79,179.42**	**61,092.64**
Aggregate market value of quoted investments	**92,498.61**	**79,203.62**	**61,115.77**

*These Investments are pledged in favour of Deutsche Bank for Overdraft facility FY 14-15
**These Investments are pledged in favour of BNP Paribas Bank for Overdraft facility FY 14-15
***These Investments are pledged in favour of Deutsche Bank for Overdraft facility FY 15-16
****These Investments are pledged in favour of Deutsche Bank for Overdraft facility FY 16-17
*****24.40 Lac units are pledged in favour of Deutsche Bank for overdraft facility in FY 16-17

Consolidated Notes to Financial Statements

For the year ended March 31, 2017

NOTE 6C : FINANCIAL ASSETS-LOANS

(₹ in Lacs)

Particulars	March 31, 2017	March 31, 2016	April 1, 2015
Unsecured considered good (at amortised cost)			
Security Deposit	464.41	418.12	458.57
Total Loans	**464.41**	**418.12**	**458.57**
Non - Current	**464.41**	**418.12**	**458.57**
Current	**-**	**-**	**-**

NOTE 6D : OTHER FINANCIAL ASSETS

(₹ in Lacs)

Particulars	March 31, 2017	March 31, 2016	April 1, 2015
I. Derivatives at Fair Value through profit or loss			
- Forex derivative contract	6.55	-	-
Total I	**6.55**	**-**	**-**
Derivative instruments at fair value through profit or loss reflect the positive change in fair value of those foreign exchange forward contracts that are not designated in hedge relationships, but are, nevertheless, intended to reduce the level of foreign currency risk for expected purchases.			
II. Other Financial Assets at Amortised Cost			
Balance with Banks :			
- Margin money (held as security)	17.41	37.73	32.44
Interest accrued on deposits	10.59	12.37	16.73
Other Receivables #	561.53	315.40	828.66
Total II	**589.53**	**365.50**	**877.83**
Total Other Financial Assets (I) +(II)	**596.08**	**365.50**	**877.83**
Non - Current	**17.41**	**37.73**	**32.44**
Current	**578.67**	**327.77**	**845.39**
# Included in Other receivables above is receivable from related parties ₹ 556.59 lacs (Previous year March 31, 2016: ₹ 302.26 lacs, April 1, 2015: ₹ 823.23 lacs)			
Total Financial Assets	**93,539.32**	**79,963.04**	**62,429.04**
Non - Current	**81,976.52**	**58,317.18**	**50,708.60**
Current	**11,562.80**	**21,645.86**	**11,720.44**

Break up of financial assets carried at amortised cost

(₹ in Lacs)

Particulars	Note No.	March 31, 2017	March 31, 2016	April 1, 2015
Investments in Bonds	6B	835.66	849.44	812.64
Trade receivables	10A	11,629.91	11,767.28	10,716.94
Cash and cash equivalents	10B	3,791.74	4,469.09	3,959.58
Other bank balances	10C	5.13	3.03	2.43
Loans	6C	464.41	418.12	458.57
Other financial assets	6D	589.53	365.50	877.83
Total financial assets carried at amortised cost		**17,316.38**	**17,872.46**	**16827.98**

Consolidated Notes to Financial Statements

For the year ended March 31, 2017

SCHEDULE 7: INCOME TAX ASSETS

(₹ in Lacs)

Particulars	March 31, 2017	March 31, 2016	April 1, 2015
Income tax assets (net)	-	87.09	-
Current	**-**	**-**	**-**
Non - Current	**-**	**87.09**	**-**

NOTE 8 : OTHER NON-CURRENT ASSETS

(₹ in Lacs)

Particulars	March 31, 2017	March 31, 2016	April 1, 2015
Capital Advance	302.90	165.55	745.28
Advances other than capital advances			
Prepaid expenses	4.18	4.88	2.94
Total	**307.08**	**170.43**	**748.22**

NOTE 9 : INVENTORIES

(₹ in Lacs)

Particulars	March 31, 2017	March 31, 2016	April 1, 2015
Raw Materials {includes stock in transit of ₹ 1,153.03 lacs (March 31, 2016: ₹ 897.63 lacs, April 1, 2015: 1,368.11 lacs) (valued at lower of cost and net realisable value)}	3,784.49	3,951.81	3,561.09
Work- in- Progress (valued at lower of cost and net realisable value)	4.97	2.42	1.72
Stores and spares (valued at lower of cost and net realisable value)	884.37	844.30	899.38
Scrap and waste papers (At net realizable value)	32.43	19.62	18.14
Finished stock (valued at lower of cost and net realisable value)	2.58	2.94	3.78
Total Inventories	**4,708.84**	**4,821.09**	**4,484.11**

NOTE 10A : TRADE RECEIVABLES

(₹ in Lacs)

Particulars	March 31, 2017	March 31, 2016	April 1, 2015
Trade receivables	11,285.78	11,320.32	10,472.52
Receivables from related parties (Refer Note 34 A)	344.13	446.96	244.42
Total	**11,629.91**	**11,767.28**	**10,716.94**

(₹ in Lacs)

Particulars	March 31, 2017	March 31, 2016	April 1, 2015
Secured, considered good	1,339.28	1,268.78	1,221.81
Unsecured, considered good	10,290.63	10,498.50	9,495.13
Unsecured, considered doubtful	1,726.33	1,310.55	935.25
	13,356.23	13,077.83	11,652.19
Impairment of unsecured doubtful debts	1,726.33	1,310.55	935.25
Total	**11,629.91**	**11,767.28**	**10,716.94**

No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person.

Trade receivables are non-interest bearing and credit period generally falls in the range of 00 to 90 days terms.

Consolidated Notes to Financial Statements

For the year ended March 31, 2017

NOTE 10B : CASH AND CASH EQUIVALENTS

(₹ in Lacs)

Particulars	March 31, 2017	March 31, 2016	April 1, 2015
Balance with banks :			
- On current accounts	1,142.89	819.72	546.54
- Deposits with original maturity of less than three months	-	-	4.93
Cheques in hand	2,536.47	3,446.65	3,251.68
Cash on hand	112.38	202.72	156.43
Total	**3,791.74**	**4,469.09**	**3,959.58**

Short-term deposits are made for varying periods of between one day and three months, depending on the immediate cash requirements of the company and earn interest at the respective short-term deposit rates.
The Company had available undrawn commited borrowing facility of ₹ 420,22.00 lacs (March 31, 2016: ₹ 336,56.00 lacs and April 1, 2015: ₹ 34,923.00 lacs).

NOTE 10C: OTHER BANK BALANCES

(₹ in Lacs)

Particulars	March 31, 2017	March 31, 2016	April 1, 2015
- Unclaimed dividend account*	5.13	3.03	2.43
Total	**5.13**	**3.03**	**2.43**

* These balances are not available for use by the company as they represent corresponding unclaimed dividend liabilities.

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

(₹ in Lacs)

Particulars	March 31, 2017	March 31, 2016	April 1, 2015
Balance with banks :			
- On current accounts	1,142.89	819.72	546.54
- Deposits with original maturity of less than three months	-	-	4.93
Cheques in hand	2,536.47	3,446.65	3,251.68
Cash on hand	112.38	202.72	156.43
	3,791.74	**4,469.09**	**3,959.58**

NOTE 11 : OTHER CURRENT ASSETS

(₹ in Lacs)

Particulars	March 31, 2017	March 31, 2016	April 1, 2015
Prepaid expenses	187.95	156.82	43.80
Advances given	579.60	1,641.56	1,193.82
Balance with government authorities	21.47	12.05	11.78
Total	**789.02**	**1,810.43**	**1,249.40**

NOTE 12 : SHARE CAPITAL

Authorised Share Capital

Particulars	No. of shares	Amount (₹ in Lacs)
At April 1, 2015	**8,70,00,000**	**8,700.00**
Increase/(decrease) during the year		
At March 31, 2016	**8,70,00,000**	**8,700.00**
Increase/(decrease) during the year		
At March 31, 2017	**8,70,00,000**	**8,700.00**

Consolidated Notes to Financial Statements

For the year ended March 31, 2017

Terms/ rights attached to equity shares

The Company has only one class of equity shares having par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Issued and subscribed capital

Equity shares of ₹ 10 each issued, subscribed and fully paid	No. of shares	Amount (₹ in Lacs)
At April 1, 2015	**7,33,93,770**	**7,339.38**
Changes during the year	-	-
At March 31, 2016	**7,33,93,770**	**7,339.38**
Changes during the year		
At March 31, 2017	**7,33,93,770**	**7,339.38**

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

Particulars	March 31, 2017		March 31, 2016		April 1, 2015	
	No. of shares	Amount (₹ in Lacs)	No. of shares	Amount (₹ in Lacs)	No. of shares	Amount (₹ in Lacs)
Shares outstanding at the beginning of the year	**7,33,93,770.00**	**7,339.38**	**7,33,93,770.00**	**7,339.38**	**7,33,93,770.00**	**7,339.38**
Shares Issued during the year	-	-	-	-	-	-
Shares bought back during the year	-	-	-	-	-	-
Shares outstanding at the end of the year	**7,33,93,770.00**	**7,339.38**	**7,33,93,770.00**	**7,339.38**	**7,33,93,770.00**	**7,339.38**

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 are as below:

(₹ in Lacs)

Particulars	March 31, 2017	March 31, 2016	April 1, 2015
HT Media Limited, the holding company			
54,533,458 (previous year 54,533,458) equity shares of ₹ 10 each fully paid	5,453.35	5,453.35	5,453.35

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

Particulars	March 31, 2017		March 31, 2016		April 1, 2015	
		% holding		% holding		% holding
Equity shares of ₹ 10 each fully paid						
HT Media Limited, the holding company	5,45,33,458	74.30%	5,45,33,458	74.30%	5,45,33,458	74.30%
Kotak Mahindra (International) Limited	42,72,252	5.82%	42,56,352	5.80%	-	-
Reliance Capital Trustee Co. Ltd. A/c through various schemes of Mutual Funds*	-	-	-	-	65,35,854	8.91%

*As on March 31, 2017, Reliance Capital Trustee Co. Ltd. A/c through various schemes of Mutual Funds has NIL (March 31, 2016: 7.4 lac) number of equity shares being NIL (March 31, 2016: 1.01%) of the total equity share capital of the 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.

Consolidated Notes to Financial Statements

For the year ended March 31, 2017

Aggregate number of equity shares issued as bonus, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date:

Particulars	March 31, 2017	March 31, 2016	April 1, 2015
Equity shares alloted as fully paid-up bonus by capitalization from securities premium account (In FY 09-10, fully paid bonus shares, in the ratio of 6:4:1 by capitalizing sum of ₹ 4,940.86 lacs from securities premium account)	4,94,08,614	4,94,08,614	4,94,08,614

Shares reserved for issue under options

For details of equity shares reserved for the issue under Employee Stock Options (ESOP) of the Company, refer note 32.

NOTE 13 : OTHER EQUITY

(₹ in Lacs)

Particulars	March 31, 2017	March 31, 2016	April 1, 2015
Share Premium	24,239.12	24,239.12	24,239.12
Capital Redemption Reserve	0.50	0.50	0.50
Capital Reserve	7,965.37	238.00	238.00
General Reserve	687.87	687.87	687.87
Retained Earnings	76,444.27	58,565.13	41,872.59
Total	**1,09,337.13**	**83,730.62**	**67,038.08**

Share Premium

Particulars	(₹ in Lacs)
At April 1, 2015	**24,239.12**
Changes during the year	-
At March 31, 2016	**24,239.12**
Changes during the year	-
At March 31, 2017	**24,239.12**

Capital Redemption Reserve

Particulars	(₹ in Lacs)
At April 1, 2015	**0.50**
Changes during the year	-
At March 31, 2016	**0.50**
Changes during the year	-
At March 31, 2017	**0.50**

Capital Reserve

Particulars	(₹ in Lacs)
At April 1, 2015	**238.00**
Changes during the year	-
At March 31, 2016	**238.00**
Changes during the year (Refer Note 30)	7,727.37
At March 31, 2017	**7,965.37**

Consolidated Notes to Financial Statements

For the year ended March 31, 2017

General Reserve

Particulars	(₹ in Lacs)
At April 1, 2015	**687.87**
Changes during the year	-
At March 31, 2016	**687.87**
Changes during the year	-
At March 31, 2017	**687.87**

Retained Earnings

(₹ in Lacs)

Particulars	March 31, 2017	March 31, 2016
Opening Balance	58,565.13	41,872.59
Net Profit for the year	18,952.09	17,873.61
Add: Items of other comprehensive income recognised directly in retained earnings		
Remeasurements of post-employment benefit obligation, net of tax	(12.93)	(121.05)
Less: Final Dividend Paid for March 2016: ₹ 1.20 per share (Previous year: ₹ 1.20 per share)	880.73	880.73
Less: Tax on Proposed Dividend expense	179.29	179.29
Closing Balance	**76,444.27**	**58,565.13**

The disaggregation of changes in OCI by each type of reserves in equity is disclosed in note 27.

NOTE 14 : INCOME TAX

The major components of income tax expense for the year ended March 31, 2017 and March 31, 2016 are :

Statement of profit and loss :

Profit and loss section

(₹ in Lacs)

Particulars	March 31, 2017	March 31, 2016
Current income tax :		
Current income tax charge	6,022.79	8,266.76
Adjustments in respect of current income tax of previous year	(119.25)	(609.26)
Tax expense of discontinued operations	-	(1,477.76)
Deferred tax :		
Relating to origination and reversal of temporary differences	860.85	619.30
Income tax expense reported in the Statement of Profit and Loss	**6,764.39**	**6,799.04**

OCI section :

Deferred tax related to items recognised in OCI during the year :

(₹ in Lacs)

Particulars	March 31, 2017	March 31, 2016
Income tax charge/ (credit) on remeasurements of defined benefit plans	(4.50)	(73.70)
Income tax charged to OCI	**(4.50)**	**(73.70)**

Consolidated Notes to Financial Statements

For the year ended March 31, 2017

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for March 31, 2017 and March 31, 2016:

(₹ in Lacs)

Particulars	March 31, 2017	March 31, 2016
Accounting profit before tax from continuing operations	26,124.48	28,942.65
Profit/(loss) before tax from a discontinued operation	-	(4,270.00)
Accounting profit before income tax	**26,124.48**	**24,672.65**
At India's statutory income tax rate of 34.608 % (March 31, 2016: 34.608 %)	9,041.16	8,538.71
Non-Taxable Income for tax purposes:		
Income from Investments	(2,370.55)	(1,532.44)
Deduction u/s 80 IC	(155.74)	(219.18)
Non-deductible expenses for tax purposes:		
Other non-deductible expenses	74.30	63.96
Adjustments in respect of current income tax of previous years	(119.25)	(609.26)
Adjustments in respect of deferred income tax of previous years	(85.13)	240.73
Income Taxable at Lower rate	(121.63)	-
Difference in Tax Base and Book Base of Investments	501.23	316.86
At the effective income tax rate	**6,764.39**	**6,799.38**
Income tax expense reported in the Statement of Profit and Loss	6,764.39	8,276.80
Income tax attributable to a discontinued operation	-	(1,477.76)
Total tax expense	**6,764.39**	**6,799.04**

Deferred tax relates to the following:

(₹ in Lacs)

Particulars	March 31, 2017	March 31, 2016	April 1, 2015
Deferred tax liabilities			
Differences in depreciation in block of fixed assets as per tax books and financial books	2,071.13	1,587.47	1,333.46
Difference between tax base and book base on Investments	1,318.33	813.40	496.53
Gross deferred tax liabilities	**3,389.45**	**2,400.87**	**1,829.99**
Deferred tax assets			
Effect of expenditure debited to the Statement of Profit and Loss in the current year/earlier years but allowed for tax purposes in following years	284.27	301.65	406.25
Allowance for doubtful debts and advances	619.95	470.32	340.44
Gross deferred tax assets	**904.21**	**771.97**	**746.69**
Deferred tax liabilities (net)	**2,485.24**	**1,628.90**	**1,083.30**

Reconciliation of deferred tax liabilities (net):

(₹ in Lacs)

Particulars	March 31, 2017	March 31, 2016
Opening balance as at April 1	1,628.90	1,083.30
Tax expense/(income) during the period recognised in Statement of Profit and Loss	860.85	619.30
Tax expense/(income) during the period recognised in OCI	(4.50)	(73.70)
Closing balance as at March 31	**2,485.24**	**1,628.90**

The company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

During the year ended March 31, 2017 and March 31, 2016, the company has paid dividend to its shareholders. This has resulted in payment of Dividend Distribution Tax to the taxation authorities. The company believes that Dividend Distribution Tax represents additional payment to taxation authority on behalf of the shareholders. Hence Dividend Distribution Tax paid is charged to equity.

Consolidated Notes to Financial Statements

For the year ended March 31, 2017

NOTE 15A : BORROWINGS

(₹ in Lacs)

Particulars	Effective Interest Rate %	Maturity	March 31, 2017	March 31, 2016	April 1, 2015
Current Borrowings					
From Banks					
Secured					
Buyer's credit from Yes Bank	Refer Note I	Refer Note I	963.19	1,271.75	1,789.01
Unsecured					
Buyer's credit from Citi Bank	Refer Note II	Refer Note II	-	5,523.19	2,047.41
Buyer's credit from DBS Bank	Refer Note III	Refer Note III	741.73	-	-
Buyer's credit from Deutsche Bank	Refer Note IV	Refer Note IV	-	3,479.48	-
Vendor financing from Citi Bank	Refer Note V	Refer Note V	-	-	2,198.26
Vendor financing from BNP Paribas	Refer Note VI	Refer Note VI	-	-	2,146.46
Vendor financing from Deutsche Bank	Refer Note VII	Refer Note VII	-	-	1,663.51
Commercial Papers from HDFC Bank	6.40%- 6.50%	June 5, 2017 & June13, 2017	10,000.00	-	-
Commercial Papers from Indiabulls Ultra Short Term Fund	8.38%	May 27, 2016	-	3,500.00	-
Commercial Papers from TATA Money Market Fund	8.40%	June 27,2016	-	3,500.00	-
Net Current Borrowings			**11,704.92**	**17,274.42**	**9,844.65**
Aggregate Secured Loans			**963.19**	**1,271.75**	**1,789.01**
Aggregate Unsecured Loans			**10,741.73**	**16,002.67**	**8,055.64**

Note I- Buyer's credit from Yes Bank (Secured)

Outstanding Buyer's Credit loan from Yes Bank (Secured) was drawn in various tranches from December 14, 2016 till March 7, 2017 @ average Interest Rate of 2.56% p.a. (Applicable LIBOR+Margin from time to time) and are due for repayment respective due dates starting from September 8, 2017 till November 30, 2017. This facility is secured by first Pari Passu charge on all current assets (both present & future).

Note II- Buyer's credit from Citi Bank (Unsecured)

Outstanding Buyer's Credit loan from Citi Bank (Unsecured) was drawn in various tranches from July 9, 2015 till January 4, 2016 @ average Interest Rate of 1.37% p.a. (Applicable LIBOR+Margin from time to time) and are due for repayment respective due dates starting from April 4, 2016 till September 30, 2016.

Note III- Buyer's credit from DBS Bank (Unsecured)

Outstanding Buyer's Credit loan from DBS Bank (Unsecured) was drawn in various tranches from September 7, 2016 till February 21, 2017 @ average Interest Rate of 2.32% p.a. (Applicable LIBOR+Margin from time to time) and are due for repayment respective due dates starting from June 2, 2017 till November 17, 2017.

Note IV- Buyer's credit from Deutsche Bank (Unsecured)

Outstanding Buyer's Credit loan from Deutsche Bank (Unsecured) was drawn in various tranches from January 14, 2016 till March 15, 2016 @ average Interest Rate of 1.74% p.a. (Applicable LIBOR+Margin from time to time) and are due for repayment respective due dates starting from July 12, 2016 till September 9, 2016.

Note V- Vendor financing from Citi Bank (Unsecured)

Outstanding Vendor Financing loan from Citi Bank (Unsecured) was drawn in various tranches from January 6, 2015 till March 23, 2015 @ average Interest Rate of 9.67% p.a. and are due for repayment respective due dates starting from April 6, 2015 till June 20, 2015.

Consolidated Notes to Financial Statements

For the year ended March 31, 2017

Note VI- Vendor financing from BNP Paribas Bank (Unsecured)

Outstanding Vendor Financing loan from BNP Paribas Bank (Unsecured) was drawn in various tranches from January 9, 2015 till March 31, 2015 @ average Interest Rate of 9.67% p.a. and are due for repayment respective due dates starting from April 7, 2015 till June 24, 2015.

Note VII- Vendor financing from Deutsche Bank (Unsecured)

Outstanding Vendor Financing loan from Deutsche Bank (Unsecured) was drawn in various tranches from January 9, 2015 till March 31, 2015 @ average Interest Rate of 9.68% p.a. and are due for repayment respective due dates starting from April 9, 2015 till August 8, 2015.

Loan covenants

The company has complied with all the loan covenants

NOTE 15B : TRADE PAYABLES

(₹ in Lacs)

Particulars	March 31, 2017	March 31, 2016	April 1, 2015
Trade Payables			
- Micro, Small and Medium Enterprises (Refer Note 41)	38.92	1.84	42.81
-Related Parties (Refer Note 34A)	914.03	248.59	302.76
-Others	8,129.51	9,052.65	9,500.65
Total	**9,082.46**	**9,303.08**	**9,846.23**
Non - Current	-	-	-
Current	9,082.46	9,303.08	9,846.23

Terms and conditions of the above financial liabilities:

- Trade payables are non-interest bearing and are normally settled in the range of 1 to 180 days terms.

For explanations on the company's credit risk management processes, refer Note 38.

NOTE 15C : OTHER FINANCIAL LIABILITIES

(₹ in Lacs)

Particulars	March 31, 2017	March 31, 2016	April 1, 2015
I. Derivatives at fair value through profit and loss			
- Forex derivative contract	-	322.88	28.23
Total I	**-**	**322.88**	**28.23**
II. Other financial liabilities at amortised cost			
Book Overdraft	-	2,089.69	865.77
Sundry deposits	3,782.52	3,541.07	3,362.60
Interest accrued but not due on borrowings and others	10.80	47.61	41.46
Unclaimed dividend *	5.13	3.03	2.43
Others	113.61	213.30	175.17
Total II	**3,912.06**	**5,894.70**	**4,447.43**
Total other financial liabilities	**3,912.06**	**6,217.58**	**4,475.66**
Non-Current	-	-	-
Current	3,912.06	6,217.58	4,475.66
* Amount payable to Investor Education and Protection Fund	Nil	Nil	Nil

Consolidated Notes to Financial Statements
For the year ended March 31, 2017

Foreign exchange forward contracts
While the company entered into foreign exchange forward contracts with the intention of reducing the foreign exchange risk of foreign currency bonds, borrowings and payables. These contracts are not designated in hedge relationships and are measured at fair value through profit and loss.

Break up of financial liabilities carried at amortised cost
(₹ in Lacs)

Particulars	Note No	March 31, 2017	March 31, 2016	April 1, 2015
Borrowings (current)	15A	11,704.92	17,274.42	9,844.65
Trade payables	15B	9,082.46	9,303.08	9846.23
Book Overdraft	15C	-	2,089.69	865.77
Sundry deposits	15C	3,782.52	3,541.07	3,362.60
Interest accrued but not due on borrowings and others	15C	10.80	47.61	41.46
Unclaimed dividend	15C	5.13	3.03	2.43
Others	15C	113.61	213.30	175.17
Total financial liabilities carried at amortised cost		**24,699.43**	**32,472.18**	**24,138.31**

NOTE 16 : PROVISIONS
(₹ in Lacs)

Particulars	March 31, 2017	March 31, 2016	April 1, 2015
Provision for employee benefits			
Provision for Leave Benefits	136.96	115.87	101.84
Provision for Gratuity (Refer Note 31)	147.98	330.13	248.98
Total	**284.94**	**446.00**	**350.82**
Non-Current	-	-	-
Current	284.94	446.00	350.82

NOTE 17 : INCOME TAX LIABILITIES (NET)
(₹ in Lacs)

Particulars	March 31, 2017	March 31, 2016	April 1, 2015
Income Tax Liability (net)	489.12	432.66	751.73
Total	**489.12**	**432.66**	**751.73**

NOTE 18 : OTHER CURRENT LIABILITIES
(₹ in Lacs)

Particulars	March 31, 2017	March 31, 2016	April 1, 2015
Advances from Customers	1,348.83	1,405.63	741.88
Customers and agents balances	342.92	234.66	242.55
Statutory dues	382.06	306.26	226.48
Deferred Revenue	15.09	22.35	8.28
Total	**2,088.90**	**1,968.90**	**1,219.19**

Consolidated Notes to Financial Statements

For the year ended March 31, 2017

NOTE 19 : REVENUE FROM OPERATIONS

(₹ in Lacs)

Particulars	March 31, 2017	March 31, 2016
Sale of products		
- Sale of newspaper and publications	22,132.21	21,168.45
Sale of services		
- Advertisement Revenue	69,116.73	68,606.52
- Job work revenue and commission income	870.36	809.42
Other operating revenues		
- Sale of scrap, waste papers and old publication	1,122.24	1,109.01
- Others	85.85	78.17
Total	**93,327.39**	**91,771.57**

NOTE 20 : OTHER INCOME

(₹ in Lacs)

Particulars	March 31, 2017	March 31, 2016
Interest income on		
- Bank deposits	13.21	9.73
- Others	32.40	30.40
Other non - operating income		
Foreign exchange difference	65.73	-
Unclaimed balances/unspent liabilities written back (net)	226.88	396.89
Rental income	331.90	219.45
Fair value gain on Investments in equity shares at fair value through profit and loss	6.21	48.85
Interest Income from Mutual Funds	8,370.51	5,193.04
Miscellaneous Income	157.75	208.74
Total	**9,204.59**	**6,107.10**

NOTE 21 : COST OF MATERIALS CONSUMED

(₹ in Lacs)

Particulars	March 31, 2017	March 31, 2016
Consumption of raw material		
Inventory at the beginning of the year	3,951.81	3,561.09
Add: Purchase during the year	34,913.38	35,226.62
Less : Sale of damaged newsprint	137.27	189.50
	38,727.92	**38,598.21**
Less: Inventory at the end of the year	3,784.49	3,951.81
Total	**34,943.43**	**34,646.40**

Consolidated Notes to Financial Statements

For the year ended March 31, 2017

NOTE 22 : (INCREASE)/ DECREASE IN INVENTORIES

(₹ in Lacs)

Particulars	March 31, 2017	March 31, 2016
Inventory at the beginning of the year		
- Finished Goods	2.94	3.78
- Work -in- progress	2.41	1.72
- Scrap and waste papers	19.62	18.14
Inventory at the end of the year		
- Finished Goods	2.58	2.94
- Work -in- progress	4.97	2.42
- Scrap and waste papers	32.43	19.62
(Increase)/ decrease in inventories		
- Finished Goods	0.36	0.84
- Work -in- progress	(2.56)	(0.70)
- Scrap and waste papers	(12.81)	(1.48)
Total	**(15.01)**	**(1.34)**

NOTE 23 : EMPLOYEE BENEFITS EXPENSE

(₹ in Lacs)

Particulars	March 31, 2017	March 31, 2016
Salaries, wages and bonus	8,554.96	11,257.87
Contribution to provident and other funds	402.11	437.60
Gratuity expense (Refer Note 31)	130.55	135.38
Workmen and Staff welfare expenses	303.97	378.54
Total	**9,391.59**	**12,209.39**
Less: Discontinued Operations (Refer Note 30)	-	2,655.00
Total for continuing operations	**9,391.59**	**9,554.39**

NOTE 24 : FINANCE COSTS

(₹ in Lacs)

Particulars	March 31, 2017	March 31, 2016
Interest on debts and borrowings	1,230.34	650.92
Exchange difference regarded as an adjustment to borrowing costs	328.78	421.34
Bank charges	55.07	60.97
Total	**1,614.19**	**1,133.23**

NOTE 25 : DEPRECIATION AND AMORTIZATION EXPENSE

(₹ in Lacs)

Particulars	March 31, 2017	March 31, 2016
Depreciation of tangible assets (Note 3)	1,981.53	2,205.13
Amortization of intangible assets (Note 5)	39.19	44.38
Total	**2,020.72**	**2,249.51**
Less: Discontinued operations (Refer Note 30)	-	58.10
Total for continuing operations	**2,020.72**	**2,191.41**

Consolidated Notes to Financial Statements

For the year ended March 31, 2017

NOTE 26 : OTHER EXPENSES

(₹ in Lacs)

Particulars	March 31, 2017	March 31, 2016
Consumption of stores and spares	2,586.92	2,579.71
Printing and service charges	3,841.41	3,994.40
News service and dispatches	1,361.15	1,368.21
News Content Sourcing Fees*	7,109.36	-
Service Charges on Ad Revenue	262.14	247.86
Power and fuel	1,150.56	1,208.14
Advertising and sales promotion (Refer Note 45)	2,991.61	3,872.17
Freight and Forwarding charges	1,193.54	1,135.44
Rent	642.63	968.83
Rates and taxes	85.10	57.05
Insurance	185.37	182.05
Repairs and maintenance:		
- Plant and machinery	672.80	785.80
- Building	71.72	143.72
- Others	10.72	14.00
Travelling and conveyance	1,508.13	1,515.53
Communication costs	382.57	438.30
Legal and professional fees	1,650.29	1,523.95
Payment to auditor (refer details below)	77.63	102.72
Director's sitting fees	10.29	6.17
Exchange differences	0.36	175.59
Impairment of doubtful debts and advances (includes bad debts written off)	444.63	437.99
Loss on sale of Property , Plant and Equipment	2.98	12.08
Donations/Contributions (Refer Note 45)	113.12	211.90
Miscellaneous expenses	2,097.55	1,987.22
Total	**28,452.58**	**22,968.83**
Less: Discontinued operations (Refer Note 30)	-	1,556.90
Total for continuing operations	**28,452.58**	**21,411.93**

* Pursuant to the sanction of the Scheme of Arrangement u/s 391-394 of the Companies Act, 1956 between the Company and HT Digital Streams Limited (HTDSL) and their respective shareholders & creditors for transfer and vesting of Multi-media Content Management Undertaking of the Company ("MMCM Undertaking") to and in HTDSL, the Company has entered into a content sharing agreement for licensing of literary content from HTDS as per mutually agreed terms. During the year ended, the Company has incurred an amount of ₹ 7,109.36 lacs on account of such expense. (Also Refer Note 30).

Payment to auditors

(₹ in Lacs)

Particulars	March 31, 2017	March 31, 2016
As auditor :		
- Audit fee	22.00	25.00
- Limited Review	18.00	18.00
- Tax audit fee	5.00	5.00
In other capacities :		
- Certification fees	5.75	10.25
- Other services	-	15.00
Reimbursement of expenses	18.29	17.73
Service tax on above	8.59	11.74
Total	**77.63**	**102.72**

Consolidated Notes to Financial Statements

For the year ended March 31, 2017

NOTE 27 : OTHER COMPREHENSIVE INCOME

The disaggregation of changes to OCI by each type of reserve in equity is shown below :

For the year ended March 31, 2017

(₹ in Lacs)

Particulars	Retained earnings	Total
Remeasurement of the net defined benefit plans	(17.43)	(17.43)
Income tax relating to items that will not be reclassified to profit and loss	4.50	4.50
Total	**(12.93)**	**(12.93)**

For the year ended March 31, 2016

(₹ in Lacs)

Particulars	Retained earnings	Total
Remeasurement of the net defined benefit plans	(194.75)	(194.75)
Income tax relating to items that will not be reclassified to profit and loss	73.70	73.70
Total	**(121.05)**	**(121.05)**

NOTE 28 : EARNINGS PER SHARE (EPS)

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

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

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

Particulars	March 31, 2017	March 31, 2016
Profit attributable to equity holders (₹ in Lacs)		
Continuing operations	18,952.09	20,665.85
Discontinued operation	-	(2,792.24)
Profit attributable to equity holders	**18,952.09**	**17,873.61**
Weighted average number of Equity shares for basic and diluted EPS	**733.94**	**733.94**
Earnings per share for continuing and discontinued operations		
Basic EPS	25.82	24.35
Diluted EPS	25.82	24.35
Earnings per share for continuing operations		
Basic EPS	25.82	28.16
Diluted EPS	25.82	28.16
Earnings per share for discontinued operations		
Basic EPS	-	(3.81)
Diluted EPS	-	(3.81)

Consolidated Notes to Financial Statements

For the year ended March 31, 2017

NOTE 29 : DISTRIBUTION MADE AND PROPOSED

(₹ in Lacs)

Particulars	March 31, 2017	March 31, 2016
Dividend on equity shares declared and paid :		
Final dividend for the year ended on March 31, 2016 : ₹ 1.20 per share (April 1, 2015 : ₹ 1.20 per share)	880.73	880.73
Dividend Distribution Tax on final dividend	179.29	179.29
	1,060.02	**1,060.02**
Proposed dividends on Equity shares*:		
Dividend proposed for the year ended on March 31, 2017: ₹ 1.20 per share (March 31, 2016: ₹ 1.20 per share)	880.73	880.73
Dividend Distribution Tax on proposed dividend	179.29	179.29
	1,060.02	**1,060.02**

* Proposed dividends on equity shares are subject to approval at the annual general meeting and are not recognised as a liability (including Dividend Distribution Tax thereon) as at March 31.

NOTE 30 : TRANSFER OF MULTI-MEDIA CONTENT MANAGEMENT UNDERTAKING OF THE COMPANY ('MMCM UNDERTAKING') TO HT DIGITAL STREAMS LIMITED

The Board of Directors of the Company at its meetings held on October 26, 2015 and November 19, 2015, on the recommendation of the Audit Committee, had approved the transfer and vesting of the Multi-media Content Management Undertaking of the Company ('MMCM Undertaking') to and in HT Digital Streams Limited (HTDSL), as a 'going concern' on a slump exchange basis by way of issue of fully-paid up equity shares of the Transferee Company, to the Company.

The Scheme of Arrangement u/s 391-394 of the Companies Act, 1956 between the Company and HTDSL and their respective shareholders & creditors for transfer and vesting of the Multi-media Content Management Undertaking of the Company ('MMCM Undertaking') to and in HTDSL, as going concern on slump exchange basis, with effect from closing hours of March 31, 2016 ('Appointed Date') ('the Scheme'), was sanctioned by the Hon'ble High Court of Judicature at Patna, in terms of the judgement dated November 24, 2016 and order dated December 19, 2016. Consequent upon filing of the judgement/order passed by the Hon'ble High Court with the Registrar of Companies, Bihar, the Scheme became effective from December 31, 2016 (closing hours) ('Effective Date').

The financial impact of the Scheme was considered in financial statement for the year ended March 31, 2017 as summarized below:

a) HTDSL allotted its 85,87,896 Equity Shares of ₹ 10/- each to the Company, which has been recorded as investment in HTDSL at a fair value of ₹ 7,450 lacs. Accordingly, the Company now holds 42.83% of equity share capital of HTDSL.

b) An amount of ₹ 7,727.37 lacs, being difference of purchase consideration (₹ 7,450.00 lacs) and Book Value of Net Assets ₹ 277.37 lacs (negative)) transferred to HTDSL, was recorded as Capital Reserve in the books of the Company. The Company has followed the applicable Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of Companies (Accounts) Rules, 2014 and other Generally Accepted Accounting Principles as on the Appointed Date in accordance with the scheme approved by Hon'ble High Court. This is not similar to the accounting as per applicable Indian Accounting Standards (Ind-AS) prescribed under Section 133 of the Companies Act, 2013, read with relevant rules issued thereunder. However, this was in compliance with Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of Companies (Accounts) Rules, 2014 and other Generally Accepted Accounting Principles as applicable when the scheme was filed before the Hon'ble High Court and as on the Appointed Date i.e March 31, 2016.

Details of assets and liability transferred as on the Appointed date (i.e. March 31, 2016) are as below:-

(₹ in Lacs)

Particulars	Amount
Total Assets (A)	48.39
Total liabilities(B)	325.76
Net Asset (negative) transferred to the Company (A-B)	(277.37)
Purchase Consideration paid	(7,450.00)
Accounted in Capital Reserve	(7,727.37)

Consolidated Notes to Financial Statements

For the year ended March 31, 2017

c) The revenues earned and expenses incurred for the period i.e. from the Appointed Date to the Effective Date were transferred to HTDSL on the effective date Therefore, the financial statements for the year ended March 31, 2017 do not include any revenue, expenses, assets and liabilities of MMCM Undertaking.

However, the Statement of Profit and Loss for year ended March 31, 2016 included expenses relatable to MMCM Undertaking of ₹ 4,270.00 lacs (net of tax ₹ 2,792.24 lacs). Accordingly, the Statement of Profit and Loss for year ended March 31, 2017 are not comparable with corresponding Statement of Profit and Loss for year of previous year ended March 31, 2016.

The details of income and expenses relatable to discontinued operations for the year ended March 31, 2016 are as below:-

(₹ in Lacs)

Particulars	Year Ended March 31,2016
Total Income	-
Expenses	
Employee benefits expense	2,655.00
Depreciation and amortisation expense	58.10
Other expenses	1,556.90
Total Expenses	**4,270.00**
Profit/(loss) before tax	**(4,270.00)**
Tax Expense/(Credit)	(1,477.76)
Net Profit/(loss) for the period	**(2,792.24)**

The net cash flows are as follows:

(₹ in Lacs)

Particulars	March 31,2016
Operating	(4,270.00)
Investing	-
Financing	4,270.00
Net cash (outflow)/inflow	**-**

NOTE 31 : GRATUITY

(₹ in Lacs)

Particulars	March 31, 2017	March 31, 2016	April 1, 2015
Gratuity plan	147.98	330.13	248.98
Total	**147.98**	**330.13**	**248.98**
Non- Current	-	-	-
Current	**147.98**	**330.13**	**248.98**

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of services gets a gratuity on separation at 15 days salary (last drawn salary) for each completed year of service. The Company has formed a Gratuity Trust to which contribution is made based on actuarial valuation done by independent valuer.

The following tables summarise the components of net benefit expense recognised in the Statement of Profit and Loss and the funded status and amounts recognised in the Balance Sheet for the respective plans:

Consolidated Notes to Financial Statements

For the year ended March 31, 2017

Gratuity Plan

Changes in the defined benefit obligation and fair value of plan assets as at March 31, 2017 :

Present value of Obligation

(₹ in Lacs)

Particulars	March 31, 2017	March 31, 2016
Opening Balance	1,054.51	796.34
Current Service Cost	109.17	116.04
Interest Expense or cost	80.30	61.85
Re-measurement (or Actuarial) (gain) / loss arising from:		
- change in financial assumptions	10.29	-
- experience variance (i.e. Actual experience vs assumptions)	37.15	187.35
Benefits Paid	(127.77)	(107.08)
Acquisition Adjustment	(17.62)	-
Total	**1,146.04**	**1,054.51**

Fair Value of Plan Assets

(₹ in Lacs)

Particulars	March 31, 2017	March 31, 2016
Opening Balance	724.38	547.36
Investment Income	58.92	42.51
Employer's contribution	276.11	248.98
Benefits Paid	(127.77)	(107.08)
Return on plan assets, excluding amount recognised in net interest expenses	30.02	(7.40)
Acquisition adjustment	36.40	-
Total	**998.06**	**724.38**

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

Particulars	Defined gratuity Plan	
	March 31, 2017	March 31, 2016
Investment in Funds managed by insurer	100%	100%

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

Particulars	March 31, 2017	March 31, 2016
Discount Rate	7.50%	7.75%
Salary Growth Rate	5%	5%
Withdrawal Rate		
Up to 30 years	3%	3%
31 - 44 years	2%	2%
Above 44 years	1%	1%

A quantitative sensitivity analysis for significant assumption is as shown below:

(₹ in Lacs)

Particulars	March 31, 2017	March 31, 2016
Defined Benefit Obligation (Base)	1,146 .04	1,054.51

Consolidated Notes to Financial Statements

For the year ended March 31, 2017

(₹ in Lacs)

Particulars	March 31, 2017		March 31, 2016	
Assumptions	**Decrease**	**Increase**	**Decrease**	**Increase**
Discount Rate (-/+ 1%)	71.21	(63.04)	79.33	(69.63)
Salary Growth Rate (-/+ 1%)	(60.36)	67.03	(67.77)	75.86
Attrition Rate (-/+ 50%)	(8.29)	7.59	(11.15)	10.18

The sensitivity analysis above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

The following payments are expected contributions to the defined benefit plan in future years:

(₹ in Lacs)

Particulars	March 31, 2017	March 31, 2016
Within the next 12 months (next annual reporting period)	53.05	67.23
Between 2 and 5 years	777.85	607.61
Between 6 and 10 years	319.14	350.41
Beyond 10 years	901.83	1,109.43
Total expected payments	**2,051.88**	**2,134.69**

Average duration of the defined benefit plan obligation

Particulars	March 31, 2017	March 31, 2016
Weighted Average duration	7 years	7 years

Defined Contribution Plan

(₹ in Lacs)

Particulars	March 31, 2017	March 31, 2016
Contribution to Provident and Other funds		
Charged to Statement of Profit and Loss	402.11	437.60

Leave Encashment (unfunded)

The Company recognises the leave encashment expenses in the Statement of Profit and Loss based on actuarial valuation.

The expenses recognised in the Statement of Profit and Loss and the Leave encashment liability at the beginning and at the end of the year :

(₹ in Lacs)

Particulars	March 31, 2017	March 31, 2016
Liability at the beginning of the year	115.87	101.84
Paid during the year	(19.12)	(6.75)
Acquisition Adjustment	31.56	-
Provided during the year	8.65	20.78
Liability at the end of the year	**136.96**	**115.87**

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For the year ended March 31, 2017

NOTE 32 : SHARE-BASED PAYMENTS

In accordance with the Securities and Exchange Board of India (Share Based Employee benefits) Regulations, 2014 and Ind-AS 102 Share-based Payment, the scheme detailed below is managed and administered, compensation benefits in respect of the scheme is assessed and accounted by the company. To have an understanding of the scheme, relevant disclosures are given below.

I. The Hindustan Times Limited (the ultimate Parent Company) and HT Media Limited (the Parent Company) has given loan to "HT Group company's – Employee Stock Option Trust" which in turn has purchased Equity Shares of ₹ 10/- each of the Company for the purpose of granting Options under the 'HT Group company's – Employee Stock Option Rules' ("HT ESOP"), to eligible employees of the group.

A. Details of Options granted as on March 31, 2017 are given below:

Type of Arrangement	Date of Grant	Number of options granted	Fair Value on the date of Grant (in ₹)	Vesting conditions	Weighted average remaining contractual life (in years)	Method of Settlement
Employee Stock Option	September 15, 2007	1,93,782	16.07	¼ of the shares vest each year over a period of four years starting from one year after the date of grant	4.46	Equity
Employee Stock Option	May 20, 2009	11,936	14.39	¼ of the shares vest each year over a period of four years starting from one year after the date of grant	6.14	Equity
Employee Stock Option	February 4, 2010	1,50,729	87.01	50% on the date of grant and 25% vest each year over a period of 2 years starting from the date of grant	7.14	Equity
Employee Stock Option	March 8, 2010	17,510	56.38	¼ of the shares vest each year over a period of four years starting from one year after the date of grant	6.94	Equity
Employee Stock Option	April 1, 2010	4,545	53.87	¼ of the shares vest each year over a period of four years starting from one year after the date of grant	7.01	Equity

Weighted average fair value of the options outstanding is ₹ 49.30 per option.

B. Summary of activity under the plans is given below :

	March 31, 2017		March 31, 2016	
	Number of options	Weighted Average Exercise Price (₹)	Number of options	Weighted Average Exercise Price (₹)
Outstanding at the beginning of the year	2,21,776	21.10	2,32,069	21.70
Granted during the year	-	-	-	-
Forfeited during the year	-	-	-	-
Exercised during the year	79,950	19.96	10,293	34.66
Expired during the year	-	-	-	-
Outstanding at the end of the period	1,41,826	21.75	2,21,776	21.10
Exercisable at the end of the period	1,41,826	21.75	2,21,776	21.10
Weighted average remaining contractual life (in years)	5.35		6.37	

Consolidated Notes to Financial Statements

For the year ended March 31, 2017

C. The details of exercise price for stock options outstanding at the end of the year ended March 31, 2017 are:

A stock option gives an employee, the right to purchase equity shares of the Company at a fixed price within a specific period of time. The details of exercise price for stock options outstanding at the end of the year are as under:

	Range of exercise prices	Number of options outstanding	Weighted average remaining contractual life of options (in years)	Weighted average exercise price (₹)
2016-17	₹ 1.35 to ₹ 60	1,41,826	5.35	21.75
2015-16	₹ 1.35 to ₹ 60	2,21,776	6.37	21.10

Options granted are exercisable for a maximum period of 14 years after the scheduled vesting date as per the Scheme.

The Company has availed exemption under Ind-AS 101 in respect of Share-based payments that had been vested before the transition date. The Company has elected to avail this exemption and accordingly, vested options as on transition date have been measured at intrinsic value.

The employee compensation cost (accounting charge for the year) calculated using the intrinsic value of stock options is ₹ NIL (March 31, 2016: ₹ NIL)

II. Pursuant to purchase of Hindi Business, certain employees of HT Media Limited (the parent company) have become employees of the Company on continued service basis under HT ESOS –Plan A (Plan A) and HT ESOS – Plan C (Plan C). These employees continue to hold the Employee Stock Options (ESOPs) of parent company which were granted to them during their employment with the parent company.

Details of these plans are given below:

Employee Stock Options

A stock option gives an employee, the right to purchase equity shares of the HMVL at a fixed price within a specific period of time.

A. Details of Options granted as on March 31, 2017 are given below:

Type of arrangement	Date of Grant	Options granted (nos.)	Fair value on the date of grant (₹)	Vesting conditions	Weighted average remaining contractual life (in years)	Method of Settlement
Employee Stock Options	January 9, 2006	91,280	50.5	1/4 of the shares vest each year over a period of four years starting from one year after the date of grant	2.78	Equity
Employee Stock Options	October 8, 2009	83,838	68.9	50% on the date of grant and 25% vest each year over a period of 2 years starting from the date of grant	4.53	Equity

Options granted are exercisable for a period of 10 years after the scheduled vesting date of the last tranche of the Options as per the Scheme.

Consolidated Notes to Financial Statements

For the year ended March 31, 2017

B. Summary of activity under the plans for the period ended March 31, 2017 and March 31, 2016 are given below.

PLAN A

	March 31, 2017			March 31, 2016		
	Number of options	Weighted-average exercise price (₹)	Weighted-average remaining contractual life (in years)	Number of options	Weighted-average exercise price (₹)	Weighted-average remaining contractual life (in years)
Outstanding at the beginning of the year	91,280	92.30	3.78	91,280	92.30	4.78
Granted during the year	-	-	-	-	-	-
Forfeited/Cancelled during the year	-	-	-	-	-	-
Exercised during the year	-	-	-	-	-	-
Expired during the year	-	-	-	-	-	-
Outstanding at the end of the year	91,280	92.30	2.78	91,280	92.30	3.78

PLAN C

	March 31, 2017			March 31, 2016		
	Number of options	Weighted-average exercise price (₹)	Weighted-average remaining contractual life (in years)	Number of options	Weighted-average exercise price (₹)	Weighted-average remaining contractual life (in years)
Outstanding at the beginning of the year	61,448	117.55	5.53	61,448	117.55	6.53
Granted during the year	-	-	-	-	-	-
Forfeited/Cancelled during the year	-	-	-	-	-	-
Exercised during the year	-	-	-	-	-	-
Expired during the year	-	-	-	-	-	-
Outstanding at the end of the year	61,448	117.55	4.53	61,448	117.55	5.53

C. The details of exercise price for stock options outstanding at the end of the current year ended March 31, 2017 are:

	Exercise prices (₹)	Number of options outstanding	Weighted average remaining contractual life of options (in years)	Weighted average exercise price (₹)
Plan A	92.30	91,280	2.78	92.30
Plan C	117.55	61,448	4.53	117.55

Weighted average fair value of the options outstanding is:

- Plan A – ₹ 50.05
- Plan C – ₹ 68.90

The Company has availed exemption under Ind-AS 101 in respect of Share-based payments that had been vested before the transition date. The Company has elected to avail this exemption and accordingly, vested options as on transition date have been measured at intrinsic value.

The employee compensation cost (accounting charge for the year) calculated using the intrinsic value of stock options is ₹ NIL (March 31, 2016: ₹ NIL)

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For the year ended March 31, 2017

III. The Group Company, Firefly e-Ventures Limited has given Employee Stock Options (ESOPs) to employees of Hindustan Media Ventures Limited (HMVL).

A. Details of these plans are given below:

Employee Stock Options

A stock option gives an employee, the right to purchase equity shares of Firefly e-Ventures Limited at a fixed price within a specific period of time. The grant price (or strike price) for options granted during the financial year 2009-10 shall be ₹ 10 each per option.

B. Details of stock options granted during the current year and earlier year are as given below:

Type of arrangement	Date of Grant	Options granted (nos.)	Fair value on the grant date (₹)	Vesting conditions*	Weighted average remaining contractual life in years as at March 31, 2016 (in years)	Method of Settlement
Employee Stock Options	October 16, 2009	2,24,700	4.82	Starts from the date of listing of Firefly e-Ventures Limited as per the following vesting schedule 25% 12 months from the date of grant 25% 24 months from the date of grant 25% 36 months from the date of grant 25% 48 months from the date of grant	6.55	Equity

C. Summary of activity under the plan for the year ended March 31, 2017 and March 31, 2016 are given below.

	March 31, 2017		March 31, 2016	
	Number of options	Weighted Average Exercise Price (₹)	Number of options	Weighted Average Exercise Price (₹)
Outstanding at the beginning of the year	2,24,700	10.00	2,24,700	10.00
Granted during the year	-	-	-	-
Forfeited during the year	-	-	-	-
Exercised during the year	-	-	-	-
Expired during the year	-	-	-	-
Outstanding at the end of the year	2,24,700	10.00	2,24,700	10.00
Weighted average remaining contractual life (in years)	6.55		7.55	

Weighted average fair value of the options outstanding is ₹ 4.82 per option. Since no options have been exercised during the period, thus weighted average share price has not been disclosed.

The Company has availed exemption under Ind-AS 101 in respect of Share-based payments that had been vested before the transition date. The Company has elected to avail this exemption and accordingly, vested options as on transition date have been measured at intrinsic value.

The employee compensation cost (accounting charge for the year) calculated using the intrinsic value of stock options is ₹ NIL (March 31, 2016: ₹ NIL)

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NOTE 33 : COMMITMENTS AND CONTINGENCIES

(a) Leases

Operating lease commitments - Company as lessee

The company has taken various residential, office and godown premises under operating lease agreements. These are generally cancellable leases and are renewable by mutual consent on mutually agreed terms with or without rental escalations.

The company has paid ₹ 642.63 lacs (March 31, 2016: ₹ 968.83 lacs) during the year towards minimum lease payment and infrastructure charges and the same is disclosed as Rent under Note 26.

Future minimum rentals payable under non-cancellable operating leases as at March 31 are as follows:

(₹ in Lacs)

Particulars	March 31, 2017	March 31, 2016	April 1, 2015
Within one year	52.06	51.62	28.89
After one year but not more than five years	205.66	205.54	115.52
More than five years	149.15	224.51	160.12

(b) Commitments

(₹ in Lacs)

Particulars	March 31, 2017	March 31, 2016	April 1, 2015
Capital Commitments			
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of capital advances)	127.37	52.96	2,112.52

(c) Contingent Liabilities

A. Claims against the company not acknowledged as debts

(₹ in Lacs)

Particulars	As at March 31, 2017	As at March 31, 2016
a) The Company has filed a petition before the Hon'ble Patna High Court against an initial claim for additional contribution of ₹ 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 ₹ 12.50 lacs to ESIC. The Hon'ble High Court had initially stayed the matter and on July 18, 2012 disposed of the Petition with the Order of "No Coercive Step shall be taken against HMVL" with direction to move for ESI Court. Matter is still pending in Lower Court. There is no further progress in the matter during the year.	73.37	73.37
b) The Company has filed a petition before the Hon'ble Patna High Court against the demand of ₹ 10.07 lacs (including interest) for short payment of ESI dues pertaining to the year from 2001 to 2005. The Hon'ble High Court had initially stayed the matter and on July 18, 2012 disposed of the Petition with the Order of "No Coercive Step shall be taken against HMVL" with direction to move for ESI Court. Matter is still pending in Lower Court. There is no further progress in the matter during the year.	10.07	10.07

B. During the current year, the management has received several claims substantially from employees in UP, Jharkhand and Bihar who are either retired or separated from the Company regarding the benefits of Majithia Wage Board recommendations. However, all such claims/ recovery order(s) issued by ALC/ DLC office are generally either stayed by the respective Hon'ble High Court(s) or are pending before ALC/ DLC.

Consolidated Notes to Financial Statements

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Based on management assessment and current status of the above matters, the management is confident that no provision is required in the financial statements as on March 31, 2017.

NOTE 34 : 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 ##
Fellow Subsidiaries (with whom transactions have occurred during the year)	Firefly e-Ventures Limited
	HT Mobile Solutions Limited
	HT Overseas Pte. Ltd.
	HT Learning Centers Limited
Associate/ Fellow subsidiary	HT Digital Streams Limited (became Associate w.e.f December 31, 2016)
Joint Venture of group company	India Education Services Private Limited
Entities which are post employment benefit plans (with whom transactions have occurred during the year)	HMVL Editorial Employees Gratuity Fund
	HMVL Non Editorial & Other Employees Gratuity Fund
Key Management Personnel and their relatives (with whom transactions have occurred during the year)	Mr. Priyavrat Bhartia
	Mr. Shamit Bhartia (appointed as MD of HMVL w.e.f February 4, 2017)
	Mr. Ashwani Windlass (Non-Executive Independent Director)
	Mr. Piyush G Mankad (Non-Executive Independent Director)
	Mr. Shardul S. Shroff (Non-Executive Independent Director)
	Dr. Mukesh Aghi (Non-Executive Independent Director)
	Mr. Benoy Roychowdhury (Whole time Director)

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

Earthstone Holding (Two) Limited is the holding Company of The Hindustan Times Limited.

ii) Transactions with related parties

Refer Note 34 A

iii) Terms and conditions of transactions with related parties

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

iv) Transactions with key management personnel

Refer Note 34A

Consolidated Notes to Financial Statements

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NOTE 34A : TRANSACTIONS DURING THE YEAR WITH RELATED PARTIES

	Holding Company				Fellow Subsidiaries								Associate / Fellow Subsidiary	
	The Hindustan Times Ltd		HT Media Ltd.		Firefly e-Ventures Ltd		HT Mobile Solutions Ltd		HT Learning Centers Ltd.		HT Overseas Pte. Ltd.		HT Digital Streams Ltd (Refer Note C)	
Particulars	Mar-17	Mar-16	Mar-17	Mar-16	Mar-17	Mar-16	Mar-17	Mar-16	Mar-17	Mar-16	Mar-17	Mar-16	Mar-17	Mar-16
REVENUE TRANSACTIONS														
Income														
Sale of Stores & Spares Material	-	-	0.40	8.74	-	-	-	-	-	-	-	-	-	-
Jobwork Revenue	-	-	510.48	516.87	2.74	1.68	-	-	-	-	-	-	-	-
Sale of Advertisement Space in Publication	0.14	0.18	551.51	308.22	139.90	153.59	0.35	0.10	189.20	212.08	-	-	-	-
Sale of Newspaper for Circulation	-	-	2,394.53	2,562.60	-	-	-	-	-	-	-	-	-	-
Infrastructure Support Services (Seats) Given	-	-	87.82	176.95	-	-	-	-	-	-	-	-	155.28	-
Media Marketing Commission & Collection Charges Received	-	-	86.54	78.57	-	-	-	-	-	-	-	-	-	-
Rent Received	-	-	28.80	-	-	-	-	-	-	-	-	-	-	-
Expense														
Purchase of Stores & Spares Material	-	-	8.65	3.01	-	-	-	-	-	-	-	-	-	-
Printing / Service Charges Paid	-	-	1,528.19	1,499.69	11.22	47.76	-	-	-	-	-	-	-	-
Advertisement Expenses	-	-	55.54	71.09	27.94	-	23.88	6.02	-	-	-	-	-	-
Purchase of Newspaper for Circulation	-	-	547.07	552.23	-	-	-	-	-	-	-	-	-	-
Infrastructure Support Services (Seats) Taken	-	-	390.62	363.36	-	-	-	-	-	-	-	-	-	-
Media Marketing Commission & Collection Charges Paid	-	-	350.11	276.86	-	-	-	-	-	-	-	-	-	-
Remuneration paid to Key managerial personnel	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Non Executive Director's Sitting Fee and Commission	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fee for Newsprint Procurement Support Services	-	-	-	-	-	-	-	-	-	-	24.10	193.41	-	-
News Content Procurement Fees	-	-	-	-	-	-	-	-	-	-	-	-	1,800.28	-
Others														
Reimbursement of expenses incurred on behalf of the company by parties	-	-	63.26	70.43	-	-	-	-	-	-	-	-	-	-
Reimbursement of expenses incurred on behalf of the party by company	-	-	33.82	10.00	0.02	-	-	-	-	-	-	-	66.35	-
Purchase of Property, Plant and Equipment and Intangible Assets by Company	-	-	157.60	6,227.39	-	-	-	-	-	-	-	-	-	-
Sale of Property, Plant & Equipment by Company	-	-	2.70	-	-	-	-	-	-	-	-	-	-	-
Contribution to Gratuity Trust	-	-	-	-	-	-	-	-	-	-	-	-	-	-

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NOTE 34A : TRANSACTIONS DURING THE YEAR WITH RELATED PARTIES (CONTD.)

	Key Managerial Personnel(KMP) Refer Note B								Joint Venture of group Company		Entities which are post employment benefit plans				Total	
	Benoy Roychowdhury		Shamit Bhartia		Priyavrat Bhartia		Non-executive Directors		India Education Services Private Limited		HMVL Editorial Employees Gratuity Fund		HMVL Non Editorial & Other Employees Gratuity Fund			
Particulars	Mar-17	Mar-16	Mar-17	Mar-16	Mar-17	Mar-16	Mar-17	Mar-16	Mar-17	Mar-16	Mar-17	Mar-16	Mar-17	Mar-16	Mar-17	Mar-16
REVENUE TRANSACTIONS																
Income																
Sale of Stores & Spares Material	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.40	8.74
Jobwork Revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	513.22	518.55
Sale of Advertisement Space in Publication	-	-	-	-	-	-	-	-	101.00	25.42	-	-	-	-	982.11	699.59
Sale of Newspaper for Circulation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2,394.53	2,562.60
Infrastructure Support Services (Seats) Given	-	-	-	-	-	-	-	-	-	-	-	-	-	-	243.10	176.95
Media Marketing Commission & Collection Charges Received	-	-	-	-	-	-	-	-	-	-	-	-	-	-	86.54	78.57
Rent Received	-	-	-	-	-	-	-	-	-	-	-	-	-	-	28.80	-
Expense																
Purchase of Stores & Spares Material	-	-	-	-	-	-	-	-	-	-	-	-	-	-	8.65	3.01
Printing / Service Charges Paid	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,539.41	1,547.45
Advertisement Expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-	107.36	77.11
Purchase of Newspaper for Circulation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	547.07	552.23
Infrastructure Support Services (Seats) Taken	-	-	-	-	-	-	-	-	-	-	-	-	-	-	390.62	363.36
Media Marketing Commission & Collection Charges Paid	-	-	-	-	-	-	-	-	-	-	-	-	-	-	350.11	276.86
Remuneration paid to Key managerial personnel	237.97	214.86	58.68	-	376.45	166.88	-	-	-	-	-	-	-	-	673.10	381.74
Non Executive Director's Sitting Fee and Commission	-	-	-	-	-	-	48.70	46.00	-	-	-	-	-	-	48.70	46.00
Fee for Newsprint Procurement Support Services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	24.10	193.41
News Content Procurement Fees	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,800.28	-
Others																
Reimbursement of expenses incurred on behalf of the company by parties	-	-	-	-	-	-	-	-	-	-	-	-	-	-	63.26	70.43
Reimbursement of expenses incurred on behalf of the party by company	-	-	-	-	-	-	-	-	-	-	-	-	-	-	100.19	10.00
Purchase of Property, Plant & Equipment and Intangible Assets by Company	-	-	-	-	-	-	-	-	-	-	-	-	-	-	157.60	6,227.39
Sale of Property, Plant & Equipment by Company	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2.70	-
Contribution to Gratuity Trust	-	-	-	-	-	-	-	-	-	-	104.74	38.26	225.39	210.72	330.13	248.98

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NOTE 34A : TRANSACTIONS DURING THE YEAR WITH RELATED PARTIES (CONTD.)

	Holding Company						Fellow Subsidiaries												Associate / Fellow Subsidiary		
	The Hindustan Times Ltd			HT Media Ltd.			Firefly e-Ventures Ltd			HT Mobile Solutions Ltd			HT Learning Centers Ltd.			HT Overseas Pte. Ltd.			HT Digital Streams Ltd (Refer Note C)		
Particulars	Mar-17	Mar-16	Mar-15	Mar-17	Mar-16	Mar-15	Mar-17	Mar-16	Mar-15	Mar-17	Mar-16	Mar-15	Mar-17	Mar-16	Mar-15	Mar-17	Mar-16	Mar-15	Mar-17	Mar-16	Mar-15
BALANCE OUTSTANDING AS ON March 31, 2017																					
Investment in Shares	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	7,450.00	-	-
Receivable as Advances / Trade Receivables	0.46	0.32	0.15	690.82	565.95	1,033.08	24.07	143.41	19.90	0.24	0.09	-	61.77	32.86	15.67	-	-	-	124.56	-	-
Payable as Creditors	-	-	-	328.88	217.17	249.64	56.69	15.29	24.51	1.31	6.38	12.79	-	-	-	15.42	9.75	15.82	511.73	-	-

	Key Managerial Personnel(KMP) Refer Note B												Joint Venture of group Company			Entities which are post employment benefit plans						Total		
	Benoy Roychowdhury			Shamit Bhartia			Priyavrat Bhartia			Non-executive Directors			India Education Services Private Limited			HMVL Editorial Employees Gratuity Fund			HMVL Non Editorial & Other Employees Gratuity Fund					
Particulars	Mar-17	Mar-16	Mar-15	Mar-17	Mar-16	Mar-15	Mar-17	Mar-16	Mar-15	Mar-17	Mar-16	Mar-15	Mar-17	Mar-16	Mar-15	Mar-17	Mar-16	Mar-15	Mar-17	Mar-16	Mar-15	Mar-17	Mar-16	Mar-15
BALANCE OUTSTANDING AS ON March 31, 2017																								
Investment in Shares	-	-	-	-	-	-	-	-	-	-	-	-	-	-		-	-	-	-	-	-	7,450.00	-	-
Receivable as Advances / Trade Receivables	-	-	-	-	-	-	-	-	-	-	-	-	-	16.58	-	-	-	-	-	-	-	901.92	759.21	1,068.80
Payable as Creditors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	914.03	248.59	302.76

Note A:- The transactions above do not include service tax, vat etc.

Note B:- Key Managerial Personnel and Relatives of Promoters who are under the employment of the Company are entitled to post employment benefits and other long term employee benefits recognised as per Ind-AS 19 - 'Employee Benefits' in the financial statements. As these employee benefits are lump sum amounts provided on the basis of actuarial valuation, the same is not included above.

Note C :- The Scheme of Arrangement u/s 391-394 of Companies Act, 1956 (Scheme) between Company and HT Digital Streams Limited (HTDSL) and their respective shareholders and creditors, for transfer and vesting of the Multi-media Content Management Undertaking of the Company ('MMCM Undertaking') to and in HTDSL as going concern on slump exchange basis, with effect from closing hours of March 31, 2016 ('Appointed Date'), has been sanctioned by Patna High Court. The Scheme became effective upon filing of aforesaid orders with the Registrar of Companies, Bihar on December 31, 2016 (Effective Date). (Refer Note 30 for detail)

In terms of the Scheme, following transactions have taken place between the Appointed date (March 31, 2016) and the effective date (December 31, 2016):

a) Assets and liabilities relatable to MMCM Undertaking on appointed date have become the assets and liabilities of HTDSL
b) HTDSL has allotted 85,87,896 Equity Shares of ₹ 10/- each in discharge of purchase consideration on the effective date for 42.83% of equity share capital of HTDSL.
c) Transfer of revenue and expenses relatable to MMCM undertaking from the appointed date (closing hours of March 31, 2016) and effective date (December 31, 2016) for transfer and vesting of MMCM undertaking from HMVL to HTDSL.

These are not related party transactions by virtue of clause 6.5.1(iv) of scheme of arrangement and accordingly transactions after effective date have been disclosed above.

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NOTE 35 : SEGMENT INFORMATION

The Company's operations comprise of only one segment i.e. "Printing and Publishing of Newspaper". The management also reviews and measure the operating results taking the whole business as one segment and accordingly make decision about the resources allocation. In view of the same separate segment information is not required to be given as per the requirement of Ind-AS 108 on "Operating Segments".

The analysis of geographical segment is based on the geographical location of the customers. The Company sells its products mostly within India with insignificant export income and does not have any operations in economic environments with different risks and returns and hence, it has been considered as to be operating in a single geographical segment.

NOTE 36 : HEDGING ACTIVITIES AND DERIVATIVES

Derivatives not designated as hedging instruments

The company uses foreign exchange forward contracts, to manage its foreign currency exposures. These contracts are not designated as cash flow hedges and are entered into for periods consistent with underlying transactions exposure with general tenure of 7 days to 60 months.

NOTE 37 : FAIR VALUES

Set out below, is a comparison by class of the carrying amounts and fair value of the company's financial instruments:

(₹ in Lacs)

Particulars	Carrying value			Fair value		
	March 31, 2017	March 31, 2016	April 1, 2015	March 31, 2017	March 31, 2016	April 1, 2015
Financial assets measured at Amortised Cost						
Investment in Bonds (Refer Note 6B)	835.66	849.44	812.64	855.44	873.64	835.77
Other non-current financial assets (Refer Note 6D)	17.41	37.73	32.44	17.41	37.73	32.44
Financial assets measured at fair Value						
Other Investments (Refer Note 6B)	91,643.17	78,329.98	60,280.00	91,643.17	78,329.98	60,280.00
Forward contract (Refer Note 6D)	6.55	-	-	6.55	-	-
Total	**92,502.79**	**79,217.15**	**61,125.08**	**92,522.57**	**79,241.35**	**61,148.21**
Financial liabilities						
Financial liabilities measured at fair Value						
Forward contract (Refer Note 15C)	-	322.88	28.23	-	322.88	28.23
Total	**-**	**322.88**	**28.23**	**-**	**322.88**	**28.23**

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The management assessed that cash and cash equivalents, trade receivables, trade payables, current borrowings other current financial assets and other current financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments. The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

- The Company has investment in quoted mutual funds being valued at Net Asset value.

-The Company invests in quoted equity shares valued at closing price of stock on recognized stock exchange.

- The Company enters into derivative financial instruments such as foreign exchange forward contracts being valued using valuation techniques, which employs the use of market observable inputs. The company uses Mark to Market valuation provided by Bank for valuation of these derivative contracts.

- The loans and investment in bonds are evaluated by the company based on parameters such as interest rate, risk factors, risk characteristics and individual credit-worthiness of the counterparty. Based on this evaluation, allowances are taken into account for the expected losses.

NOTE 37A : FAIR VALUE HIERARCHY

The fair value of financial instruments as referred to in note above have been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and lowest priority to unobservable inputs (Level 3 measurements).

The categories used are as follows:
-Level 1: Quoted prices for identical instruments in an active market;
-Level 2: Directly or indirectly observable market inputs, other than Level 1 inputs; and
-Level 3: Inputs which are not based on observable market data.

For assets and liabilities which are measured at fair value as at Balance Sheet date, the classification of fair value calculations by category is summarized below:

(₹ in Lacs)

As at March 31, 2017	Date of valuation	Total	Level 1	Level 2	Level 3
Assets measured at fair value:					
Mutual Fund Investments valued at FVTPL	March 31, 2017	91,594.66	91,594.66	-	-
Other Investments valued at FVTPL	March 31, 2017	48.51	48.51	-	-
Foreign exchange forward contract	March 31, 2017	6.55	-	6.55	-
Assets measured at Amortized Cost :					
Investment in Bonds	March 31, 2017	855.44	855.44	-	-
Other non-current financial assets	March 31, 2017	17.41	-	17.41	-

(₹ in Lacs)

As at March 31, 2016	Date of valuation	Total	Level 1	Level 2	Level 3
Assets measured at fair value:					
Mutual Fund Investments valued at FVTPL	March 31, 2016	78,287.62	78,287.62	-	-
Other Investments valued at FVTPL	March 31, 2016	42.36	42.36	-	-
Liabilities measured at fair value:					
Foreign exchange forward contract	March 31, 2016	322.88	-	322.88	-
Assets measured at Amortized Cost :					
Investment in Bonds	March 31, 2016	873.64	873.64	-	-
Other non-current financial assets	March 31, 2016	37.73	-	37.73	-

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(₹ in Lacs)

As at April 1, 2015	Date of valuation	Total	Level 1	Level 2	Level 3
Assets measured at fair value:					
Mutual Fund Investments valued at FVTPL	April 1, 2015	60,193.31	60,193.31	-	-
Other Investments valued at FVTPL	April 1, 2015	86.69	86.69	-	-
Liabilities measured at fair value:					
Foreign exchange forward contract	April 1, 2015	28.23	-	28.23	-
Assets measured at Amortized Cost :					
Investment in Bonds	April 1, 2015	835.77	835.77	-	-
Other non-current financial assets	April 1, 2015	32.44	-	32.44	-

There were no significant changes in the classification and no significant movements between the fair value hierarchy classifications of assets and liabilities during FY 2016-17 and 2015-16.

The Company enters into derivative financial instruments such as foreign exchange forward contracts being valued using valuation techniques, which employs the use of market observable inputs. The company uses Mark to Market provided by bank for valuation of these derivative contracts.

NOTE 38 : FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The company's principal financial liabilities, other than derivatives, comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the company's operations and to support its operations. The company's principal financial assets include loans, trade and other receivables, and cash and cash equivalents that derive directly from its operations. The company also enters into foreign exchange derivative transactions.

The company is exposed to market risk, credit risk and liquidity risk. The company's senior management oversees the mitigation of these risks. The company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the company's policies and risk objectives. All derivative activities for risk management purposes are carried out by specialist teams that have the appropriate skills, experience and supervision. It is the company's policy that no trading in foreign exchange derivatives for speculative purposes will be undertaken. The policies for managing each of these risks, which are summarised below:-

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits and derivative financial instruments.

The sensitivity analysis in the following sections relate to the position as at March 31, 2017 and March 31, 2016.

The sensitivity analysis have been prepared on the basis that the amount of net debt, the ratio of fixed to floating interest rates of the debt and derivatives and the proportion of financial instruments in foreign currencies are all constant and on the basis of hedge designations in place at March 31, 2017.

The analysis exclude the impact of movements in market variables on: the carrying values of gratuity and other post-retirement obligations and provisions.

The sensitivity of the relevant profit and loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at March 31, 2017 and March 31, 2016.

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Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The company's exposure to the risk of changes in market interest rates relates primarily to the company's current debt obligations with fixed interest rates.

The Company manages its interest rate risk for short term borrowings by majorly raising funds at a fixed rate and for long term borrowing by selectively using Interest rate swaps, coupon only swap and other derivative instruments to manage its exposure to interest rate movements. These exposures are reviewed by appropriate levels of management as and when required.

The exposure of the Company's financial liabilities as at March 31, 2017 to interest rate risk is as follows:

(₹ in Lacs)

	Total	Floating rate financial liabilities	Fixed rate financial liabilities
Financial Liabilities* (Refer Note 15A)	11,704.92	-	11,704.92

The exposure of the Company's financial liabilities as at March 31, 2016 to interest rate risk is as follows:

(₹ in Lacs)

	Total	Floating rate financial liabilities	Fixed rate financial liabilities
Financial Liabilities* (Refer Note 15A)	17,274.42	-	17,274.42

The exposure of the Company's financial liabilities as at April 1, 2015 to interest rate risk is as follows:

(₹ in Lacs)

	Total	Floating rate financial liabilities	Fixed rate financial liabilities
Financial Liabilities* (Refer Note 15A)	9,844.65	-	9,844.65

*Interest rate sensitivity

Since the Company's financial liabilities are usually under the fixed rate, the interest rate sensitivity is not disclosed.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The company's exposure to the risk of changes in foreign exchange rates relates primarily to the company's operating activities (when revenue or expense is denominated in a foreign currency), investments & borrowing in foreign currency etc.

The company manages its foreign currency risk by hedging foreign currency transactions with forward covers and option contracts. These transactions generally relates to purchase of imported newsprint, investment & borrowings in foreign currency.

When a derivative is entered into for the purpose of being a hedge, the company negotiates the terms of those derivatives to match the terms of the underlying exposure. For hedges of forecast transactions the derivatives cover the period of exposure from the point the cash flows of the transactions up to the point of settlement of the resulting receivable or payable that is denominated in the foreign currency.

Foreign currency sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change in exchange rates, with all other variables held constant. The impact on the company's profit before tax is due to changes in the fair value of monetary assets and liabilities.

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(₹ in Lacs)

Particulars	Change in foreign currency rate		Effect on profit before tax	
	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016
Change in USD rate				
Trade Payables	+/(-) 1%	+/(-) 1%	7.85	3.61
Trade Receivables	+/(-) 1%	+/(-) 1%	-	-
Buyer's credit	+/(-) 1%	+/(-) 1%	-	2.70
Advance from Customer	+/(-) 1%	+/(-) 1%	0.09	0.09
Balance on current account	+/(-) 1%	+/(-) 1%	0.04	0.04
Income Accrued on Investments	+/(-) 1%	+/(-) 1%	-	0.02
Interest Payable	+/(-) 1%	+/(-) 1%	0.11	0.45
Change in SGD rate				
Trade Payables	+/(-) 1%	+/(-) 1%	0.15	0.10

Commodity price risk

The company is affected by the price volatility of certain commodities. Its operating activities require the ongoing purchase of newsprint and therefore require a continuous supply of newsprint. Due to the volatility of the price of the newsprint, the Company also entered into various purchase contracts.

The management of company has developed and enacted a risk management strategy regarding commodity price risk and its mitigation.

Commodity price sensitivity

The following table shows the effect of price changes in newsprint and ink:

Particulars	Change in year-end price	Effect on profit before tax ₹ in Lacs
March 31, 2017		
Newsprint & Ink	+/- 1%	349.43
March 31, 2016		
Newsprint & Ink	+/- 1%	346.46

Equity price risk

The company’s listed and non-listed equity securities are susceptible to market price risk arising from uncertainties about future values of the investment securities. The Company manages the equity price risk through diversification and by placing limits on individual and total equity instruments. Reports on the equity portfolio are submitted to the company’s senior management on a regular basis. The company’s Investment Committee approves all equity investment decisions.

Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

Trade receivables

An impairment analysis is performed at each reporting date on an individual basis for major clients. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in Note 10A.

The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets.

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Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the company's policy. Investments of surplus funds are made as per guideines and within limits approved by Board of Directors. Board of Directors/ Management reviews and update guidelines, time to time as per requirement. The guidelines are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

Liquidity risk

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

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of Bank overdrafts, Bank loans. Approximately 100% of the Company's debt will mature in less than one year at March 31, 2017 (March 31, 2016: 100%, April 1, 2015: 100%) based on the carrying value of borrowings reflected in the financial statements.

The Company assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Company has access to a sufficient variety of sources of funding i.e. investments / bank limits for borrowing/ cash accrual from operation and debt maturing within 12 months can be paid/ rolled over with existing lenders.

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

(₹ in Lacs)

Particulars	Within 1 year	More than 1 years	Total
As at March 31, 2017			
Borrowings (Refer Note 15A)	11,704.92	-	11,704.92
Trade and other payables (Refer Note 15B)	9,082.46	-	9,082.46
Other financial liabilities (Refer Note 15C)	3,912.06	-	3,912.06
As at March 31, 2016			
Borrowings (Refer Note 15A)	17,274.42	-	17,274.42
Trade and other payables (Refer Note 15B)	9,303.08	-	9,303.08
Other financial liabilities (Refer Note 15C)	6,217.58	-	6,217.58
As at April 1, 2015			
Borrowings (Refer Note 15A)	9,844.65	-	9,844.65
Trade and other payables (Refer Note 15B)	9,846.23	-	9,846.23
Other financial liabilities (Refer Note 15C)	4,475.66	-	4,475.66

Collateral

The Company has pledged part of its Investment in Mutual Funds in order to fulfil the collateral requirements for Borrowing. At March 31, 2017, March 31, 2016 and April 1, 2015, the invested values of the Investment in Mutual Funds pledged were ₹ 8,300.00 lacs, ₹ 7,800.00 lacs and ₹ 7,000.00 lacs, respectively. The counterparties have an obligation to return the securities to the Company and the Company has an obligation to repay the borrowing to the counterparties upon maturity/ due date / mutual agreement. There are no other significant terms and conditions associated with the use of collateral. Securities except pledge given against outstanding Bank facilities details is provided in borrowing note.

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NOTE 39 : CAPITAL MANAGEMENT

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. 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.

(₹ in Lacs)

Particulars	March 31, 2017	March 31, 2016	April 1, 2015
Borrowings (Refer Note 15A)	11,704.92	7,274.42	9,844.65
Trade payables (Refer Note 15B)	9,082.46	9,303.08	9,846.23
Other financial liabilities (Note 15C)	3,912.06	6,217.58	4,475.66
Sub-Total	**24,699.43**	**32,795.07**	**24,166.53**
Cash and cash equivalents (Note 10B)	(3,791.74)	(4,469.09)	(3,959.58)
Other Bank balances (Note 10C)	(5.13)	(3.03)	(2.43)
Net debt	**20,902.56**	**28,322.95**	**20,204.53**
Equity & other equity	1,16,676.51	91,070.00	74,377.46
Total capital	**1,16,676.51**	**91,070.00**	**74,377.46**
Capital and net debt	**1,37,579.07**	**1,19,392.95**	**94,581.99**
Gearing ratio	**15.19%**	**23.72%**	**21.36%**

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2017 and March 31, 2016.

NOTE 40 : STANDARDS ISSUED BUT NOT YET EFFECTIVE

In March 2017, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2017, notifying amendments to Ind-AS 7, 'Statement of Cash Flows' and Ind-AS 102, 'Share- based payment'. These amendments are in accordance with the recent amendments made by International Accounting Standards Board (IASB) to IAS 7, 'Statement of Cash Flows' and IFRS 2, 'Share- based payment' respectively. The amendments are applicable to the Company from April 1, 2017.

Amendment to Ind-AS 7 :

The amendment to Ind-AS 7 required the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the Balance Sheet for liabilities arising from financing activities, to meet the disclosure requirements. The effect on the financial statements is being evaluated by the Company.

Amendment to Ind-AS 102 :

The amendment to Ind-AS 102 provides specific guidance to measurement of cash settled awards, modification of cash settled awards and awards that include a net settlement feature in respect of withholding taxes.

It clarifies that the fair value of cash settled awards is determined on a basis consistent with that used for equity settled awards. Market based performance conditions and non- vesting conditions are reflected in the 'fair values', but non- market performance conditions and services vesting conditions are reflected in the estimate of the number of awards expected to vest. Also, the amendment clarifies that if the terms and conditions of a cash settled share based payment transaction are modified with the result that it becomes an equity settled share based payment transaction, the transaction is accounted for as such from the date of the modification. Further, the amendment requires the award that include a net settlement feature in respect of withholding taxes to be treated as equity settled in its entirety. The cash payment to the tax authority is treated as if it was part of an equity settlement. The effect on the financial statements is being evaluated by the Company.

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NOTE 41 : BASED ON THE INFORMATION AVAILABLE WITH THE COMPANY, DETAILS OF DUES TO MICRO AND SMALL ENTERPRISES AS DEFINED UNDER THE MSMED ACT, 2006

(₹ in Lacs)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Principal amount	38.92	1.84	42.81
Interest due thereon at the end of the accounting year	0.35	0.01	0.06
The amount of interest paid by the buyer in terms of Section 16, of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-	-
The amount of interest due and payable for the year for delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006.	-	-	-
The amount of interest accrued and remaining unpaid at the end of the accounting year	0.35	0.01	0.06
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under Section 23 of MSMED Act, 2006.	-	-	-

NOTE 42 : CAPITALIZED EXPENDITURE

During the year, the Company has capitalized the following expenses of revenue nature to the cost of fixed asset/capital work in progres (CWIP). Consequently, expenses disclosed under the respective notes are net of amounts capitalised by the Company.

(₹ in Lacs)

Particulars	As at March 31, 2017	As at March 31, 2016
Raw material consumption	6.91	29.00
Consumption of stores and spares	1.76	-
Printing and service charges	-	29.86
Travelling and conveyance	5.10	33.69
Miscellaneous expenses	6.14	13.21
Total	**19.90**	**105.76**

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NOTE 43 : SPECIFIED BANK NOTES (SBN's)

Ministry of Corporate Affairs issued an amendment to Schedule III of the Companies Act, 2013, regarding general instructions for preparation of Balance Sheet, to disclose the details of Specified Bank Notes (SBN) held and transacted during the period November 8, 2016 to December 30, 2016.

The aforesaid disclosure is as follows:

(₹ in Lacs)

Particulars	SBNs	Other denomination notes	Total
Closing cash in hand - November 8, 2016	200.55	4.89	205.44
Add: Permitted receipts	-	282.70	282.70
Less: Permitted payments	-	22.99	22.99
Less: Amount deposited into banks	200.55	223.88	424.43
Closing cash in hand - December 30, 2016	**-**	**40.71**	**40.71**

Explanation: For the purposes of this clause, the term 'Specified Bank Notes'(SBN) shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs number S.O. 3407(E), dated the November 8, 2016.

The aforesaid disclosures of SBN's have been compiled basis the bank confirmations and compilation of pay in slips.

NOTE 44 :

Additional information as required under Schedule III of the Companies Act, 2013, of the enterprises consolidated as associates.

(₹ in Lacs)

Particulars	Net assets i.e. total assets minus total liabilities		Share in Profit and Loss		Share in other Comprehensive income		Share in total Comprehensive income	
	As % of consolidated net assets	Amount (₹ lacs)	As % of consolidated profit and loss	Amount (₹ lacs)	As % of consolidated other comprehensive income	Amount (₹ lacs)	As % of total comprehensive income	Amount (₹ lacs)
Current Year : As on March 31, 2017								
I. Parent								
Hindustan Media Ventures Limited	93.96%	109,634.51	102.15 %	19,360.09	100.00 %	(12.93)	102.15 %	19,347.16
II. Associate (Investment as per Equity Method)								
HT Digital Streams Limited	6.04%	7,042.00	(2.15)%	(408.00)	0.00 %	-	(2.15)%	(408.00)
Total	**100.00%**	**116,676.51**	**100.00%**	**18,952.09**	**100.00%**	**(12.93)**	**100.00%**	**18,939.16**
Previous Year : As on March 31, 2016								
I. Parent								
Hindustan Media Ventures Limited	100.00 %	91,070.00	100.00 %	17,873.61	100.00 %	(121.05)	100.00 %	17,752.56
Total	**100.00%**	**91,070.00**	**100.00%**	**17,873.61**	**100.00%**	**(121.05)**	**100.00%**	**17,752.56**

Consolidated Notes to Financial Statements

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NOTE 45 : DETAILS OF CSR EXPENDITURE

Pursuant to the applicability of CSR (Corporate Social Responsibility) provisions of the Companies Act, 2013 the Company has made the requisite expenditure towards CSR as per details below :

(a) Gross amount required to be spent by the Company during the year is ₹ 395.00 lacs (Previous year : ₹ 304.00 lacs).

(b) Details of amount spent during the year ended March 31, 2017:

CSR Project or activity identified	Amount spent/ contributed on the projects or programs (₹ in lacs)	Amount spent : Direct or through implementing agency
Promoting health- care including preventive health care	10.00	Through Manorama Devi Birla Charitable Trust*
Rural development projects	229.58	Direct contribution**
Rural development projects	29.12	Through Kadam Society*
Protection of National Heritage, Art & Culture including restoration of buildings and sites of historical importance and works of art	50.00	Through Kala Ghoda Association*
Promoting health- care including preventive health care	50.00	Direct contribution**
Promoting education	5.84	Direct contribution**
Promoting education	24.00	Through HT Foundation for change (HTFFC)*
Total	**398.54**	

(c) Details of amount spent during the year ended March 31, 2016

CSR Project or activity identified	Amount spent/ contributed on the projects or programs (₹ in lacs)	Amount spent : Direct or through implementing agency
Promoting health- care including preventive health care	40.00	Direct contribution in association with medical partner, Jaypee Hospitals**
Promoting health- care including preventive health care	55.00	Through Manorama Devi Birla Charitable Trust*
Promoting education/ vocational training of children, women and members of under- privileged Section of the society	89.00	Through HT Foundation for change (HTFFC)*
Protection of National Heritage, Art & Culture including restoration of buildings and sites of historical importance and works of art	55.00	Through Kala Ghoda Association*
Rural development projects	60.96	Direct contribution**
Total	**299.96**	

* Included in donations/ contribution expenses

** Included in advertisement and sales promotion expenses

NOTE 46 : FIRST-TIME ADOPTION OF IND-AS

1 These financial statements, for the year ended March 31, 2017, are the first the Company has prepared in accordance with Ind-AS. For periods up to and including the year ended March 31, 2016, the Company prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP).

Accordingly, the Company has prepared financial statements which comply with Ind-AS applicable for periods ending on March 31, 2017, together with the comparative period data as at and for the year ended March 31, 2016, as described in the summary of significant accounting policies. In preparing these financial statements, the Company's opening balance sheet was prepared as at April 1, 2015, the Company's date of transition to Ind-AS. This note explains the principal adjustments made by the Company in restating its Indian GAAP financial statements, including the balance sheet as at April 1, 2015 and the financial statements as at and for the year ended March 31, 2016.

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2 Exemptions and exceptions availed

Set out below are the applicable Ind-AS 101 optional exemptions and mandatory exceptions applied in the transition from Indian GAAP to Ind- AS.

A Ind-AS optional exemptions

I Deemed Cost

- The Company has elected to regard the carrying value of Property, Plant & Equipment (PPE) and intangible assets as per Indian GAAP as its deemed cost at the date of the transition to Ind-AS. This exemption is also used for intangible assets covered by Ind-AS 38.

II Leases

The Company has applied the transitional provision in Appendix C of Ind-AS 17 determining whether an arrangement contains a Lease and has assessed all arrangements based upon the conditions in place as at the date of transition.

III Fair value measurement of financial assets and liabilities

Under Indian GAAP, the financial assets and liabilities were being carried at the transaction value.

First-time adopters may apply Ind-AS 109 to day one gain or loss provisions prospectively to transactions occurring on or after the date of transition to Ind-AS. Therefore, unless a first-time adopter elects to apply Ind-AS 109 retrospectively to day one gain or loss transaction, transactions that occurred prior to the date of transition to Ind-AS do not need to be retrospectively restated.

IV Embedded Derivatives

The Company has evaluated all its agreements on the basis of conditions that existed at the later of the date it first became a party to the contract and the date of reassessment.

V Business combinations

The Company has used the exemption under Ind-AS 101 at the date of transition to Ind-AS i.e., carrying amounts of assets and liabilities, that are required to be recognized under Ind-AS, is their deemed cost at the date of acquisition. After the date of acquisition, measurement is in accordance with the respective Ind-AS. The Company recognises all assets and liabilities assumed in a past business combination.

VI Share Based Payment Transactions

The Company has availed exemption under Ind-AS 101 in respect of Share-based payments that had been vested before the transition date. The Company has elected to avail this exemption and accordingly, vested options have been measured at intrinsic value.

B Ind-AS mandatory exemptions

Estimates

a) The Company's estimates in accordance with Ind-AS at the date of transition to Ind-AS are consistent with estimates made for the same date in accordance with Indian GAAP (after adjustments to reflect any difference in accounting policies) apart from the following items where application of Indian GAAP did not require estimation:

- Impairment of finanical assets based on expected credit loss model

The estimates used by the Company to present these amounts in accordance with Ind-AS reflect conditions as at the transition date and as of March 31, 2016.

b) Ind-AS 101 treats the information received after the date of transition to Ind-AS as non-adjusting events. The entity shall not reflect that new information in its opening Ind-AS Balance Sheet (unless the estimates need adjustment for any differences in accounting policies or there is objective evidence that the estimates were in error).

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The presentation requirements under Indian GAAP differs from Ind-AS, and hence, Indian GAAP information has been regrouped for ease of reconciliation with Ind-AS. The Regrouped Indian GAAP information is derived from the financial statements of the Company prepared in accordance with Indian GAAP.

I. Reconciliation of equity as at April 1, 2015 (date of transition to Ind-AS)

(₹ in Lacs)

Particulars	Footnotes	Regrouped Indian GAAP	Ind-AS Adjustments	Ind-AS
Assets				
Non-current assets				
Property, plant and equipment		17,871.52	-	17,871.52
Capital work in progress		322.33	-	322.33
Investment properties		29.04	-	29.04
Intangible assets		136.43	-	136.43
Financial assets				
Investments		50,217.59	-	50,217.59
Loans	6	461.69	(3.12)	458.57
Other financial assets		32.44	-	32.44
Other non-current assets	6	745.28	2.94	748.22
		69,816.32	**(0.18)**	**69,816.14**
Current assets				
Inventories		4,484.11	-	4,484.11
Financial assets				
Investments	11	10,904.20	(29.16)	10,875.05
Trade receivables		10,716.94	-	10,716.94
Cash and cash equivalents		3,959.58	-	3,959.58
Other Bank Balances		2.43	-	2.43
Other financial assets		845.39	-	845.39
Other current assets		1,249.40	-	1,249.40
Total assets		**1,01,978.37**	**(29.33)**	**1,01,949.04**
Equity and liabilities				
Equity				
Equity share capital		7,339.38	-	7,339.38
Other equity		66,526.69	511.39	67,038.08
Total equity		**73,866.07**	**511.39**	**74,377.46**
Non-current liabilities				
Deferred tax liabilities	10	586.77	496.53	1,083.30
Other non-current liabilities	7	5.67	(5.67)	-
Current liabilities				
Financial liabilities				-
Borrowings		9,844.65	-	9,844.65
Trade payables		9,846.23	-	9,846.23
Other financial liabilities	1	4,455.57	20.09	4,475.66
Provisions	2	1,410.83	(1,060.01)	350.82
Other current liabilities	5	1,210.85	8.34	1,219.19
Income tax liabilities (net)		751.73	-	751.73
Total liabilities		**28,112.30**	**(540.72)**	**27,571.58**
Total equity and liabilities		**1,01,978.37**	**(29.33)**	**1,01,949.04**

Consolidated Notes to Financial Statements

For the year ended March 31, 2017

II. Reconciliation of equity as at March 31, 2016

(₹ in Lacs)

Particulars	Footnotes	Regrouped Indian GAAP	Ind-AS Adjustments	Ind-AS
Assets				
Non-current assets				
Property, plant and equipment		17,825.29	-	17,825.29
Capital work in progress		153.77	-	153.77
Investment properties		326.73	-	326.73
Intangible assets		6,840.15	-	6,840.15
Intangible assets under development		104.12	-	104.12
Financial assets				
Investments		57,861.32	-	57,861.33
Loans	6	423.31	(5.19)	418.12
Other financial assets		37.73	-	37.73
Income tax assets (net)		87.09	-	87.09
Other non-current assets	6	165.56	4.87	170.43
		83,825.07	**(0.32)**	**83,824.76**
Current assets				
Inventories		4,821.09	-	4,821.09
Financial assets				
Investments	11	21,321.43	(3.34)	21,318.09
Trade receivables		11,767.28	-	11,767.28
Cash and cash equivalents		4,469.09	-	4,469.09
Other Bank balances		3.03	-	3.03
Other financial assets		327.77	-	327.77
Other current assets		1,810.43	-	1,810.43
Total assets		**1,28,345.19**	**(3.66)**	**1,28,341.54**
Equity and liabilities				
Equity				
Equity share capital		7,339.38	-	7,339.38
Other equity		83,521.35	209.27	83,730.62
Total equity		**90,860.73**	**209.28**	**91,070.00**
Non-current liabilities				
Deferred tax liabilities	10	815.50	813.40	1,628.90
Other non-current liabilities	7	9.45	(9.45)	-
Current liabilities				
Financial liabilities				
Borrowings		17,274.42	-	17,274.42
Trade payables		9,303.08	-	9,303.08
Other financial liabilities	1	6,197.24	20.34	6,217.58
Provisions	2	1,506.01	(1,060.01)	446.00
Income tax liabilities (net)		432.66	-	432.66
Other current liabilities	5	1,946.10	22.80	1,968.90
Total liabilities		**37,484.46**	**(212.93)**	**37,271.54**
Total equity and liabilities		**1,28,345.19**	**(3.66)**	**1,28,341.54**

Consolidated Notes to Financial Statements

For the year ended March 31, 2017

Reconciliation of Total Comprehensive Income for the year ended March 31, 2016

(₹ in Lacs)

Particulars	Footnotes	Indian GAAP	Ind-AS Adjustments (Remeasurement and Reclassification)	Ind-AS
Income				
Revenue from operations	4, 5, 8	91,852.86	(81.29)	91,771.57
Other income	1, 5, 6, 9, 11	6,074.63	32.47	6,107.10
Total Income (I)		**97,927.49**	**(48.82)**	**97,878.67**
Cost of raw material and components consumed		34,646.40	-	34,646.40
(Increase)/ decrease in inventories of finished goods, work-in-progress and traded goods		(1.34)	-	(1.34)
Employee benefits expense	3	9,749.15	(194.76)	9,554.39
Depreciation and amortization expense		2191.41	-	2,191.41
Finance costs		1,133.23	-	1,133.23
Other expenses	1, 4, 6, 7, 8, 9,	21,475.49	(63.56)	21,411.93
Total expense (II)		**69,194.34**	**(258.32)**	**68,936.02**
Profit before exceptional items and tax from continuing operations (I-II)		**28,733.15**	**209.50**	**28,942.65**
Exceptional items		-	-	-
Profit/(loss) before exceptional items and tax from continuing operations (III)		**28,733.15**	**209.50**	**28,942.65**
(1) Current tax		8,266.76	-	8,266.76
(2) Adjustment of tax relating to earlier periods		(609.26)	-	(609.26)
(3) Deferred tax charge/ (credit)	10	228.73	390.57	619.30
Total tax expense (IV)		**7886.23**	**390.57**	**8276.80**
Profit from continuing operations after tax (V= III-IV)		**20,846.92**	**(181.07)**	**20,665.85**
Profit/(loss) from discontinued operations		(4,270.00)	-	(4,270.00)
Tax expense of discontinued operations		(1,477.76)	-	(1,477.76)
Profit/(loss) from discontinued operations (after tax) (VI)		**(2,792.24)**	**-**	**(2,792.24)**
Profit /(loss) for the year (VII=V+VI)		**18,054.68**	**(181.07)**	**17,873.61**
Other comprehensive Income				
Remeasurement of the defined benefit plans	3	-	(194.75)	(194.75)
Income tax relating to items that will not be reclassified to profit and loss	3	-	73.70	73.70
Other comprehensive income for the year, net of tax (VIII)		**-**	**(121.05)**	**(121.05)**
Total comprehensive income for the year, net of tax (VII+VIII)		**18,054.68**	**(302.12)**	**17,752.56**

Consolidated Notes to Financial Statements

For the year ended March 31, 2017

Footnotes to the reconciliation of equity as at April 1, 2015 and March 31, 2016 and profit and loss for the year ended March 31, 2016

1. **Derivative instruments**

   The fair value of forward foreign exchange contracts is recognised under Ind-AS, and was not recognised under Indian GAAP. On the date of transition, impact of ₹ (-)20.09 lacs in opening retained earnings as at April 1, 2015 and ₹ (-)20.34 lacs on retained earnings as at March 31, 2016.

2. **Proposed dividend and tax thereon**

   Under Indian GAAP, dividends proposed by the board of directors after the balance sheet date but before the approval of the financial statements were considered as adjusting events. Accordingly, provision for proposed dividend was recognised as a liability. Under Ind-AS, such dividends are recognised when the same is approved by the shareholders in the general meeting. Accordingly, the liability for proposed dividend of ₹ 1,060.01 lacs as at March 31, 2016 (April 1, 2015 – ₹ 1,060.01 lacs) included under provisions has been reversed with corresponding adjustment to retained earnings. Consequently, the total equity increased by an equivalent amount.

3. **Remeasurements of post-employment benefit obligations**

   Both under Indian GAAP and Ind-AS, the Company recognised costs related to its post-employment defined benefit plan on an actuarial basis. Under Indian GAAP, the entire cost, including actuarial gains and losses, are charged to profit and loss. Under Ind-AS, remeasurements [comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets excluding amounts included in net interest on the net defined benefit liability] are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI. Thus the employee benefit cost is reduced by ₹ 194.75 lacs with a tax impact of ₹ 73.70 lacs and remeasurement gains/ losses on defined benefit plans has been recognized in the OCI net of tax.

4. **Agent commission Paid**

   Under Indian GAAP, service charges paid on advertisement revenue is deducted from revenue. As per Ind-AS, the same has to be shown under other expenses. Hence service charges amounting to ₹ 247.86 lacs has been reclassified as an expense for the year ended March 31, 2016.

5. **Extended credit given**

   As per Ind-AS if there is a significant lag between when the good or services are provided and the consideration is received the time value of money should also be taken into account. That is, deferred payments might indicate that there is both a sale and a financing transaction. If there is a financing element it is necessary to discount the consideration to present value in order to arrive at fair value. On the date of transition, impact of ₹ (-) 8.34 lacs in opening retained earnings as at April 1, 2015 and ₹ (-)22.80 lacs on retained earnings as at March 31, 2016.

6. **Fair value of security deposit**

   Under Indian GAAP all the security deposits given to the lessor are recorded at transaction value. Ind-AS 109 requires financial assets which are classified as amotised cost to be initially measured at fair value and subsequently at amortized cost using the effective interest method (EIR).

7. **Straight lining of lease escalation**

   Indian GAAP mandate straight lining of lease escalation in case of non cancellable leases. Ind-AS 17 does not mandate straight-lining of lease escalation, if they are in line with the expected general inflation compensating the lessor for expected inflationary cost. On the date of transition, impact of ₹ 5.67 lacs in opening retained earnings as at April 1, 2015 and ₹ 9.45 lacs on retained earnings as at March 31, 2016.

8. **Circulation revenue - Gift cost reclass**

   As per Ind-AS, the gift cost is grouped under deduction from revenue and hence is netted off from circulation revenue. In Indian GAAP the gift cost was accounted for as advertisement and sales promotion expenses. This has resulted in

Consolidated Notes to Financial Statements

For the year ended March 31, 2017

decrease in circulation revenue for year March 31, 2016 by ₹ (-) 267.87 lacs and also reduction in advertisement and sales promotion expenses by the same amount.

9. Cash discount received

As per Ind-AS 1, cash discount received on before time payments were netted off from respective expenses resulting in decrease in expenses by ₹ 9.40 lacs and correspondingly decrease in other income for financial year ended March 31, 2016.

10. Deferred tax

Indian GAAP requires deferred tax accounting using the income statement approach, which focuses on differences between taxable profits and accounting profits for the period. Ind-AS 12 requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. The application of Ind-AS 12 approach has resulted in recognition of deferred tax on new temporary differences which was not required under Indian GAAP.

In addition, the various transitional adjustments lead to temporary differences. According to the accounting policies, the Company has to account for such differences. Deferred tax adjustments are recognised in correlation to the underlying transaction either in retained earnings or a separate component of equity. On the date of transition, the net impact on deferred tax liabilities is of ₹ 496.53 lacs (March 31, 2016: ₹ 813.40 lacs).

11. Fair valuation of equity investments

Under the Indian GAAP, investments in equity instruments were classified as long-term investments or current investments based on the intended holding period and realisability. Long-term investments were carried at cost less provision for other than temporary decline in the value of such investments. Current investments were carried at lower of cost and fair value. Under Ind-AS, these investments are required to be measured at fair value. On the date of transition, impact of ₹ (-) 29.16 lacs in opening retained earnings as at April 1, 2015 and ₹ (-) 3.34 lacs on retained earnings as at March 31, 2016.

12. Statement of cash flows

The transition from Indian GAAP to Ind-AS has not had a material impact on the statement of cash flows.

13. Other comprehensive income

Under Indian GAAP, the Company has not presented other comprehensive income (OCI) separately. Hence, it has reconciled Indian GAAP profit to profit as per Ind-AS. Further, Indian GAAP profit is reconciled to total comprehensive income as per Ind-AS.

As per our report of even date

For **S. R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/ E300005

For and on behalf of the Board of Directors of Hindustan Media Ventures Limited

per **Vishal Sharma**
Partner
Membership No. 096766

Tridib Barat
Company Secretary

Ratul Bhaduri
Chief Financial Officer

Vivek Khanna
Chief Executive Officer

Shamit Bhartia
Managing Director
(DIN: 00020623)

Shobhana Bhartia
Chairperson
(DIN: 00020648)

Place: New Delhi
Date: May 18, 2017

ANNEXURE A

FORM AOC-1- SALIENT FEATURES OF FINANCIAL STATEMENTS OF ASSOCIATE AS PER COMPANIES ACT, 2013

Statement Pursuant to first proviso to sub-section (3) of section 129 of the Companies Act, 2013 related to Associate Companies

Name of the Associate	HT Digital Streams Limited
Relationship with the Parent Company (Hindustan Media Ventures limited)	**Associate**
1. Latest audited Balance Sheet Date	March 31, 2017
2. Date on which the Associate was associated	December 31, 2016
3. Shares of Associate held at the year end	
A) Equity shares	
Number (In Lacs)	85.88
Amount of Investment in Associates (₹ Lacs)	7,450.00
Extend of Holding%	42.83%
B) Preference shares	
Number (In Lacs)	-
Amount of Investment in Associates (₹ Lacs)	-
Extend of Holding%	0.00%
4. Networth attributable to Shareholding as per latest audited Balance Sheet (₹ Lacs)	6,988.86
5. Profit/(Loss) for the year attributable to shareholding	
i. Considered in Consolidated Statement of Profit & Loss (₹ Lacs)	(408.02)
ii. Not Considered in Consolidated Statement of Profit & Loss (₹ Lacs)	(65.03)
6. Description of how there is significant influence	Note A
7. Reason why the associate is not consolidated	Not Applicable

Note A - Due to percentage (%) of Share Capital

For and on behalf of the Board of Directors of Hindustan Media Ventures Limited

Tridib Barat
Company Secretary

Ratul Bhaduri
Chief Financial Officer

Vivek Khanna
Chief Executive Officer

Shamit Bhartia
Managing Director
(DIN: 00020623)

Shobhana Bhartia
Chairperson
(DIN: 00020648)

Place: New Delhi
Date: May 18, 2017

Notes

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