



**HINDUSTAN MEDIA VENTURES LIMITED**

**ANNUAL REPORT 2009-10**

# **HINDUSTAN MEDIA VENTURES LIMITED**

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## **BOARD OF DIRECTORS**

MRS. SHOBHANA BHARTIA, *Chairperson*  
MR. AJAY RELAN  
MR. ASHWANI WINDLASS  
MR. SHARDUL S. SHROFF  
MR. RAJIV VERMA  
MR. BENYOY ROYCHOWDHURY, *Whole-time Director*

## **COMPANY SECRETARY**

MR. TRIDIB BARAT

## **AUDITORS**

S.R. BATLIBOI & Co., Chartered Accountants  
GURGAON

## **REGISTRAR & SHARE TRANSFER AGENT**

KARVY COMPUTERSHARE PRIVATE LIMITED  
PLOT NO. 17 - 24, VITHALRAO NAGAR, MADHAPUR  
HYDERABAD - 500 086  
Tel: +91 40 2342 0815 - 20      Fax: +91 40 2342 0814  
E-mail: [einward.ris@karvy.com](mailto:einward.ris@karvy.com)

## **REGISTERED OFFICE**

BUDH MARG, PATNA - 800 001  
Tel: +91 612 222 3434      Fax: +91 612 222 1545

## **CORPORATE OFFICE**

HINDUSTAN TIMES HOUSE, 2<sup>ND</sup> FLOOR  
18-20, KASTURBA GANDHI MARG  
NEW DELHI - 110 001  
Tel: +91 11 2370 4600      Fax: +91 11 6656 1445

Website: [www.hmvf.in](http://www.hmvf.in)

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# HINDUSTAN MEDIA VENTURES LIMITED

## DIRECTORS' REPORT

To  
The Shareholders,

Your Directors are pleased to present their Report, together with the Audited Statement of Accounts for the financial year ended on 31<sup>st</sup> March 2010.

### FINANCIAL RESULTS

Your Company's performance during the financial year ended on 31<sup>st</sup> March 2010, is summarized below:

	<b>2009-10 (Rs.)</b>	<b>2008-09 (Rs.)</b>
Total Income	1,66,96,39,612	17,78,14,052
<b>Profit before Depreciation/Amortization, Interest, Exceptional Items and Tax (EBITDA)</b>	<b>29,29,66,079</b>	<b>55,41,334</b>
Less: Depreciation	2,50,85,051	39,31,501
<b>Profit before Exceptional Items and Tax</b>	<b>23,04,43,043</b>	<b>15,30,859</b>
Less: Exceptional Items	Nil	Nil
<b>Profit before Tax</b>	<b>23,04,43,043</b>	<b>15,30,859</b>
Less: Provision for Taxation	4,55,10,069	6,50,945
Add: Deferred Tax Assets/(Liabilities)	(3,09,15,479)	(97,421)
<b>Profit after Tax but before prior period item</b>	<b>15,40,17,495</b>	<b>7,82,493</b>
Less: Prior period Item - Gratuity Expenses	65,47,618	-
Net profit for the year	14,74,69,877	7,82,493
Add: Profit brought forward from previous year	65,87,479	58,04,986
<b>Balance carried to Balance Sheet</b>	<b>15,40,57,356</b>	<b>65,87,479</b>

### ACQUISITION OF HINDI BUSINESS

During the year under review, your Company acquired the Hindi business undertaking of the holding company viz., HT Media Limited (HTML), w.e.f. 1<sup>st</sup> December, 2009, on a going concern basis by way of a slump sale. The Hindi business undertaking acquired by the Company comprises of 'Hindustan' including 'Ravivasriya Hindustan', Hindi daily newspaper; 'Nandan' & 'Kadambini', Hindi magazines; and internet portals of respective publications, including all assets, liabilities and employees, as the case may be pertaining to Hindi business situated in premises located in the states of Bihar, Punjab, Haryana, Jharkhand, Delhi, Rajasthan, Uttar Pradesh & Uttaranchal.

Accordingly, the financial results of your Company for the financial year ended on 31<sup>st</sup> March, 2010 includes results of operations of the Hindi business undertaking acquired by the Company for the four-months period ended on 31<sup>st</sup> March, 2010.

### PROPOSED INITIAL PUBLIC OFFERING (IPO)

As the members are aware, at the Extraordinary General Meeting held on 28<sup>th</sup> February, 2010, a Special Resolution was passed to give effect to an offer, issue and allotment of equity shares of the Company of face value of Rs.10/- each at par or at premium, up to an aggregate amount of Rs. 350 Crore, in one or more tranches, subject to market conditions, in an IPO, through a book building process in accordance with the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009. Accordingly, a Draft Red Herring Prospectus was filed with the Securities and Exchange Board of India on 5<sup>th</sup> March, 2010.

# **HINDUSTAN MEDIA VENTURES LIMITED**

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## **DIVIDEND**

Your Directors do not consider it appropriate to recommend any dividend on Equity Shares for the financial year ended on 31<sup>st</sup> March, 2010.

## **INCREASE AND RE-CLASSIFICATION OF AUTHORIZED SHARE CAPITAL**

During the year under review, the Authorized Share Capital of your Company was increased/ re-classified, as per details given below -

- (1) with effect from 29<sup>th</sup> September, 2009, the Authorized Share Capital was re-classified to 1,50,00,000 (One Crore Fifty Lac) Equity Shares of Rs.10/- each and 20,00,000 (Twenty Lac) Equity Shares of Rs.10/- each with Differential Rights as to voting and/or dividend (Class-B Shares).
- (2) with effect from 5<sup>th</sup> January, 2010, the Authorized Share Capital was increased to Rs.77 Crore divided into 7,50,00,000 (Seven Crore Fifty Lac) Equity Shares of Rs.10/- each and 20,00,000 (Twenty Lac) Equity Shares of Rs. 10/- each with Differential Rights as to voting and/or dividend.
- (3) with effect from 11<sup>th</sup> February, 2010, the Authorized Share Capital was increased to Rs.87 Crore divided into 8,50,00,000 (Eight Crore Fifty Lac) Equity Shares of Rs.10/- each and 20,00,000 (Twenty Lac) Equity Shares of Rs.10/- each with Differential Rights as to voting and/or dividend.
- (4) with effect from 28<sup>th</sup> February, 2010, the Authorized Share Capital was re-classified to Rs.87 Crore divided into 8,70,00,000 (Eight Crore Seventy Lac) Equity Shares of Rs.10/- each only.

## **ISSUE OF FRESH CAPITAL**

During the year under review, the paid-up share capital of your Company was increased, as per following details -

- (1) On 14<sup>th</sup> January, 2010, 6,96,508 and 37,338 Equity Shares of Rs.10/- each were issued and allotted on a preferential basis, to HT Media Limited and Smt. Namrata Bharti (as trustee of HT Group Companies - Employee Stock Option Trust) respectively, at a consideration of Rs.650/- per share (inclusive of a premium of Rs.640/- per share).
- (2) On 21<sup>st</sup> February, 2010, 4,94,08,614 Equity Shares of Rs.10/- each were issued and allotted to the existing shareholders as fully paid Bonus Shares, in the ratio of 6.4 Equity Shares of Rs.10/- each for every 1 Equity Share of Rs.10/- held on the Record Date i.e., 20<sup>th</sup> February, 2010.

## **BORROWINGS AND DEBT SERVICING**

During the year under review, your Company tied up for a working capital facility of Rs.60 Crore and a Term Loan of Rs.135 Crore.

Your Company has met all its obligations towards repayment of principal and interest on the loan(s) availed.

## **DEPOSITS**

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

## **DIRECTORS**

During the year under review, Smt. Shobhana Bharti, Shri Priyavrat Bharti, Shri Rajiv Verma, Shri Benoy Roychowdhury, were appointed as Additional Directors on the Board of Directors w.e.f. 6<sup>th</sup> January, 2010. Subsequently, Shri Ajay Relan, Shri Ashwani Windlass and Shri Shardul S. Shroff were also appointed as Additional Directors (Independent) on the Board of Directors w.e.f. 22<sup>nd</sup> February, 2010.

Further, Shri Benoy Roychowdhury was appointed as a Whole-time Director of the Company w.e.f. 23<sup>rd</sup> February, 2010 which was approved by the shareholders at the Extra-Ordinary General Meeting held on 28<sup>th</sup> February, 2010.

# HINDUSTAN MEDIA VENTURES LIMITED

During the year under review, Shri V.K. Charoria, Shri R.K. Agrawal, Shri S.M. Agarwal and Shri Priyavrat Bhatia tendered their resignation(s) from the Board. The Board places on record its sincere appreciation for the valuable services rendered by Shri V.K. Charoria, Shri R.K. Agrawal, Shri S.M. Agarwal and Shri Priyavrat Bhatia during their tenure as Directors.

In accordance with the provisions of Section 260 of the Companies Act, 1956, the Additional Directors viz. Smt. Shobhana Bhatia, Shri Rajiv Verma, Shri Benoy Roychowdhury, Shri Ajay Relan, Shri Ashwani Windlass and Shri Shardul S. Shroff, hold office till the conclusion of the ensuing Annual General Meeting. The Company has received notice alongwith requisite deposit under Section 257 of the Companies Act, 1956, proposing the candidature of Smt. Shobhana Bhatia, Shri Rajiv Verma, Shri Benoy Roychowdhury, Shri Ajay Relan, Shri Ashwani Windlass and Shri Shardul S. Shroff, for their appointment as Directors liable to retire by rotation.

## **AUDITORS**

The notes to accounts appearing in Schedule 22 of the Annual Financial Statements read with the Auditors Report, are self explanatory and therefore, do not call for any further comments under Section 217(3) of the Companies Act, 1956.

The Statutory Auditors of your Company, M/s. S.R. Batliboi and Co., Chartered Accountants, are due to retire at the ensuing Annual General Meeting; and being eligible, have offered themselves for re-appointment. In terms of the requirements under Section 224(1B) of the Companies Act, 1956, the retiring Auditors have given a certificate regarding their eligibility for re-appointment as Auditors of the Company.

## **STATUTORY INFORMATION**

Information pursuant to Section 217(1)(e) of the Companies Act, 1956 on Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo form part of this report as Annexure - A.

The particulars of employees required under Section 217(2A) of the Companies Act, 1956 and the rules thereunder, are annexed to this Report as Annexure-B.

## **DIRECTOR'S RESPONSIBILITY STATEMENT**

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

- i. in the preparation of the annual accounts for the financial year ended on 31<sup>st</sup> March, 2010, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- ii. such accounting policies have been selected and applied consistently and such judgments and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31<sup>st</sup> March, 2010; and of the profit of the Company for the year ended on 31<sup>st</sup> March, 2010;
- iii. proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- iv. the Annual Accounts have been prepared on a going concern basis.

## **ACKNOWLEDGEMENT**

Your Directors place on record their sincere appreciation for the co-operation extended by all stakeholders including Ministry of Information & Broadcasting, Banks, Customers, Suppliers, Employees and Shareholders of the Company.

For and on behalf of the Board

Place: New Delhi  
Date: 26<sup>th</sup> April, 2010

Shobhana Bhatia  
Chairperson

# HINDUSTAN MEDIA VENTURES LIMITED

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*Annexure - A to Directors' Report*

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

## **A. CONSERVATION OF ENERGY:-**

### **(a) Energy conservation measures taken:**

The following energy conservation measures were taken during the year under review—

- Installation of capacitor banks & filters for improvement of power factor.
- Automation of DG sets to work on load sharing to reduce diesel consumption.
- Building streetlights are in automation for effective utilization of energy.
- Installation of high efficiency lighting fixtures.

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

- Installation of additional capacitor banks and filters to maintain the power factor on additional load.

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

- The measures were implemented as stretch targets and achieved excellent results.

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

Not applicable

## **B. TECHNOLOGY ABSORPTION:-**

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

Not applicable

## **C. FOREIGN EXCHANGE EARNINGS AND OUTGO:-**

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

Not applicable

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

Foreign exchange used	-	Rs. 17.29 Lac
Foreign exchange earned	-	Rs. 0.03 Lac



# HINDUSTAN MEDIA VENTURES LIMITED

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## AUDITORS' REPORT

To  
The Members of Hindustan Media Ventures Limited

1. We have audited the attached Balance Sheet of Hindustan Media Ventures Limited ('the Company') as at March 31, 2010 and also the Profit and Loss account and the Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 (as amended) issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to above, we report that:
  - i. we have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - ii. in our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
  - iii. the Balance Sheet, Profit and Loss account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
  - iv. in our opinion, the Balance Sheet, Profit and Loss account and Cash Flow Statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956.
  - v. on the basis of the written representations received from the Directors, as on March 31, 2010, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on March 31, 2010 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
  - vi. in our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India;
    - a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2010;
    - b) in the case of the Profit and Loss account, of the profit for the year ended on that date; and
    - c) in the case of Cash Flow Statement, of the cash flows for the year ended on that date.

For S.R. Batliboi & Co.  
Firm Registration No. 301003E  
Chartered Accountants

per Manoj Gupta  
Partner  
Membership No. 83906  
Place: Gurgaon  
Date: April 26, 2010

# HINDUSTAN MEDIA VENTURES LIMITED

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## ***Annexure referred to in paragraph 3 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.  
  
(b) All the fixed assets have not been physically verified by the management during the year but there is a regular program of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. As informed, no material discrepancies were noticed on such verification.  
  
(c) There was no substantial disposal of fixed assets during the year.
- (ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year.  
  
(b) The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.  
  
(c) The Company is maintaining proper records of inventory and no material discrepancies were noticed on physical verification.
- (iii) (a) As informed, the Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. Accordingly, paragraphs 4 (iii) (b), (c) and (d) of the Companies (Auditor's Report) Order, 2003 (as amended) (herein referred to as the Order), are not applicable to the Company.  
  
(b) As informed, the Company has not taken any loan, secured or unsecured from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. Accordingly, paragraphs 4 (iii) (f) and (g) of the Order, are not applicable to the company.
- (iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business, for the purchase of inventory and fixed assets and for the sale of goods and services. During the course of our audit, no major weakness has been noticed in the internal control system in respect of these areas. During the course of our audit, we have not observed any continuing failure to correct major weakness in internal control system of the company.
- (v) According to the information and explanations provided by the management, we are of the opinion that there are no transactions that need to be entered into the Register maintained under section 301 of the Companies Act, 1956, therefore paragraph 4 (v) (b) of the Order is not applicable to the company.
- (vi) The Company has not accepted any deposits from the public.
- (vii) In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (viii) To the best of our knowledge and as explained, the Central Government has not prescribed maintenance of cost records under clause (d) of sub-section (1) of section 209 of the Companies Act, 1956 for the products of the Company.
- (ix) (a) Undisputed statutory dues including provident fund, investor education and protection fund, or employees' state insurance, income-tax, sales-tax, wealth-tax, service tax, customs duty, cess 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.

Further, since the Central Government has till date not prescribed the amount of cess payable under section 441 A of the Companies Act, 1956, we are not in a position to comment upon the regularity or otherwise of the company in depositing the same.



## HINDUSTAN MEDIA VENTURES LIMITED

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- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, investor education and protection fund, employees' state insurance, income-tax, wealth-tax, service tax, sales-tax, customs duty, excise duty, cess and other undisputed statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
- (c) According to the information and explanations given to us, there are no dues of income tax, sales-tax, wealth tax, service tax, customs duty, excise duty and cess which have not been deposited on account of any dispute.
- (x) The Company has no accumulated losses at the end of the financial year and it has not incurred cash losses in the current and immediately preceding financial year.
- (xi) Based on our audit procedures and as per the information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of dues to a financial institution, bank or debenture holders.
- (xii) According to the information and explanations given to us and based on the documents and records produced to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) In our opinion, the Company is not a chit fund or a nidhi / mutual benefit fund / society. Therefore, the provisions of clause 4(xiii) of the Order, are not applicable to the Company.
- (xiv) In our opinion, the Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Order, are not applicable to the Company.
- (xv) According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from bank or financial institutions.
- (xvi) Based on information and explanations given to us by the management, term loans were applied for the purpose for which the loans were obtained.
- (xvii) According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we report that no funds raised on short-term basis have been used for long-term investment.
- (xviii) The Company has not made any preferential allotment of shares to parties or companies covered in the register maintained under section 301 of the Companies Act, 1956.
- (xix) The Company did not have any outstanding debentures during the year.
- (xx) The Company has not raised any money through a public issue during the year.
- (xxi) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.

**For S.R. Batliboi & Co.**  
**Firm Registration No. 301003E**  
Chartered Accountants

**per Manoj Gupta**  
Partner  
Membership No. 83906

Place: Gurgaon  
Date: April 26, 2010

# HINDUSTAN MEDIA VENTURES LIMITED

## BALANCE SHEET AS AT MARCH 31, 2010

(Rs. in lacs)

	Schedule	As at March 31, 2010	As at March 31, 2009
<b>SOURCES OF FUNDS</b>			
<b>Shareholders' Funds</b>			
Share Capital	1	5,712.87	698.63
Reserves and Surplus	2	1,824.96	356.60
		<b>7,537.83</b>	<b>1,055.23</b>
<b>Loan Funds</b>			
Secured loans	3	13,500.00	-
<b>Deferred Tax Liabilities (Net)</b>	4	<b>277.58</b>	<b>2.14</b>
<b>Total</b>		<b>21,315.41</b>	<b>1,057.37</b>
<b>APPLICATION OF FUNDS</b>			
<b>Fixed Assets</b>			
Gross block	5	14,840.13	1,294.20
Less : Accumulated Depreciation/Amortisation		748.33	534.69
Net block		14,091.80	759.51
Capital Work-In-Progress including Capital Advances and expenditure during construction period		1,493.22	-
		<b>15,585.02</b>	<b>759.51</b>
<b>Investments</b>			
	6	3,124.65	-
<b>Current Assets, Loans and Advances</b>			
Inventories	7	1,643.73	103.50
Sundry Debtors	8	7,145.38	241.32
Cash and Bank balances	9	2,713.10	64.14
Other Current Assets	10	1.72	0.77
Loans and advances	11	2,591.65	131.24
		<b>14,095.58</b>	<b>540.97</b>
<b>Less: Current Liabilities and Provisions</b>			
Current Liabilities	12	11,460.08	192.89
Provisions	13	248.73	50.22
		<b>11,708.81</b>	<b>243.11</b>
<b>Net Current Assets</b>		<b>2,386.77</b>	<b>297.86</b>
<b>Miscellaneous Expenditure</b> (to the extent not written off or adjusted)	14	<b>218.97</b>	<b>-</b>
<b>Total</b>		<b>21,315.41</b>	<b>1,057.37</b>
<b>Notes to Accounts</b>	22		

The Schedules referred to above and Notes to Accounts form an integral part of the Balance Sheet.

As per our report of even date attached

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

**For S.R.Batliboi & Co.**  
**Firm Registration No. 301003E**  
Chartered Accountants

**Shobhana Bhartia**  
Chairperson

**per Manoj Gupta**  
Partner

**Tridib Kumar Barat**  
Company Secretary

**Anup Sharma**  
Chief Financial Officer

**Benoy Roychowdhury**  
Whole-time Director

Membership No. 83906

Place: Gurgaon  
Date: April 26, 2010

# HINDUSTAN MEDIA VENTURES LIMITED

## PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2010

(Rs. in lacs)

	Schedule	For the year ended March 31, 2010	For the year ended March 31, 2009
<b>INCOME</b>			
Turnover	15	16,231.21	1,762.68
Other Income	16	465.19	15.46
		<b>16,696.40</b>	<b>1,778.14</b>
<b>EXPENDITURE</b>			
Raw Materials Consumed	17	6,422.76	274.02
Personnel Expenses	18	2,327.53	671.51
Operating and Other Expenses	19	4,970.53	777.12
(Increase)/Decrease in Inventories	20	45.92	0.08
		<b>13,766.74</b>	<b>1,722.73</b>
<b>Profit before Depreciation/Amortisation, Interest and Tax (EBITDA)</b>		<b>2,929.66</b>	<b>55.41</b>
Depreciation/Amortisation charge (Refer Note 2(c) of Schedule 22)		250.85	39.31
Financial Expenses	21	374.38	0.79
<b>Profit before tax</b>		<b>2,304.43</b>	<b>15.31</b>
Current Income Tax [Including Income tax of earlier years Rs. 4.72 lacs (Previous year Rs. 2.97 lacs)]		(455.10)	(3.00)
Deferred Tax (Charge) (Refer Note 14 of Schedule 22)		(309.15)	(0.97)
Fringe Benefit Tax		-	(3.51)
Total tax (expense)		(764.25)	(7.48)
<b>Net Profit after Tax but before prior period item</b>		<b>1,540.18</b>	<b>7.83</b>
Prior Period Items-Gratuity Expenses [Net of Deferred Tax of Rs. 33.71 lacs (Previous year Rs. Nil) - Refer Note 15 of Schedule 22]		65.48	-
<b>Net Profit for the year</b>		<b>1,474.70</b>	<b>7.83</b>
<b>Credit Balance brought forward from previous year</b>		<b>65.87</b>	<b>58.04</b>
<b>Amount available for appropriation</b>		<b>1,540.57</b>	<b>65.87</b>
<b>Surplus carried to Balance Sheet</b>		<b>1,540.57</b>	<b>65.87</b>
<b>Earnings Per Share</b> (Refer Note 13 of Schedule 22)			
Basic in Rs.[Nominal value of shares Rs. 10/- (Previous year Rs. 10/-)]		2.61	0.12
Diluted in Rs.[Nominal value of shares Rs. 10/- (Previous year Rs. 10/-)]		2.61	0.12
<b>Notes to Accounts</b>	22		

The Schedules referred to above and Notes to Accounts form an integral part of the Profit and Loss Account.

As per our report of even date attached

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

**For S.R.Batlilbol & Co.**  
Firm Registration No. 301003E  
Chartered Accountants

**Shobhana Bhartia**  
Chairperson

**per Manoj Gupta**  
Partner

**Tridib Kumar Barat**  
Company Secretary

**Anup Sharma**  
Chief Financial Officer

**Benoy Roychowdhury**  
Whole-time Director

Membership No. 83906

Place: Gurgaon  
Date: April 26, 2010

# HINDUSTAN MEDIA VENTURES LIMITED

## CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2010

(Rs. in lacs)

	For the year ended March 31, 2010	For the year ended March 31, 2009
<b>A. Cash flows from operating activities</b>		
Net Profit before taxation	2,304.43	15.31
Adjustments for:		
Depreciation/Amortisation	250.85	39.31
Loss on sale of fixed assets (net)	37.92	(0.81)
Unclaimed balances/unspent liabilities/provision for doubtful debts no longer required written back (net)	(224.37)	-
Interest income	(3.69)	(9.63)
Interest expense	254.03	-
Prior period expenses [Gross of deferred tax of Rs. 33.71 lacs Previous Year - Rs. Nil]	(99.19)	-
Dividend Income	(24.65)	-
Provision for doubtful debts	107.45	-
<b>Operating profit before working capital changes</b>	<b>2,602.78</b>	<b>44.18</b>
Movements in working capital :*		
(Increase) in sundry debtors	(193.86)	(144.59)
Decrease in inventories	529.85	66.39
(Increase)/Decrease in loans and advances	(2,256.51)	2.29
Increase in current liabilities and provisions	3,994.02	49.94
Cash generated from operations	4,676.28	18.21
Direct taxes paid (net of refunds)	(300.50)	16.56
<b>Net cash from operating activities</b>	<b>4,375.78</b>	<b>34.77</b>
<b>B. Cash flows from investing activities</b>		
Purchase of fixed assets*	(2,357.29)	(97.70)
Proceeds from sale of fixed assets	15.18	2.39
Purchase of investments	(3,147.65)	-
Proceeds from sale of investments	23.00	-
Dividend received	24.65	-
Interest received	2.74	9.63
Deposits (with maturity more than three months)	(2.26)	(1.51)
<b>Net cash (used) in investing activities</b>	<b>(5,441.63)</b>	<b>(87.19)</b>
<b>C. Cash flows from financing activities</b>		
Proceeds from issuance of share capital	4,770.00	-
Share issue expenses	(218.97)	-
Acquisition of Hindi Division of HT Media Limited (net of cash acquired of Rs 154.71 lacs)**	(14,163.56)	-
Proceeds from long-term borrowings	13,500.00	-
Interest paid	(174.92)	-
<b>Net cash from financing activities</b>	<b>3,712.55</b>	<b>-</b>
<b>Net Increase/(Decrease) in cash and cash equivalents (A + B + C)</b>	<b>2,646.70</b>	<b>(52.42)</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>38.78</b>	<b>91.20</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>2,685.48</b>	<b>38.78</b>
<b>Components of cash and cash equivalents</b>		
Cash and cheques on hand	1,622.99	7.49
With Scheduled banks - on current accounts	1,062.49	31.29
With Scheduled banks - on deposit account	27.62	25.36
<b>Cash &amp; Bank balances as per Schedule 9</b>	<b>2,713.10</b>	<b>64.14</b>
Less : Deposits not considered as cash equivalent ***	27.62	25.36
<b>Cash &amp; Cash equivalents in Cash Flow Statement</b>	<b>2,685.48</b>	<b>38.78</b>

## HINDUSTAN MEDIA VENTURES LIMITED

\* Current year figures are after excluding net fixed assets and net working capital acquired on acquisition of Hindi Division from HT Media Ltd. (Refer Note 3 of Schedule 22).

\*\* The purchase consideration discharged by means of cash and cash equivalents amounts to Rs. 14,163.56 lacs (net of cash acquired of Rs. 154.71 lacs).

\*\*\* Includes deposits pledged with bank amounting to Rs. 13.50 lacs (Previous year Rs. 12.50 lacs).

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

As per our report of even date attached

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

**For S.R.Batliboi & Co.**  
**Firm Registration No. 301003E**  
Chartered Accountants

**Shobhana Bhartia**  
*Chairperson*

**per Manoj Gupta**  
*Partner*

**Tridib Kumar Barat**  
*Company Secretary*

**Anup Sharma**  
*Chief Financial Officer*

**Benoy Roychowdhury**  
*Whole-time Director*

Membership No. 83906

Place: Gurgaon  
Date: April 26, 2010

# HINDUSTAN MEDIA VENTURES LIMITED

## SCHEDULES TO THE ACCOUNTS

(Rs. in lacs)

	As at March 31, 2010	As at March 31, 2009
<b>SCHEDULE 1 : SHARE CAPITAL</b>		
<b>Authorised</b>		
87,000,000 equity shares of Rs.10/- each (Previous year 17,000,000 equity shares of Rs.10/- each) (Refer Note 17 of Schedule 22)	8,700.00	1,700.00
	<b>8,700.00</b>	<b>1,700.00</b>
<b>Issued, Subscribed and Paid up</b>		
57,128,710 equity shares of Rs.10/- each (Previous year 6,986,250 equity shares of Rs.10/- each) fully paid (Refer Note 17 of Schedule 22)	5,712.87	698.63
	<b>5,712.87</b>	<b>698.63</b>
Of the above :		
i) 56,472,485 equity shares of Rs.10/- each (Previous year 6,934,909 equity shares of Rs.10/- each) are held by HT Media Limited, the holding company.		
ii) 49,408,614 (Previous year Nil) equity shares of Rs.10/- each were issued and allotted to all existing shareholders of the Company as fully paid-up Bonus Shares, in the ratio of 6.4:1, on February 21, 2010, by capitalizing a sum of Rs. 4,940.86 lacs (Previous year Rs. Nil) from Securities Premium Account.		
<b>SCHEDULE 2 : RESERVES AND SURPLUS</b>		
<b>Securities Premium Account</b>		
As per last Balance Sheet	258.27	258.27
Add : Received during the year on account of fresh issue of equity shares	4,696.61	-
Less: Bonus Shares issued during the year	4,940.86	-
	<b>14.02</b>	<b>258.27</b>
<b>Capital Reserve</b>		
As per last Balance Sheet	0.09	0.09
Add : On account of purchase of Hindi Business (Refer Note 3 of Schedule 22)	237.91	-
	<b>238.00</b>	<b>0.09</b>
<b>General Reserve</b>	<b>31.87</b>	<b>31.87</b>
<b>Capital Redemption Reserve</b>	<b>0.50</b>	<b>0.50</b>
<b>Profit and Loss Account balance</b>	<b>1,540.57</b>	<b>65.87</b>
	<b>1,824.96</b>	<b>356.60</b>

# HINDUSTAN MEDIA VENTURES LIMITED

(Rs. in lacs)

	As at March 31, 2010	As at March 31, 2009
<b>SCHEDULE 3 : SECURED LOANS</b>		
<b>Rupee Term Loan from Yes Bank</b>	13,500.00	-
Secured by way of first pari passu charge on all movable assets and fixed assets of the Company except land and building (Repayable within a year Rs. 1,687.50 lacs, Previous year Rs. Nil)		
	<b>13,500.00</b>	-
<b>SCHEDULE 4 : DEFERRED TAX LIABILITIES (NET)</b>		
<b>Deferred Tax Liabilities</b>		
Differences in depreciation in block of fixed assets as per tax books and financial books	382.90	25.59
<b>Gross Deferred Tax Liabilities</b>	382.90	25.59
<b>Deferred Tax Assets</b>		
Difference in Voluntary Retirement Scheme expenses	1.17	7.09
Carry forward of unabsorbed depreciation	-	1.91
Effect of expenditure debited to Profit and Loss Account in the current year/earlier years but allowable for tax purposes in following years	68.46	14.45
Provision for doubtful debts and advances	35.69	-
<b>Gross Deferred Tax Assets</b>	105.32	23.45
<b>Net Deferred Tax Liabilities *</b>	<b>277.58</b>	2.14

\* Refer Note 14 of Schedule 22



## HINDUSTAN MEDIA VENTURES LIMITED

### SCHEDULES TO THE ACCOUNTS SCHEDULE 5 : FIXED ASSETS

(Rs. in lacs)

Particulars	Gross Block			Depreciation/Amortisation			Net Block	
	At 01.04.09	Additions	Addition due to purchase of Hindl Business*	Deductions/ (Adjustments)	At 31.03.2010	At 01.04.09	For the year (Adjustments)	At 31.03.2010
<b>Tangible Assets</b>								
Land - Freehold	304.38	-	-	-	304.38	-	-	304.38
Land - Leasehold	35.70	-	316.96	-	352.66	-	5.12	347.54
Buildings	452.61	1,266.62	1,176.27	-	2,895.50	155.74	(37.08)	2,776.84
Improvement to Leasehold Premises	-	71.16	728.21	-	799.37	-	25.23	774.14
Plant & Machinery	388.18	2,545.73	7,327.50	90.31	10,171.10	288.03	37.21	9,859.69
Furniture & Fittings	109.93	10.38	9.98	-	130.29	87.58	-	58.77
Vehicles	3.40	-	1.16	-	4.56	3.34	0.13	1.09
<b>Total</b>	<b>1,294.20</b>	<b>3,893.89</b>	<b>9,580.08</b>	<b>90.31</b>	<b>14,657.86</b>	<b>534.69</b>	<b>37.21</b>	<b>13,920.45</b>
<b>Intangible Assets</b>								
Software Licenses	-	79.67	102.60	-	182.27	-	10.92	171.35
<b>Total</b>	<b>-</b>	<b>79.67</b>	<b>102.60</b>	<b>-</b>	<b>182.27</b>	<b>-</b>	<b>10.92</b>	<b>171.35</b>
<b>Grand Total</b>	<b>1,294.20</b>	<b>3,973.56</b>	<b>9,682.68</b>	<b>90.31</b>	<b>14,840.13</b>	<b>534.69</b>	<b>37.21</b>	<b>14,091.80</b>
<b>Previous Year</b>	<b>1,166.75</b>	<b>133.70</b>	<b>-</b>	<b>6.25</b>	<b>1,294.20</b>	<b>500.05</b>	<b>4.67</b>	<b>759.51</b>
<b>Capital Work In Progress</b>	<b>-</b>	<b>1,094.15</b>	<b>2,769.18</b>	<b>3,496.20</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>357.13</b>
<b>Capital Advances</b>	<b>-</b>	<b>-</b>	<b>340.30</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,136.09</b>
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>								<b>15,585.02</b>
<b>Total</b>								<b>759.51</b>

\* Refer Note 3 of Schedule 22

Notes: 1. Vehicle of the cost of Rs. 1.30 lacs (Previous year Rs. Nil) is pending for registration in the name of the Company.

2. Capital work in progress (CWIP) added due to the purchase of Hindl Business includes Rs. 228.82 lacs (Previous year Rs. Nil) against expenditure during construction period pending allocation for tangible assets (Refer Note 11 of Schedule 22).

3. Capital work in progress includes Rs. 4.62 lacs (Previous Year Rs. Nil) of expenditure during construction period pending allocation for tangible assets incurred during the current year. (Refer Note 11 of Schedule 22).

# HINDUSTAN MEDIA VENTURES LIMITED

## SCHEDULES TO THE ACCOUNTS

(Rs. in lacs)

	As at March 31, 2010	As at March 31, 200
<b>SCHEDULE 6: INVESTMENTS</b>		
<b>Investments in Mutual Funds</b>		
<b>Current</b>		
Other than Trade Investments (At lower of cost or market value) (Unquoted)		
<b>Units in Mutual Funds</b>		
Reliance Money Manager Fund - Institutional -Daily Dividend Plan 110,814.67 (Previous year Nil) Units of Rs.1000/- each, fully paid	1,109.63	-
HDFC High Interest Fund - Short Term Plan - Growth 10,864,369.21 (Previous year Nil ) Units of Rs.10/- each, fully paid	2,000.00	-
HDFC Cash Management-Treasury Advantage Plan-Wholesale Fund Daily Dividend Reinvestment Option 149,726.06 (Previous year Nil ) Units of Rs.10/- each, fully paid	15.02	-
	<b>3,124.65</b>	<b>-</b>

The following investments were purchased and sold during the year:

	No. of Units	Cost (Rs. in lacs)
<b>Current Year</b>		
Reliance Money Manager Fund - Institutional -Daily Dividend Plan Face value Rs.1,000/- each	179,796	1,800.00
HDFC Cash Management-Treasury Advantage Plan-Wholesale Fund Daily Dividend Reinvestment Option- Face value Rs.10/- each	4,984,299	2,000.00
<b>Previous Year</b>	Nil	Nil

(Rs. in lacs)

	As at March 31, 2010	As at March 31, 200
<b>SCHEDULE 7 : INVENTORIES</b>		
Raw materials [Includes stock in transit of Rs. 230.43 lacs (Previous year Rs. 4.47 lacs)]	1,255.93	26.88
Stores and spares	363.56	76.41
Work-in-progress	7.31	0.21
Scrap and waste papers	16.93	-
	<b>1,643.73</b>	<b>103.50</b>

# HINDUSTAN MEDIA VENTURES LIMITED

## SCHEDULES TO THE ACCOUNTS

(Rs. in lacs)

	As at March 31, 2010	As at March 31, 2009
<b>SCHEDULE 8 : SUNDRY DEBTORS</b>		
<b>Debts outstanding for a period exceeding six months</b>		
Secured, considered good	0.07	-
Unsecured, considered good	1,054.19	0.07
Unsecured, considered doubtful	309.30	-
<b>Other debts</b>		
Secured, considered good	803.00	-
Unsecured, considered good	5,288.12	241.25
Unsecured, considered doubtful	5.11	-
	7,459.79	241.32
Less : Provision for doubtful debts	314.41	-
	<b>7,145.38</b>	<b>241.32</b>
Included in debtors are:		
i) Due from Company under same management within the meaning of Section - 370 (1B) of the Companies Act, 1956:		
– HT Media Limited [Maximum amount outstanding during the year - Rs. 710.76 lacs (Previous year Rs. 225.93 lacs)]	289.69	225.93
– HT Music and Entertainment Company Limited [Maximum amount outstanding during the year - Rs. 0.41 lacs (Previous year Rs. Nil)]	0.40	-
– Firefly e-Ventures Limited [Maximum amount outstanding during the year - Rs. 27.16 lacs (Previous year Rs. Nil)]	27.16	-
– HT Burda Media Limited [Maximum amount outstanding during the year - Rs. 0.97 lacs (Previous year Rs. Nil)]	0.95	-
ii) Due from an officer/director of the Company [Maximum amount outstanding during the year - Rs. Nil (Previous year Rs. Nil)]	-	-
<b>SCHEDULE 9 : CASH AND BANK BALANCES</b>		
Cash on hand	101.18	7.49
Cheques in hand	1,521.81	-
Balances with scheduled banks:		
On current accounts	1,062.49	31.29
On deposit accounts *	27.62	25.36
	<b>2,713.10</b>	<b>64.14</b>
* Includes fixed deposit receipts pledged with bank amounting to Rs. 13.50 lacs (Previous year Rs. 12.50 lacs)		
<b>SCHEDULE 10 : OTHER CURRENT ASSETS</b>		
Interest accrued on deposits	0.19	0.77
Income accrued on Investments	1.53	-
	<b>1.72</b>	<b>0.77</b>

# HINDUSTAN MEDIA VENTURES LIMITED

## SCHEDULES TO THE ACCOUNTS

(Rs. in lacs)

	As at March 31, 2010	As at March 31, 2009
<b>SCHEDULE 11 : LOANS AND ADVANCES</b>		
Unsecured, considered good		
Advance recoverable in cash or kind or for value to be received	461.00	21.98
Deposits – others	204.09	30.02
Advance payment of income tax/ tax deducted at source (net of provision for tax)	-	79.24
Others *	1,926.56	-
	<b>2,591.65</b>	<b>131.24</b>
Included in Loans and Advances are:		
i) Due from an officer of the company	-	-
Maximum amount outstanding during the year - Rs. Nil (Previous year Rs. Nil)		
ii) Due as loans/advances from companies under the same management within the meaning of Section 370 (1B) of the Companies Act, 1956:	-	-
– HT Media Limited	1,926.56	-
Maximum amount due as loans/advances from such companies at any time during the year		
– HT Media Limited	2,528.73	-
* Amount recoverable from HT Media Limited towards the debtors collected by HT Media Limited on behalf of Hindustan Media Ventures Limited.		
<b>SCHEDULE 12 : CURRENT LIABILITIES</b>		
Sundry creditors		
i) Total outstanding dues of Micro and Small Enterprises (Refer Note 9 of Schedule 22 )	17.51	-
ii) Total outstanding dues of creditors other than Micro and Small Enterprises	8,991.95	191.20
Customers and Agents balances	354.60	1.69
Advances from Customers	350.51	-
Sundry deposits	1,521.63	-
Interest accrued but not due on loans	79.11	-
Other Liabilities	144.77	-
	<b>11,460.08</b>	<b>192.89</b>
Included in Sundry creditors are:		
a) Due to Holding Company included in (ii) above	3,779.98	-
b) Amount payable to Investor Education and Protection Fund	-	-
<b>SCHEDULE 13 : PROVISIONS</b>		
For staff benefit schemes	184.79	46.76
For taxation (net of advance tax)	63.94	-
Fringe Benefit Tax	-	3.46
	<b>248.73</b>	<b>50.22</b>

# HINDUSTAN MEDIA VENTURES LIMITED

## SCHEDULES TO THE ACCOUNTS

(Rs. in lacs)

	As at March 31, 2010	As at March 31, 2009
<b>SCHEDULE 14 : MISCELLANEOUS EXPENDITURE</b> (To the extent not written-off or adjusted)		
Share Issue Expenses		
As per last Balance Sheet	-	-
Add : Incurred during the year (Refer Note 10.5 of Schedule 22)	218.97	-
	218.97	-
Less: Adjusted during the year	-	-
	<b>218.97</b>	-

(Rs. in lacs)

	For the year ended March 31, 2010	For the year ended March 31, 2010
<b>SCHEDULE 15 : TURNOVER</b>		
Advertisement Revenue	10,421.67	-
Sale of News and Publications	3,904.53	-
Job Work Revenue	1,622.17	1,708.83
Sale of scrap and waste papers	282.84	53.85
	<b>16,231.21</b>	<b>1,762.68</b>
<b>SCHEDULE 16 : OTHER INCOME</b>		
Commission received [Gross : Including tax deducted at source of Rs. 3.28 lacs (Previous year Rs. Nil)]	116.11	-
Interest (Gross) on:		
– Bank deposits [Gross, tax deducted at source Rs. 0.12 lacs, (Previous year Rs. 0.24 lacs)]	2.16	2.29
– Investments (Current - other than trade)	1.53	-
– Others	-	7.34
Dividend income (From current investments - other than trade)	24.65	-
Unclaimed balances/unspent liabilities/provision for doubtful debts no longer required written back (net)	224.37	-
Miscellaneous income	96.37	5.83
	<b>465.19</b>	<b>15.46</b>
<b>SCHEDULE 17 : RAW MATERIALS CONSUMED *</b>		
Inventories as at the beginning of the year	26.88	33.54
Purchases during the year **	7,685.95	267.36
Less: Sale of damaged newsprint	34.14	-
	7,678.69	300.90
Less: Inventories as at the end of the year	1,255.93	26.88
	<b>6,422.76</b>	<b>274.02</b>
* Refer Note 11 of Schedule 22 for Expenditure during construction period		
** Received Rs 1,715.30 lacs (Previous year Rs. Nil) from Holding Company as a part of purchase of Hindi Business		

# HINDUSTAN MEDIA VENTURES LIMITED

## SCHEDULES TO THE ACCOUNTS

(Rs. in lacs)

	For the year ended March 31, 2010	For the year ended March 31, 2010
<b>SCHEDULE 18 : PERSONNEL EXPENSES</b>		
Salaries, wages and bonus	2,104.74	590.81
Provision for gratuity	13.46	11.16
Contribution to provident and other funds	116.40	51.49
Workmen and staff welfare expenses	92.93	18.05
	<b>2,327.53</b>	<b>671.51</b>
<b>SCHEDULE 19 : OPERATING AND OTHER EXPENSES *</b>		
Consumption of stores and spares	748.54	381.72
Printing and service charges	1,009.62	22.16
News services and despatches	338.88	-
Power and fuel	306.57	138.32
Advertising and sales promotion	760.57	-
Freight and forwarding charges (net)	217.35	6.18
Service charges on advertisement revenue	89.19	-
Rent	214.97	5.07
Rates and taxes	6.47	1.53
Insurance	18.77	0.57
Repairs and maintenance:		
- Plant and Machinery	110.50	34.75
- Buildings	23.46	14.63
- Others	2.58	1.50
Travelling and conveyance	202.78	25.52
Communication costs	120.81	12.01
Legal and professional fees	171.93	4.58
Directors' sitting fees	0.63	0.03
Auditor's remuneration (Refer Note 10.4 of Schedule 22)	14.89	0.55
Provision for doubtful debts	107.45	-
Loss on sale of fixed assets (net)	37.92	-
Programming cost	0.38	-
Miscellaneous expenses	466.27	128.00
	<b>4,970.53</b>	<b>777.12</b>
* Refer note 11 of Schedule 22 for Expenditure during construction period		
<b>SCHEDULE 20 : (INCREASE)/DECREASE IN INVENTORIES</b>		
Inventories as at the end of the year		
- Work-in-progress	7.31	0.21
- Scrap and waste papers	16.93	-
	<b>24.24</b>	<b>0.21</b>
Inventories as at the beginning of the year *		
- Work-in-progress	5.91	0.29
- Scrap and waste papers	64.25	-
	<b>70.16</b>	<b>0.29</b>
	<b>45.92</b>	<b>0.08</b>
* Acquired from holding company Rs. 5.70 lacs Work-in-progress (Previous year Rs. Nil) and Rs. 64.25 lacs Scrap and waste papers (Previous year Rs. Nil) due to purchase of Hindi Business		
<b>SCHEDULE 21 : FINANCIAL EXPENSES</b>		
Interest		
- on term loans	232.43	-
- to banks and others	21.60	-
Bank charges	120.35	0.79
	<b>374.38</b>	<b>0.79</b>

# HINDUSTAN MEDIA VENTURES LIMITED

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## SCHEDULES TO THE ACCOUNTS

### SCHEDULE 22: NOTES TO ACCOUNTS

#### 1. Nature of operations

Hindustan Media Ventures Limited ("HMTVL or the Company") is a 98.85% subsidiary of HT Media Limited ("Parent Company"). Till November 30, 2009, it was engaged in the business of printing of newspapers on behalf of its parent company.

With effect from December 1, 2009, the Company has purchased the "Hindi Business Undertaking" comprising of 'Hindustan', the Hindi Daily, 'Nandan and Kadambani', Hindi magazines on a slump sale basis from its parent company.

#### 2. Basis of preparation

##### (a) Statement of significant accounting policies

The financial statements are prepared to comply in all material aspects with Indian Accounting Standards as notified by the Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared under the historical cost convention on accrual basis (except in case of assets for which provision for impairment is made & revaluation is carried out). The accounting policies have been consistently applied by the Company and except for the changes in accounting policies as discussed more fully below, are consistent with those used in the previous year.

##### (b) Use of estimate

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting year end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

##### (c) Changes in accounting policies

With effect from April 1, 2009, the Company has changed (with retrospective effect) its method of providing depreciation on fixed assets from the Written Down Value ("WDV") method at the rates prescribed in Schedule XIV to the Companies Act, 1956 to the Straight Line Method (SLM) at the rates prescribed in Schedule XIV to the Companies Act, 1956. This change is made to align the depreciation policy with the parent company and will result in a more appropriate representation of net book value of these assets and will give a systematic basis of depreciation charge more representative of the time pattern in which the economic benefits will be derived from the use of such assets. Total impact of such change is Rs.197.60 lacs which is credited in the depreciation expense.

Had the Company continued to use the earlier basis of providing depreciation, the depreciation charge to the Profit and Loss Account after taxation for the current year would have been higher by Rs.4.66 lacs and the net block of fixed assets would correspondingly have been lower by Rs.4.66 lacs. The net surplus of Rs.3.11 lacs (after adjusting deferred tax of Rs. 1.55 lacs) arising out of retrospective recomputation has been recognised in these financial statements.

##### (d) Fixed Assets

Fixed Assets are stated at cost less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price and any directly attributable cost of bringing the asset to its working condition for its intended use.

Values of fixed assets acquired from the holding company during the year have been allocated based on fair valuation carried out during the year by an independent expert.



## HINDUSTAN MEDIA VENTURES LIMITED

Borrowing costs relating to acquisition of Fixed Assets which takes substantial period of time to get ready are also included to the extent they relate to the period till such assets are ready for their intended use.

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

### **(e) Depreciation**

Leasehold Land is amortised over the primary period of lease which is between 65 - 90 years.

Leasehold Improvements are amortized over the useful life of upto 10 years or unexpired period of lease (whichever is lower) on a straight line basis.

In respect of fixed assets acquired from the parent company, depreciation is provided as per the useful lives of the assets estimated by the independent valuer as mentioned below which are greater than or equal to the corresponding rates prescribed in Schedule XIV of the Companies Act, 1956.

	SLM Rates	Schedule XIV Rates (SLM)
Plant and Machinery	5% to 47.50%	4.75%
Buildings (Factory)	3.34% to 5.94%	3.34%
Furniture and Fittings	6.33% to 47.50%	6.33%
IT Equipments	16.21% to 47.50%	16.21%
Office Equipment	4.75% to 47.50%	4.75%
Vehicles	23.75%	9.50%

Assets costing below Rs.5,000 each are fully depreciated in the year of acquisition.

Depreciation on other assets (except for those assets acquired from the holding company) are provided on Straight Line Method at the rates computed based on estimated useful life of the assets, which are equal to the corresponding rates prescribed in Schedule XIV to the Companies Act, 1956.

### **(f) Intangibles**

#### *Software Licenses*

Values of individual software license acquired from holding company during the year have been allocated based on a fair valuation carried out during the year by an independent expert.

Cost relating to software licenses which are purchased is capitalized and amortized on a straight line basis over their estimated useful lives of five years or six years, as the case may be.

Software licenses costing below Rs.5,000 each are fully amortised in the year of acquisition.

### **(g) Expenditure on new projects and substantial expansion**

Expenditure directly relating to construction activity is capitalized. Indirect expenditure incurred during construction period is capitalized as part of the indirect construction cost to the extent to which the expenditure is indirectly related to construction or is incidental thereto. Other indirect expenditure (including borrowing costs) incurred during the construction period, which is not related to the construction activity nor is incidental thereto is charged to the Profit & Loss Account. Income earned during construction period is adjusted against the total of the indirect expenditure.

All direct capital expenditure incurred on expansion is capitalized. As regards indirect expenditure on expansion, only that portion is capitalized which represents the marginal increase in such expenditure

# HINDUSTAN MEDIA VENTURES LIMITED

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involved as a result of capital expansion. Both direct and indirect expenditure are capitalized only if they increase the value of the asset beyond its originally assessed standard of performance.

## **(h) Leases (Where the Company is the lessee)**

Finance leases, which effectively transfer to the Company substantially all the risks and benefits incidental to ownership of the leased item, are capitalized at the lower of the fair value and present value of the minimum lease payments at the inception of the lease term and disclosed as leased assets. Lease payments are apportioned between the finance charges and reduction of the lease liability based on the implicit rate of return. Finance charges are charged directly against income. Lease management fees, legal charges and other initial direct costs are capitalised.

If there is no reasonable certainty that the Company will obtain the ownership by the end of the lease term, capitalized leased assets are depreciated over the shorter of the estimated useful life of the asset or the lease term.

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

## **(i) Investments**

Investments that are readily realisable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long-term investments. Current investments are carried at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognise a decline other than temporary in the value of the investments.

## **(j) 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	Lower of cost and net realizable value. Cost represents direct materials cost.
Scrap and Waste papers	At net realizable value.

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

## **(k) Revenue recognition**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Specifically, the following basis is adopted:

### ***Advertisements***

Revenue is recognized as and when advertisement is published / displayed and is disclosed net of discounts.

### ***Sale of News & Publications, Waste Paper and Scrap***

Revenue is recognized when the significant risks and rewards of ownership have passed on to the buyer and is disclosed net of sales return and discounts.

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## *Printing Job Work*

Revenue from printing job work is recognized on the completion of job work as per terms of the agreement.

## *Interest*

Interest is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable

## *Commission Income*

Commission Income from sourcing of advertisement orders on behalf of other entities' publications is accrued on printing of the advertisement in the publications.

## *Dividend Income*

Revenue is recognised when the shareholders' right to receive payment is established by the balance sheet date.

## **(l) Foreign currency transactions**

### *Initial recognition*

Foreign currency transactions are recorded in the reporting currency by applying to the foreign currency amount, the exchange rate between the reporting currency and the foreign currency prevailing at the date of the transaction.

### *Conversion*

Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction and non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

### *Exchange differences*

Exchange differences arising on the settlement of monetary items or on reporting such monetary items of company 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.

## **(m) Retirement and other employee benefits**

- i. Retirement benefits in the form of Provident Fund and Pension Schemes are defined contribution schemes and the contributions are charged to the Profit and Loss Account of the year when the contributions to the respective funds are due. There are no other obligations other than the contribution payable to the respective funds.
- ii. Gratuity is a defined benefit plan and provision in respect of the same is made as per actuarial valuation carried out as per projected unit credit method by an independent actuary as at the year end.
- iii. Provision for leave encashment arising on long term benefits is accrued and made on the basis of an actuarial valuation carried out as per projected unit credit method by an independent actuary at the year end. Short term compensated absences are provided for based on estimates.
- iv. Actuarial gains/losses are immediately taken to Profit and Loss account and are not deferred.

## **(n) Impairment**

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of

## HINDUSTAN MEDIA VENTURES LIMITED

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impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amounts of an asset exceed its recoverable amount. The recoverable amount is the greater of the assets net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital.

### (o) Provisions

A provision is recognized when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on best estimate required to settle the obligation at each Balance Sheet date. These are reviewed at each Balance Sheet date and are adjusted to reflect the current best estimates. Provision for expenditure relating to voluntary retirement is made when the employee accepts the offer of early retirement and such provision amount is charged to Profit and Loss Account in the year of provision.

### (p) Income Tax

Tax expense of the Company comprises fringe benefit, current and deferred taxes. Fringe benefit and current income tax are measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India. Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. 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 tax assets and deferred tax liabilities relate to the taxes on income levied by same governing taxation laws. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits.

At each balance sheet date the Company re-assesses unrecognised deferred tax assets. It recognises unrecognised deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be that sufficient future taxable income will be available against which such deferred tax assets can be realised.

The carrying amount of deferred tax assets are reviewed at each balance sheet date. The Company writes-down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realised. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

MAT credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. In the year in which the Minimum Alternative tax (MAT) credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in Guidance Note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the profit and loss account and shown as MAT Credit Entitlement. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal Income Tax during the specified period.

### (q) Earnings Per Share

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

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

## **(r) Employee Stock Compensation cost**

Measurement and disclosure of the employee share-based payment plans is done in accordance with SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and the Guidance Note on Accounting for Employee Share-based Payments, issued by The Institute of Chartered Accountants of India. The Company measures compensation cost relating to employee stock options using the intrinsic value method. Compensation expense is amortized over the vesting period of the option on a straight line basis.

## **(s) Cash and Cash equivalents**

Cash and Cash equivalents for the purposes of cash flow statement comprise cash in hand and at bank, cheques-in-hand and short-term investments with an original maturity of three months or less.

Cash flows are reported using indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating, financing and investing activities of the Company are segregated.

## **(t) 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 capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

3. Pursuant to Business Purchase Agreement dated November 16, 2009, executed with HT Media Limited (the Parent Company), the Company has with effect from December 1, 2009 purchased the Hindi Business undertaking comprising of "Hindustan" (Hindi news daily), "Nandan" & "Kadambini" (Hindi magazines) and its related facilities (the Hindi Business) from the Parent Company, on slump sale and going concern basis for a lump sum consideration of Rs.14,318.27 lacs comprising net fixed assets of Rs.12,534.26 lacs and net working capital of Rs.1,784.01 lacs. The acquisition cost of the individual fixed assets has been recognised based on the valuation carried out by an independent expert. Accordingly a capital reserve of Rs. 237.91 lacs has been recognised, being difference between the aggregate value of assets as per valuation report and consideration towards the fixed assets paid by the Company.

## **4. Segment information**

The Company is engaged in the business of Printing and Publication of Newspapers and Periodicals. The entire operations are governed by the same set of risk and returns, hence, the same has been considered as representing a single primary segment. The said treatment is in accordance with the guiding principles enunciated in Accounting Standard - 17 on Segment Reporting.

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, hence, it has been considered as operating in a single geographical segment.

## **5. Gratuity (Post Employment Benefit plan)**

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of services gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. For the employees of erstwhile HMVL, the scheme is funded with LIC in the form of a Group Gratuity policy, to which contributions is made based on actuarial valuation done by independent valuer and for the employees transferred to HMVL on account of business purchase, the parent company has formed a gratuity trust to which contributions were made.

## HINDUSTAN MEDIA VENTURES LIMITED

Following table summarizes the components of net benefit expenses recognized in the Profit and Loss Account and the Funded status and amount recognized in the Balance Sheet for respective plans:

### Amount recognized in Profit and Loss Account

Net employee benefit expense (recognised in Employee Cost)

(Rs. in lacs)

	For the year ended March 31, 2010	For the year ended March 31, 2009
Current service cost	43.65	10.76
Interest cost on benefit obligation	11.09	10.64
Expected return on plan assets	(4.30)	(4.85)
Past Service Cost	-	-
Net actuarial (gain) / loss recognized in the year	184.73	3.48
Net Benefit Expense	235.17*	20.03

\* Includes liability assumed on acquisition of Hindi Business where related expense has already been recognized by the transferor Company (HT Media Limited)

### Amount recognized in Balance Sheet

(Rs. in lacs)

	As at March 31, 2010	As at March 31, 2009
Present value of defined benefit obligations	371.38	142.17
Fair value of plan assets	294.88	42.98
Total Surplus/ (Deficit)	(76.50)	(99.19)*
Net (liability)/Asset recognized in Balance Sheet	(76.50)	(99.19)

\*Recognized in the current year as prior period item

### Changes in the present value of obligation

(Rs. in lacs)

	For the year ended March 31, 2010	For the year ended March 31, 2009
Present value of obligation as at the beginning of the year	142.18	141.85
Current Service cost	43.65	10.76
Interest cost	11.09	10.64
Actuarial loss /(gains) on obligation	190.66	3.15
Benefits paid	(16.20)	(24.22)
Present value of obligation as at the end of the year	371.38	142.18

## HINDUSTAN MEDIA VENTURES LIMITED

### Changes in the fair value of plan assets

(Rs. in lacs)

	For the year ended March 31, 2010	For the year ended March 31, 2009
Fair value of plan assets as at the beginning of the year	42.98	53.05
Expected return on plan assets	4.30	4.85
Contributions by employer (including transferred from parent company on account of Hindi Business Purchase in the current year)	257.86	9.63
Benefits paid	(16.20)	(24.22)
Actuarial gain/ (losses) on plan assets	5.94	(0.33)
Fair value of plan assets as at end of the year	294.88	42.98

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

	For the year ended March 31, 2010	For the year ended March 31, 2009
Fund managed by Insurer	15.6%	100%
Investment in Unit Linked Plan	84.4%	-

The overall expected rate of return on assets is determined based on the market prices prevailing on that date, applicable to the year over which the obligation is to be settled. There has been significant change in expected rate of return on assets due to the improved stock market scenario.

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

	For the year ended March 31, 2010	For the year ended March 31, 2009
Discount rate	7.8%	7.50%
Expected rate of return on plan assets	10%	9.15%
Future Salary Increase	4%	5.%
Employee turnover		
– upto 30 years	3%	3%
– from 31 to 44 years	2%	2%
– above 44 years	1%	1%
Retirement Age (in years)	58	58

The estimates of future salary increases, considered in actuarial valuation, takes account of inflation, seniority, promotion and other relevant factors on long term basis. The Company expects to contribute Rs. 49.63 lacs to gratuity fund in the year 2010-11.



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## Disclosure of the amount required by paragraph 120(n) of AS-15

Amounts for current and previous year are as follows:

(Rs. in lacs)

	For the year ended March 31, 2010	For the year ended March 31, 2009
Defined Benefit Obligation	371.38	142.17
Plan Assets	294.88	42.98
Surplus / (Deficit)	(76.50)	(99.19)
Experience Adjustment on Plan Liabilities- Gain/(Loss)	(219.40)	3.15
Experience Adjustment on Plan Assets- Gain/(Loss)	6.31	0.33

(Rs. in lacs)

Define Contribution Plan:	For the year ended March 31, 2010	For the year ended March 31, 2009
Contribution to Provident Fund: Charged to Profit and Loss Account	106.50	34.43

## 6. Names of Related Parties

Name of related parties where control exists whether transactions have occurred or not	HT Media Limited (Parent Company) The Hindustan Times Limited (Ultimate Parent Company)
Fellow Subsidiaries (whether transactions with them have occurred or not)	HT Music and Entertainment Company Limited Firefly e-Ventures Limited HT Digital Media Holdings Limited HT Burda Media Limited HT Mobile Solutions Limited Shradhanjali Investment & Trading Co. Limited HTL Investment and Trading Company Limited HT Interactive Media Properties Limited Go4i.com (Mauritius) Limited Go4i.com (India) Private Limited HT Films Limited White Tide Amusement Limited HT Education Limited (formerly Live Newscast Limited) HT Learning Centres Limited
Group companies where common control exists (whether transactions with them have occurred or not)	Paxton Trexim Private Limited TVM Limited Metropolitan Media Company Private Limited Duke Commerce Limited
Key Management Personnel	Shri S.M.Agarwal (Whole-time Director) (from 1.04.2009 to 22.02.2010) Shri Benoy Roychowdhury (Whole-time Director) (from 23.02.2010)

# HINDUSTAN MEDIA VENTURES LIMITED

(Rs. in lacs)

Details of transactions entered with related parties during the year

	Holding Company		Fellow Subsidiary		Fellow Subsidiary		Fellow Subsidiary		Fellow Subsidiary		Key Management Personnel (KMP)		Key Management Personnel (KMP)		Total	
	Mar-10	Mar-09	Mar-10	Mar-09	Mar-10	Mar-09	Mar-10	Mar-09	Mar-10	Mar-09	Mar-10	Mar-09	Mar-10	Mar-09	Mar-10	Mar-09
<b>REVENUE TRANSACTIONS</b>																
Sale of goods																
- Stores Material	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Waste Papers	16.47	-	-	-	-	-	-	-	-	-	-	-	-	-	16.47	-
Purchase of goods																
- Stores Material	8.46	80.80	-	-	-	-	-	-	-	-	-	-	-	-	8.46	80.80
- Waste Papers	10.03	5.73	-	-	-	-	-	-	-	-	-	-	-	-	10.03	5.73
Job Revenue	1,448.45	1,680.58	-	-	-	-	-	-	-	-	-	-	-	-	1,448.45	1,680.58
Printing & Service Charges paid	487.66	-	-	-	-	-	-	-	-	-	-	-	-	-	487.66	-
Royalty Paid	0.38	-	-	-	-	-	-	-	-	-	-	-	-	-	0.38	-
Rent Received	12.00	-	-	-	-	-	-	-	-	-	-	-	-	-	12.00	-
Advertisement Revenue	104.30	-	0.41	-	27.16	-	0.97	-	-	-	-	-	-	-	132.84	-
Receipt for Employees on Deputation	-	324.65	-	-	-	-	-	-	-	-	-	-	-	-	-	324.65
Collection on behalf of the company by parties	6,793.55	-	-	-	-	-	-	-	-	-	-	-	-	-	6,793.55	-
Collection on behalf of the parties by company	1,008.70	-	-	-	-	-	-	-	-	-	-	-	-	-	1,008.70	-
Remuneration paid to Key managerial personnel	-	-	-	-	-	-	-	-	-	-	10.05	6.40	12.64	-	22.69	6.40



**HINDUSTAN MEDIA VENTURES LIMITED**

	Holding Company		Fellow Subsidiary		Fellow Subsidiary		Fellow Subsidiary		Fellow Subsidiary		Key Management Personnel (KMP)		Key Management Personnel (KMP)	
	HT Media Ltd.		HT Music and Entertainment Company Ltd		Firefly e-Ventures Ltd		HT Burda Media Ltd		HT Mobile Solutions Ltd		S M Agarwal		Bency Roychowdhury	
	Mar-10	Mar-09	Mar-10	Mar-09	Mar-10	Mar-09	Mar-10	Mar-09	Mar-10	Mar-09	Mar-10	Mar-09	Mar-10	Mar-09
<b>CAPITAL TRANSACTIONS</b>														
Inventories Given on Loan	49.78	-	-	-	-	-	-	-	-	-	-	-	-	-
Return of Material given on Loan	49.78	-	-	-	-	-	-	-	-	-	-	-	-	-
Material Received on Loan	3,187.84	-	-	-	-	-	-	-	-	-	-	-	3,187.84	-
Purchase/ (Sale) of Fixed Assets by Company (Net)	259.25	-	-	-	-	-	-	-	-	-	-	-	259.25	-
Reimbursement of capital expenses incurred on behalf of parties by Company	-	60.63	-	-	-	-	-	-	-	-	-	-	-	60.63
Share Capital issued (including Share premium)	4,527.30	300.00	-	-	-	-	-	-	-	-	-	-	4,527.30	300.00
<b>BALANCE OUTSTANDING AS ON 31-03-10</b>														
Receivable as Advances / Debtors	2,216.25	225.93	0.40	-	27.16	-	0.95	-	-	-	-	-	2,244.76	225.93
Payable as Creditors and Material on loan	3,779.98	-	-	-	-	-	-	-	0.15	-	-	-	3,780.13	-

# HINDUSTAN MEDIA VENTURES LIMITED

## 7. Leases

Rental expenses in respect of operating leases are recognized as an expense in the Profit and Loss Account, on a straight-line basis over the lease term.

Operating Lease (for assets taken on Lease):

- a) 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.
- b) Lease payments recognized for the year are Rs. 214.97 lacs (Previous year Rs. 5.07 lacs) and are disclosed as Rent under schedule 19.
- c) The future minimum lease payments under non-cancellable operating leases:
  - Not later than one year is Rs. 26.89 lacs (Previous year Rs. Nil);
  - Later than one year but not later than five years is Rs. 116.22 lacs (Previous year Rs. Nil);
  - Later than five years is Rs. 336.90 lacs (Previous year Rs. Nil).

## 8. Contingent Liabilities not provided for

(Rs. in lacs)

	As at March 31, 2010	As at March 31, 2009
Claim against company not acknowledged as debts:		
The Company has filed a petition before the Hon'ble Patna High Court against an initial claim for additional contribution of Rs. 73.37 lacs made by Employees State Insurance Corporation (ESIC) relating to the years 1989-90 to 1999-00. The Company has furnished a bank guarantee amounting to Rs. 12.50 lacs to ESIC and the Hon'ble High Court has stayed the matter.	73.37	73.37
The Company has filed a petition before the Hon'ble Patna High Court against the demand of Rs. 10.07 lacs (including interest) for short payment of ESI dues pertaining to the years from 2001 to 2005. The Hon'ble Patna High Court has stayed the matter.	10.07	-
<b>Total</b>	<b>83.44</b>	<b>73.37</b>

There are few legal cases in relation to labour relations for which amount is not ascertainable at this point of time.

On the basis of current status of individual cases and as per legal opinion taken by the Company, discussions with the solicitors, etc. the Company believes that there is fair chance of decisions in its favour in respect of above cases and hence no provision is considered necessary against the same.

## HINDUSTAN MEDIA VENTURES LIMITED

9. Based on the Information available with the Company, following are the disclosures required under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006)

(Rs. in lacs)

S. No.	Details of dues to Micro and Small Enterprises as per MSMED Act, 2006	As at March 31, 2010	As at March 31, 2009
I	The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of year  Principal Amount Unpaid  Interest Due	  17.51  Nil	  Nil  Nil
II	The amount of interest paid by the buyer in terms of section 16 of the Micro Small and Medium Enterprise Development Act, 2006 along with the amount of the payment made to the supplier beyond the appointed day during the year  Payment made beyond the Appointed Date  Interest Paid beyond the Appointed Date	  Nil  Nil	  Nil  Nil
III	The amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro Small and Medium Enterprise Development Act, 2006.	Nil	Nil
IV	The amount of interest accrued and remaining unpaid at the end of the year	Nil	Nil
V	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 the Micro Small and Medium Enterprise Development Act, 2006	Nil	Nil

## HINDUSTAN MEDIA VENTURES LIMITED

### 10. Additional information pursuant to the provisions of paragraphs 3, 4, 4B, 4C and 4D of Part II of Schedule VI to the Companies Act, 1956

#### 10.1 Directors' remuneration \*

(Rs. in lacs)

Particulars	For the year ended March 31, 2010	For the year ended March 31, 2009
Salaries, Bonus and other allowances	16.40	5.97
Contribution to Provident Fund	1.00	0.43
Perquisites	5.29	-
<b>Total</b>	<b>22.69</b>	<b>6.40</b>

\* As the future liability for gratuity and leave encashment is provided on an actuarial basis for the Company as a whole, the amount pertaining to the directors is not ascertainable and therefore, not included above.

#### 10.2 Earnings in foreign currency

(Rs. in lacs)

	For the year ended March 31, 2010	For the year ended March 31, 2009
Export of newspapers and periodicals at FOB Value	0.03	-
<b>Total</b>	<b>0.03</b>	<b>-</b>

#### 10.3 Expenditure in foreign currency

(Rs. in lacs)

	For the year ended March 31, 2010	For the year ended March 31, 2009
Travelling	0.79	-
Professional Fees	16.50	-
<b>Total</b>	<b>17.29</b>	<b>-</b>

#### 10.4 Auditor's remuneration\*

(Rs. in lacs)

	For the year ended March 31, 2010	For the year ended March 31, 2009
As Auditor		
Audit Fee	10.00	0.45
Tax Audit Fee	3.50	0.08
Taxation Matters	-	0.02
<b>Total</b>	<b>13.50</b>	<b>0.55</b>

\* These figures are exclusive of service tax of Rs. 1.39 lacs (Previous year Rs. 0.06 lacs)

Rs. 115.41 lacs (Previous year Rs. Nil), inclusive of out of pocket expenses and Service Tax of Rs. 17.41 lacs (Previous year Rs. Nil), has been paid to the auditors in respect of their services in Initial Public Offer work and it has been included in Miscellaneous Expenditure (to the extent not written off or adjusted).



## HINDUSTAN MEDIA VENTURES LIMITED

- 10.5** On March 5, 2010, the Company has filed a Draft Red Herring Prospectus (DRHP) with Securities and Exchange Board of India (SEBI) for the proposed Initial Public Offer (IPO) of its equity shares of Rs.10/- each. The Company has incurred certain expenses in relation to said IPO activity which have been accounted for as "Miscellaneous Expenditure (to the extent not written off or adjusted)." These expenses will be charged to the securities premium account proposed to be received from the Initial Public Offer of the equity shares of the Company. Details of expenses accounted for as Miscellaneous Expenditure (to the extent not written off or adjusted) are as below:

(Rs. in lacs)

S. No.	Description	Amount
1	Legal and Professional expenses	55.93
2	Auditors' remuneration	115.41
3	Regulatory fees	41.41
4	Other expenses	6.22
	<b>Total</b>	<b>218.97</b>

**10.6 Licensed Capacity and Installed Capacity**

	As at March 31, 2010	As at March 31, 2009
Installed Capacity (Impression per hour)	649,000	-

- Notes: (i) Licensed capacity is not applicable.  
(ii) Installed capacity is as per technical estimates (excludes press owned by others where the Company's publications are printed).

**10.7 Value of Imports on CIF basis**

(Rs. in lacs)

	As at March 31, 2010	As at March 31, 2009
Raw materials	-	-
Components and Spare Parts	-	-
Capital goods	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

**10.8 Actual Production and Sales**

	Unit	Quantity (in lacs)		Value (Rs. in lacs)	
		For the year ended March 31, 2010	For the year ended March 31, 2009	For the year ended March 31, 2010	For the year ended March 31, 2009
Actual Production	Pages	48,232.94	NA	NA	NA
	Copies	2,130.24	NA	NA	NA
Sales	Copies	2,032.95	NA	3,904.53	NA

Notes: Difference in the quantity tally is on account of unsold, complimentary copies etc.

## HINDUSTAN MEDIA VENTURES LIMITED

### 10.9 Consumption of raw materials

	Quantity (M.T.)		Value (Rs. in lacs)	
	For the year ended March 31, 2010	For the year ended March 31, 2009	For the year ended March 31, 2010	For the year ended March 31, 2009
Newsprint	22,165.12	-	5,825.01	-
Ink	605.25	273.56	597.75	274.02
<b>Total</b>	<b>22,770.37</b>	<b>273.56</b>	<b>6,422.76</b>	<b>274.02</b>

### 10.10 Imported and Indigenous raw materials, stores and spares consumed (excluding consumption included in expenditure during construction year)

Unit	Percentage of total consumption		Value (Rs. in lacs)	
	For the year ended March 31, 2010	For the year ended March 31, 2009	For the year ended March 31, 2010	For the year ended March 31, 2009
i) Raw materials				
- Imported	0.23	-	14.99	-
- Indigenously obtained	99.77	100.00	6,407.77	274.02
<b>Total</b>	<b>100.00</b>	<b>100.00</b>	<b>6,422.76</b>	<b>274.02</b>
ii) Stores and Spares				
- Imported	3.47	-	25.99	-
- Indigenously obtained	96.53	100.00	722.55	381.72
<b>Total</b>	<b>100.00</b>	<b>100.00</b>	<b>748.54</b>	<b>381.72</b>

### 11. Expenditure during construction period

Particulars	As at March 31, 2010 (Rs. in lacs) Tangible	As at March 31, 2010 (Rs. in lacs) Intangible	As at March 31, 2009 (Rs. in lacs) Tangible	As at March 31, 2009 (Rs. in lacs) Intangible
Balance brought forward	-	-	-	-
Add: Acquisition of pre-operative expenditure from holding company pursuant to Business Purchase Agreement dated November 16, 2009	228.82	-	-	-
Add: Incurred during the year - Consumption of Raw materials (Trial Run Expenses)	23.01	-	-	-
Less: Allocated to fixed assets during the year	247.21			
<b>Balance carried forward*</b>	<b>4.62</b>	<b>-</b>	<b>-</b>	<b>-</b>

\* included under capital work in progress in Schedule 5

# HINDUSTAN MEDIA VENTURES LIMITED

## 12. Capital Commitment

(Rs. in lacs)

	As at March 31, 2010	As at March 31, 2009
Estimated amount of contracts remaining to be executed on capital account and not provided for	929.10	-

## 13. Calculation of Earnings Per Share (EPS)

(Rs. in lacs)

	For the year ended March 31, 2010	For the year ended March 31, 2009
Net profit for the year after tax for calculation of basic & diluted EPS	1,474.70	7.83
Weighted average number of equity shares in calculating basic and diluted EPS	56,549,676	6,649,264
Number of Equity Shares at the beginning of the year (outstanding for 365 days)	6,986,250	3,986,250
Number of Equity Shares issued on May 12, 2008 (outstanding for 324 days)	-	2,663,014
Number of Equity Shares issued on January 14, 2010 (outstanding for 77 days)	733,846	-
Number of Bonus Shares issued on Feb 21, 2010 (considered to be outstanding for 365 days)	49,408,614	-
Number of Equity Shares at the end of the year	57,128,710	6,986,250
Weighted average number of equity shares in calculating basic and diluted EPS	56,549,676	6,649,264
Weighted average number of equity shares in calculating basic and diluted restated EPS (on account of bonus shares issued during the year)	-	56,057,878
Basic Earnings/(Loss) per share in Rs.	2.61	0.12
Restated Basic Earnings/(Loss) per share in Rs.	-	0.01
Diluted Earnings/(Loss) per share in Rs.	2.61	0.12
Restated Diluted Earnings/(Loss) per share in Rs. [Nominal Value of shares Rs.10 (Previous year Rs.10)]	-	0.01

14. The Company follows Accounting Standard (AS-22) "Accounting for taxes on Income" as notified by the Companies (Accounting Standards) Rules, 2006 (as amended). Movement of deferred tax is recognized as below.

(Rs. in lacs)

	March 31, 2010	March 31, 2009
Deferred Tax Liability as at the end of year	277.58	2.14
Add: Deferred Tax impact of prior period items	33.71	-
Less: Opening Deferred Tax Liability	2.14	1.17
Deferred Tax Liability recognised in Profit and Loss Account	309.15	0.97

## HINDUSTAN MEDIA VENTURES LIMITED

15. Prior period item represents provision for gratuity liability relating to earlier years to the extent of Rs. 99.19 lacs (Previous year - Rs. Nil) which has been recognised during the current year.

### 16. Share Based Compensation

The Institute of Chartered Accountants of India has issued a Guidance Note on Accounting for 'Employees Share-based Payments', which is applicable to employee share based payment plans. The scheme detailed below is managed and administered, compensation benefits in respect of the scheme is assessed and accounted by the group company, parent company and ultimate parent company and there is no cross charge to the company for obligation towards expenses. Accordingly, the company is of the opinion that there is no further accounting required. However, to have an understanding of the scheme, relevant disclosures are given below.

- i) The group company, Firefly e-Ventures Limited has given Employee Stock Options (ESOPs) to employees of Hindustan Media Ventures Limited (HMVL) under Firefly ESOP 2009 scheme.

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) is fixed as below:

- i. For options granted during the financial year 2009-10 shall be Rs. 10 each per option  
ii. For options granted in any financial year commencing on or after April 1, 2010 shall be the fair market value of one share as on the date of grant or face value of share whichever is higher.

B. Details of stock options granted during the year ended March 31, 2010 are as given below:

Type of arrangement	Date of grant	Options granted (nos.)	Fair market value on the grant date (Rs.)	Vesting conditions	Weighted average remaining contractual life in years
Employee Stock Options - Firefly ESOP 2009	October 16, 2009	23,66,000	4.43	1/4 <sup>th</sup> of the shares vest each year over a period of four years starting from one year after the date of grant.	12.53

## HINDUSTAN MEDIA VENTURES LIMITED

C. Summary of activity under the plan for the year ended March 31, 2010 and March 31, 2009 are given below :

Employee Stock Options	2009-10			2008-09		
	Number of Options	Weighted-average exercise price (Rs.)	Weighted-average remaining contractual life (years)	Number of Options	Weighted-average exercise price (Rs.)	Weighted-average remaining contractual life (years)
Outstanding at the beginning of the year	-	-	-	-	-	-
Granted during the year	23,66,000	10	12.53	-	-	-
Forfeited during the year	-	-	-	-	-	-
Exercised during the year	-	-	-	-	-	-
Expired during the year	-	-	-	-	-	-
Outstanding at the end of the year	23,66,000	10	12.53	-	-	-

Weighted average fair value of the options outstanding is Rs. 4.43 per option. Since no options have been exercised during the period, thus weighted average share price has not been disclosed.

The estimated fair value of each stock option granted on each date was made using the Black-Scholes option pricing model with the following assumptions:

Grant Date	Expected volatility for stock options	Contractual life in years	Dividend yield	Risk-free interest rate	Exercise price of options (Rs.)	Fair Value of options granted (Rs.)
October 16, 2009	0%	7.74	0%	7.62%	10	4.43

Difference between employee compensation cost (calculated using the intrinsic value of stock options) and the employee compensation cost (calculated on the fair value of the options) is Rs. 2.30 lacs (Previous year Rs. Nil). However, these have not been charged back to the Company by the Group company, hence not accounted for by the Company.

- 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. These employees continue to hold the Employee Stock Options (ESOPs) of parent company under HT ESOS - Plan A (Plan A), HT ESOS - Plan B (Plan B) and HT ESOS - Plan C (Plan C) which were granted to them during their employment with the parent company.

## HINDUSTAN MEDIA VENTURES LIMITED

A. Details of these plans are given below:

### Employee Stock Options

A stock option gives an employee, the right to purchase equity shares of HT Media Limited at a fixed price within a specific period of time.

The details of exercise price for stock options outstanding at the end of the year ended March 31, 2010 are as below:

Range of exercise prices	Number of Options outstanding	Weighted average remaining contractual life of Options (in years)	Weighted average exercise price (Rs.)
<b>Plan A</b>			
Rs. 92.30	352,780	9.85	92.30
<b>Plan B</b>			
Rs. 208.15	-	-	-
<b>Plan C</b>			
Rs. 117.55	179,838	11.53	117.55

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.

B. Details of Options existing during the year ended March 31, 2010 are as given below:

Type of arrangement	Date of grant	Options granted (nos.)	Fair market value on the grant date (Rs.)	Vesting conditions	Weighted average remaining contractual life in years
Employee Stock Options - Plan A	January 9, 2006	352,780	50.05	1/4 <sup>th</sup> of the shares vest each year over a period of four years starting from one year after the date of grant	9.85
Employee Stock Options - Plan B	September 25, 2007	108,809	114.92		13.15
Employee Stock Options - Plan C	October 8, 2009	179,838	68.99	50% on the date of grant and 25% vest each year over a period of 2 years starting from the date of grant	11.53

## HINDUSTAN MEDIA VENTURES LIMITED

C. Summary of activity under the plans for the period ended March 31, 2010 are as given below:

### Employee Stock Options \*

#### Plan A

	March 2010		
	Number of options	Weighted-average exercise price (Rs.)	Weighted-average remaining contractual life in years
Outstanding at the beginning of the year	476,790	92.30	9.85
Granted during the year	-	-	-
Forfeited/cancelled during the year	1,24,010	-	-
Exercised during the year	-	-	-
Expired during the year	-	-	-
Outstanding at the end of the year	352,780	92.30	9.85

#### Plan B

	March 2010		
	Number of options	Weighted-average exercise price (Rs.)	Weighted-average remaining contractual life in years
Outstanding at the beginning of the year	108,809	208.15	13.15
Granted during the year	-	-	-
Forfeited/cancelled during the year	108,809	208.15	13.15
Exercised during the year	-	-	-
Expired during the year	-	-	-
Outstanding at the end of the year	-	-	-

#### Plan C

	March 2010		
	Number of options	Weighted-average exercise price (Rs.)	Weighted-average remaining contractual life in years
Outstanding at the beginning of the year	-	-	-
Granted during the year	179,388	117.55	11.53
Forfeited/cancelled during the year	-	-	-
Exercised during the year	-	-	-
Expired during the year	-	-	-
Outstanding at the end of the year	179,388	117.55	11.53

## HINDUSTAN MEDIA VENTURES LIMITED

Weighted average fair value of the options outstanding is

- Plan C - Rs.68.99

Since no option has been exercised during the year, thus weighted average share price has not been disclosed.

The estimated fair value of each stock option granted on each date was made using the Black-Scholes option pricing model with the following assumptions:

	2009-10
Grant Date	October 8, 2009
Expected Volatility	49.97%
Life of the options granted (Vesting and exercise period) in years	6.5 to 7 years
Average risk-free interest rate	7.18 % - 7.28 %
Expected dividend yield	0.27%

Difference between employee compensation cost (calculated using the intrinsic value of stock options) and the employee compensation cost (calculated on the fair value of the options) is Rs. 26.48 lacs. However, these have not been charged back to the Company by the parent company, hence not accounted for by the Company.

- \* Since employee who hold the ESOPs has become the employee of the Company in the current year only hence corresponding figures for previous year has not been given

- III) The Hindustan Times Limited (the ultimate parent company) and HT Media Limited (the parent company) has given loan to "HT Group Companies - Employee Stock Option Trust" which in turn has purchased 37,338 Equity Shares of Rs. 10/- each of the Company for the purpose of granting Options under the 'HT Group Companies -Employee Stock Option Rules (HTESOP), to eligible employees of the group. On these purchased shares, the trust has also received 238,964 shares out of the bonus shares issued by the Company on February 21, 2010.

A. Details of these plans are given below:

### Employee Stock Options

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 current year ended March 31, 2010 are:

Range of exercise prices	Number of Options outstanding	Weighted average remaining contractual life of Options (in years)	Weighted average exercise price (Rs.)
Rs. 1.35 to Rs.60	366,345	11.62	21.56

Options granted are exercisable for a period of 10 years after the scheduled vesting date of last tranche as per the Scheme.



## HINDUSTAN MEDIA VENTURES LIMITED

B. Details of Options existing during the year ended March 31, 2010 are given below:

Type of arrangement	Date of grant	Options granted (nos.)	Fair market value on the grant date (Rs.)	Vesting conditions	Weighted average remaining contractual life in years
Employee Stock Options	September 15, 2007	193,782	16.07	1/4* of the shares vest each year over a period of four years starting from one year after the date of grant	11.47
Employee Stock Options	May 20, 2009	11,936	14.39	1/4* of the shares vest each year over a period of four years starting from one year after the date of grant	13.15
Employee Stock Options	February 4, 2010	150,729	87.01	50% on the date of grant and 25% vest each year over a period of 2 years starting from the date of grant	11.47
Employee Stock Options	March 8, 2010	17,510	56.38	1/4* of the shares vest each year over a period of four years starting from one year after the date of grant	13.95

C. Summary of activity under the plans for the period ended March 31, 2010 are given below:

### Employee Stock Options \*

	2009-10		
	Number of Options	Weighted-average exercise price (Rs.)	Weighted-average remaining contractual life in years
Outstanding at the beginning of the year	193,782	33.92	11.47
Granted during the year	180,175	9.21	12.01
Forfeited/Cancelled during the year	7,612	43.73	0.00
Exercised during the year	-	-	0.00
Expired during the year	-	-	0.00
Outstanding at the end of the year	366,345	21.56	11.62

Weighted average fair value of the options outstanding is Rs. 46.81 per option. Since no options have been exercised during the year, thus weighted average share price has not been disclosed.

## HINDUSTAN MEDIA VENTURES LIMITED

The estimated fair value of each stock option granted on each date was made using the Black-Scholes option pricing model with the following assumptions:

	2009-10	2009-10	2009-10
Grant Date	May 20, 2009	February 4, 2010	March 8, 2010
Expected Volatility	0%	0%	0%
Life of the options granted (Vesting and exercise period) in years	7.5 to 9 years	6.5 to 7.11 years	7.5 to 9 years
Average risk-free interest rate	6.79 % - 7.05 %	7.64 % - 7.76 %	8.05 % - 8.25 %
Expected dividend yield	0%	0%	0%

Difference between employee compensation cost (calculated using the intrinsic value of stock options) and the employee compensation cost (calculated on the fair value of the options) is Rs.27.80 lacs. However, these will not charged back to the Company by the trust, parent and ultimate parent company, hence not accounted for by the Company.

- \* Since employee who hold the ESOPs has become the employee of the Company in the current year only hence corresponding figures for previous year has not been given

17. During the year, the Company has amended its capital clause of Memorandum of Association, detailed as below:-

- Amendment vide resolution dated September 29, 2009

Authorized Equity Share Capital of Rs. 1,700 lacs divided into 170 lacs number of equity shares of Rs. 10 each was converted into two class of shares namely - 'Class A' 150 lacs Equity Shares of Rs. 10 each and 'Class B' 20 lacs Equity Shares of Rs. 10 each with differential voting rights as to voting and/or dividend.

- Increase in authorized share capital as per following table:

S No	Category	Face Value	Authorised Capital (Number of Shares)		
			Resolution dated September 29, 2009	Resolution dated December 5, 2009	Resolution dated January 14, 2010
1	Class - A Equity Shares	Rs. 10	150 lacs	750 lacs	850 lacs
2	Class - B Equity Shares (with differential voting rights as to voting and/or dividend)	Rs. 10	20 lacs	20 lacs	20 lacs
	Total		170 lacs	770 lacs	870 lacs

- Amendment vide resolution dated February 22, 2010

Authorized Equity Share Capital of Rs. 8700 lacs has been converted back into 870 lacs number of Equity Shares of Rs. 10 each.

## HINDUSTAN MEDIA VENTURES LIMITED

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### 18 Previous year comparatives

The figures of previous year were audited by a firm of Chartered Accountants other than S.R. Batliboi & Co..

Previous year's figures have been regrouped / rearranged where necessary to conform to this year classification.

As per our report of even date attached

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

For S.R. Batliboi & Co.  
Firm Registration No. 301003E  
Chartered Accountants

Shobhana Bhartia  
*Chairperson*

Per Manoj Gupta  
*Partner*  
Membership No. 83906  
Place: Gurgaon  
Date: April 26, 2010

Tridib Kumar Barat  
*Company Secretary*

Anup Sharma  
*Chief Financial Officer*

Benoy Roychowdhury  
*Whole-time Director*

# HINDUSTAN MEDIA VENTURES LIMITED

## Notes to Accounts

### Balance Sheet Abstract and Company's General Business Profile as per Part (IV) of Schedule VI to the Companies Act, 1956

#### I Registration Details :

Registration No.	13	State Code	03
Balance Sheet Date	31.03.2010		

#### II Capital raised during the year (Amount in Rs. thousands)

Public Issue	NIL	Right Issue	NIL
Bonus Issue	494,086	Private Placement	
		-Equity	477,000
		-Preference	NIL

#### III Position of mobilisation and deployment of funds (Amount in Rs. thousands)

Total Liabilities	2,131,541	Total Assets	2,131,541
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##### Sources of Funds

Paid-up Capital	571,287	Reserves & Surplus	182,496
Secured Loans	1,350,000	Deferred Tax Liabilities	27,758
		Unsecured Loans	NIL

##### Application of Funds

Net Fixed Assets	1,558,502	Investments	312,465
Net Current Assets	238,677	Accumulated Losses	NIL
		Miscellaneous expenditure	21,897

#### IV Performance of the Company (Amount in Rs. thousands)

Turnover (Gross Revenue)	1,669,640	Total Expenditure	1,439,197
Profit / (Loss) Before Tax	230,443	Profit / (Loss) After Tax	147,470
Earning Per Share in (Rs.)	2.61	Dividend Rate	-

#### V Generic Name of Two Principal Products/Services of the Company (as per monetary terms)

Product Description	Item Code
Printing/Publication of Newspapers	490210.01
Printing/Publication of Periodicals	490290.02