Hindustan Media Ventures Limited

C-164, Sector-63, Noida
Dist. Gautam Budh Nagar UP - 201301
Ph. : 0120 - 4765650
E-mail : corporatedept@hindustantimes.com
CIN : L21090BR1918PLC000013

Ref: HMVL/CS/08/2020

22nd August, 2020

National Stock Exchange of India Limited
Exchange Plaza, C-1
Block G. Bandra Kurla Complex, Bandra East
Mumbai- 400051

BSE Limited
25th Floor, P J Towers
Dalal Street
Mumbai - 400001

Trading Symbol: HMVL

Security Code: 533217

Dear Sirs,

Sub: Notice of Annual General Meeting (AGM) and Annual Report for FY-20

This is to inform you that the next AGM (10th Post – IPO) of the Company will be held on Monday, 14th September, 2020 at 11:00 A.M. (IST) through Video Conferencing/ Other Audio Visual Means.

In the above connection, please find enclosed the following:

(i) Notice convening the AGM (10th Post – IPO) ('**Annexure-A**'); and
(ii) Annual Report of the Company for FY-20 ('**Annexure-B**')

The aforesaid documents are also available on the website of the Company viz. **www.hmvl.in**, and are being dispatched via e-mail to all eligible shareholders whose email ID are registered with the Company/ Depository Participant(s).

This is for your information and records.

Thanking you,

Yours faithfully,

For **Hindustan Media Ventures Limited**

HINDUSTAN MEDIA VENTURES LTD.

(Tridib Barat)
Company Secretary

Encl.: *As above*

हिन्दुस्तान

Hindustan Media Ventures Limited

CIN: *L21090BR1918PLC000013*

Registered Office: *Budh Marg, Patna – 800 001*

Ph.: +91 612 222 3434 Fax: +91 612 222 1545

Corporate Office: *Hindustan Times House, 2nd Floor, 18-20, Kasturba Gandhi Marg, New Delhi – 110 001*

Ph.: +91 11 6656 1608 Fax: +91 11 6656 1445

E-mail: *hmvlinvestor@livehindustan.com,* ***website:*** *www.hmvl.in*

NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that an Annual General Meeting (10th post- IPO) of the Members of **Hindustan Media Ventures Limited** will be held on Monday, the 14th September, 2020 at 11:00 A.M. (IST) through Video Conferencing ("VC")/Other Audio Visual Means ("OAVM"), to transact the following business:

ORDINARY BUSINESS

ITEM NO. 1

To consider and adopt:

a) the audited standalone financial statements of the Company for the financial year ended March 31, 2020, the reports of the Board of Directors and Auditors thereon; and

b) the audited consolidated financial statements of the Company for the financial year ended March 31, 2020 and the report of the Auditors thereon.

ITEM NO. 2

To appoint Shri Shamit Bhartia (DIN: 00020623) as a Director, who retires by rotation, and being eligible, offers himself for re-appointment.

By Order of the Board
For **Hindustan Media Ventures Limited**

(Tridib Barat)
Company Secretary

Place: New Delhi
Date: June 24, 2020

NOTES:

1. **In view of the COVID-19 pandemic and pursuant to circulars dated April 8, 2020, April 13, 2020 and May 5, 2020 issued by the Ministry of Corporate Affairs ("MCA Circulars") and circular dated May 12, 2020 issued by the Securities and Exchange Board of India ("SEBI Circular") and in compliance with the provisions of the Companies Act, 2013 ("the Act") and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR"), the Annual General Meeting (AGM) (10th post- IPO) of the Company is being conducted through VC/OAVM facility, which does not require physical presence of members at the venue of the AGM. Accordingly, Registered Office of the Company i.e. Budh Marg, Patna – 800 001 shall be deemed to be the venue of this AGM.**
2. **Since the ensuing AGM is being held pursuant to the MCA Circulars through VC/OAVM, which does not require physical attendance of Members at the AGM, the facility to appoint proxy by Members will not be available for this AGM and therefore, Proxy Form and Attendance Slip are not annexed to this Notice. The Route Map is also not required and hence, not annexed to this Notice.**
3. Members attending the AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
4. Institutional/Corporate Shareholders (i.e. other than individuals/HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/Authorization etc., authorizing its representative to attend the AGM through VC/OAVM on its behalf and to vote through remote e-voting. The said Resolution/Authorization should be sent via email to KFin Technologies Private Limited (KFin/RTA) at **evoting@kfintech.com** from the registered email address and to the Company at **hmvlinvestor@livehindustan.com**.
5. Smt. Shobhana Bhartia and Shri Priyavrat Bhartia, being related to Shri Shamit Bhartia may be deemed to be interested in the resolution set out at Item No. 2 of the Notice. Save and except the above, none of the other Directors/Key Managerial Personnel of the Company/their relatives are, in any way, concerned or interested, financially or otherwise, in the Ordinary Business set out under Item Nos. 1 and 2 of the Notice.
6. Pursuant to the provisions of Regulation 36 of SEBI LODR and Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India, details of the Director who is seeking re-appointment at this AGM, are annexed herewith.

7. All investor related communication may be addressed to KFin at the following address:

   KFin Technologies Private Limited
   Unit: Hindustan Media Ventures Limited
   Selenium Tower B,
   Plot Nos. 31 - 32
   Financial District, Nanakramguda,
   Serilingampally Mandal,
   Hyderabad – 500 032
   Tel: + 91-40-67162222, **Fax:** + 91-40-23001153
   E-mail: einward.ris@Kfintech.com

8. In compliance of the MCA Circulars and SEBI Circular, the Notice calling this AGM along with the Annual Report for FY-20 is being sent by electronic mode only, to those Members whose e-mail address are registered with the Depository Participant or the Company's RTA. The Notice of AGM and Annual Report for FY-20 will also be available on the Company's website viz. **www.hmvl.in** and website of stock exchanges i.e. BSE Limited and National Stock Exchange of India Limited (**www.bseindia.com** and **www.nseindia.com)**.

9. In order to enable the Company to comply with the MCA circulars regarding holding AGM via VC/OAVM and to participate in the green initiative in Corporate Governance, members are requested to register their email address in respect of shares held in electronic form with their Depository Participant, and in respect of shares held in physical form by clicking at **https://ris.kfintech.com/email_registration/** or by writing to RTA with details of folio number and self-attested copy of PAN card at KFin Technologies Private Limited, Unit: Hindustan Media Ventures Limited, Selenium Tower B, Plot Nos. 31 - 32, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad – 500032 or by sending email to **einward.ris@kfintech.com**.

10. Members are advised to receive the Notice convening the AGM and Annual Report for FY-20 via e-mail, by updating their email ID by accessing the link **https://ris.kfintech.com/email_registration/**. Alternatively, Notice of AGM can be downloaded through **https://evoting.karvy.com/public/Downloads.aspx**.

11. Pursuant to the provisions of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, details of unpaid and unclaimed dividend amounts lying with the Company as on September 19, 2019 (i.e. the date of last Annual General Meeting) have been uploaded on the website of the Company (**www.hmvl.in**) and also on the website of the Ministry of Corporate Affairs (MCA). Members, who have so far not encashed/received dividend in respect of financial years ended on March 31, 2013 to March 31, 2019, may write to RTA, who will arrange to remit the unclaimed dividend amount upon completion of necessary formalities.

12. Members may note that shares as well as unclaimed dividend transferred to IEPF Authority can be claimed back. Concerned members/investors are advised to visit the weblink: **http://iepf.gov.in/IEPF/refund.html** or contact KFin to lodge claim for refund of shares and/or dividend from the IEPF Authority.

13. Members holding shares in physical form can avail the facility of nomination pursuant to the provisions of Section 72 of the Act and for the same, they are advised to send their nomination in the prescribed Form No. SH-13 to KFin at the above mentioned address. Members holding shares in electronic form may contact their respective Depository Participant(s) for availing this facility.

14. **In terms of SEBI's circular dated April 20, 2018, members holding shares in physical form and whose PAN and Bank details are not updated in the records of KFin, are requested to submit their PAN and Bank Account details, along with self-attested copy of PAN Card and original cancelled cheque/attested copy of bank passbook bearing name of the Member to the Company/KFin.**

15. SEBI has mandated submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic mode are, therefore, requested to submit their PAN to their Depository Participant with whom they are maintaining the demat account.

16. In terms of SEBI (Listing Obligations and Disclosure Requirements) (Fourth Amendment) Regulations, 2018, with effect from April 1, 2019, securities of listed companies can be transferred only in dematerialized form (except for transmission or transposition of securities). Accordingly, the Company will not accept any fresh lodgement of transfer of shares in physical form. In view of the same, Members are advised, in their own interest, to dematerialize the shares held by them in physical form.

17. Members holding shares in physical form in identical order of names in more than one folio are requested to send to the Company or Company's RTA, details of such folios together with the share certificates and KYC proof(s) viz. PAN, Aadhaar etc. for consolidating their holding in one folio. The share certificates will be returned to the members after making requisite changes thereon.

18. Members are requested to send their queries, if any, on the financial statements/operations of the Company, via email to the Company Secretary at **hmvlinvestor@livehindustan.com** at least 7 days before the AGM, so that the information can be compiled in advance.

19. Relevant documents referred to in this Notice are available for inspection electronically without any fee by the Members on all business days (except Saturday, Sunday and Public Holidays) upto the date of AGM. The Register of Directors, Key Managerial Personnel and their shareholding maintained under Section 170 of the Act and Register of Contracts & Arrangements in which Directors are interested, maintained under Section 189 of the Act and the certificate of Auditors of the Company in terms of Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 regarding implementation of 'HT Group Companies - Employee Stock Option Rules for Listed Companies', will be available for inspection electronically by the members during the AGM. Members desirous to inspect such documents may send request from their registered email id, to the Company at **hmvlinvestor@livehindustan.com**.

20. Pursuant to the provisions of Section 108 and other applicable provisions, if any, of the Act read with the Companies (Management and Administration) Rules, 2014, as amended, and Regulation 44 of SEBI LODR, the Company is providing to its members the facility to exercise their right to vote on resolutions set out in notice of AGM, by electronic means

("e-voting"). Members may cast their vote remotely, using an electronic voting system during the period mentioned herein below ("remote e-voting"). The facility of voting through electronic voting system will also be available at the AGM ("InstaPoll"), and members attending the Meeting who have not cast their vote(s) by remote e-voting, will be able to vote at the Meeting through InstaPoll. The Company has engaged the services of KFin as the agency to provide e-voting facility at the AGM.

21. **The remote e-voting facility will be available during following period:**

Commencement of remote e-voting	**From 9.00 a.m. (Server time) on September 10, 2020 (Thursday)**
End of remote e-voting	**Up to 5.00 p.m. (Server time) on September 13, 2020 (Sunday)**

Remote e-voting will not be allowed beyond the aforesaid date and time, and upon expiry of aforesaid period, the remote e-voting module shall be disabled by KFin forthwith.

22. Persons whose name appear in the Register of Member/list of Beneficial Owners as on Monday, September 7, 2020 **(Cut-off date)** shall be entitled to cast their vote by remote e-voting on the resolutions set forth in this Notice or participating at the AGM and vote through InstaPoll. Any person who is not a Member as on the Cut-off date should treat this Notice for information purpose only.
23. The Board of Directors has appointed Mr. Sanket Jain, Company Secretary-in-Practice (C.P. No. 12583), as Scrutinizer to scrutinize the remote e-voting and InstaPoll process.
24. After conclusion of e-voting at the AGM, the Scrutinizer shall, scrutinize the votes cast via InstaPoll and votes cast through remote e-voting, and will make a consolidated Scrutinizer's Report for onward submission to the Chairman/Director/Company Secretary.
25. The result of e-voting (remote e-voting and InstaPoll) will be declared within 48 hours of conclusion of AGM, and the same, along with the consolidated Scrutinizer's Report, will be placed on Company's website viz. **www.hmvl.in** and on the website of KFin viz. **https://evoting.karvy.com**. The result will be simultaneously communicated to NSE and BSE.
26. The resolutions set out in the notice of AGM shall be deemed to be passed on the date of AGM, subject to receipt of requisite number of votes in favour of the resolution(s).
27. For effecting change in address/bank details/NECS (National Electronic Clearing Services) mandate; members are requested to notify:
    (i) KFin, if shares are held in physical form; and
    (ii) their respective Depository Participant (DP), if shares are held in electronic form.
28. Members are requested to carefully read the **"Procedure and Instructions for remote e-voting and e-voting at the AGM (InstaPoll)"** given hereunder.

<u>PROCEDURE AND INSTRUCTIONS FOR REMOTE E-VOTING AND E-VOTING AT THE AGM ("INSTAPOLL")</u>

The procedure and instructions for remote e-voting are as under:

I. **A. In case a member receives an e-mail from the Company/KFin [for members whose e-mail addresses are registered with the Company/Depository Participant(s)]:**

(a) Launch internet browser by typing the URL: **https://evoting.karvy.com**

(b) Enter the login credentials (User ID and password given in the e-mail). The E-Voting Event Number + Folio No. or DP ID Client ID will be your User ID. However, if you are already registered with KFin for e-voting, you can use the existing password for logging in. If required, please visit **https://evoting.karvy.com** or contact at **040-67162222/1800-345-4001** (from 9:00 a.m. to 6:00 p.m.) for your existing password.

(c) After entering these details appropriately, click on **"LOGIN"**.

(d) You will now reach Password Change Menu wherein you are required to mandatorily change your password upon logging in for the first time. The new password shall comprise of minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric (0-9) and a special character (@,#,$,etc.). The system will prompt you to change your password and update your contact details like mobile number, e-mail address, etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.

(e) You need to login again with the new credentials.

(f) On successful login, the system will prompt you to select the E-Voting Event Number (EVEN) for Name of the Company viz. Hindustan Media Ventures Limited.

(g) On the voting page, enter the number of shares held by you as on the Cut-off date under either "FOR" or "AGAINST" or alternatively, you may partially enter any number under "FOR"/"AGAINST", but the total number under "FOR"/"AGAINST" taken together should not exceed your total shareholding as on the cut-off date. You may also choose to "ABSTAIN" and vote will not be counted under either head.

(h) Members holding shares under multiple folios/demat accounts shall choose the voting process separately for each of the folios/demat accounts.

(i) Voting has to be done for each item of the Notice separately. In case you do not desire to cast your vote on any specific item, it will be treated as "ABSTAINED".

(j) You may then cast your vote by selecting an appropriate option and click on "SUBMIT".

(k) A confirmation box will be displayed. Click "OK" to confirm, else "CANCEL" to modify.

(l) Once you confirm, you will not be allowed to modify your vote.

(m) Corporate/Institutional Members (i.e., other than Individuals, HUFs, NRIs, etc.) are also required to send legible scanned certified true copy (in PDF Format) of the Board Resolution/Power of Attorney/Authority Letter, etc., together with attested specimen signature(s) of the duly authorized representative(s), to the Scrutinizer at e-mail id: **sanketjaincs@gmail.com** with a copy marked to **evoting@Kfintech.com** It is also requested to upload the same in the e-voting module in their login. The naming format of the aforesaid legible scanned document shall be "Corporate Name EVENT NO."

B. In case of a member whose e-mail address is not registered/updated with the Company/KFin/Depository Participant(s), please follow the following steps to generate your login credentials:

(a) Members holding shares in physical mode, who have not registered/updated their email addresses with the Company, are requested to register/update the same by clicking on **https://ris.KFintech.com/email_registration/** or by writing to the Company with details of folio number and attaching a self-attested copy of PAN card at hmvlinvestor@livehindustan.com or to KFin at **einward.ris@Kfintech.com**.

(b) Members holding shares in dematerialized mode who have not registered their e-mail addresses with their Depository Participant(s) are requested to register/update their email addresses with the Depository Participant(s) with whom they maintain their demat accounts.

(c) After due verification, the Company/KFin will forward your login credentials to your registered email address.

(d) Follow the instructions at I.(A) (a) to (m) to cast your vote.

II. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending further communication(s).

III. Once the vote on a resolution is casted by a member, whether partially or otherwise, the member shall not be allowed to change it subsequently or cast the vote again.

IV. **Information and instructions for InstaPoll**: Facility to cast vote through InstaPoll will be made available on Video Conferencing screen and will be activated once the InstaPoll is announced at the AGM. Member can opt for only single mode of voting per EVEN, i.e., through remote e-voting or voting at the AGM (InstaPoll). If a member casts vote(s) by both modes, then voting done through remote e-voting shall prevail and vote(s) cast at the Meeting shall be treated as "INVALID".

V. Any person who becomes a member of the Company after dispatch of the Notice of the AGM and holding shares as on the cut-off date may obtain the User ID and password from KFin in the manner as mentioned below:

(a) If the mobile number of the member is registered against Folio No./DP ID Client ID, the member may send SMS: MYEPWD <space> E-Voting Event Number+Folio No. or DP ID Client ID to +91-9212993399

Example for NSDL: MYEPWD <SPACE> IN12345612345678

Example for CDSL: MYEPWD <SPACE> 1402345612345678

Example for Physical: MYEPWD <SPACE> XXXX1234567890

(b) If e-mail address or mobile number of the member is registered against Folio No./DP ID Client ID, then on the home page of **https://evoting.karvy.com**, the member may click "Forgot Password" and enter Folio No. or DP ID Client ID and PAN to generate a password.

(c) Member may send an e-mail to **evoting@kfintech.com** requesting User ID and Password. However, KFin shall endeavor to send User ID and Password to those new Members whose mail ids are available.

VI. In case of any query/grievance, in respect of e-voting, Members may refer to the Help & FAQs section/E-voting user manual available at the "Downloads" section of KFin's website: https://evoting.karvy.com or contact Mr. Rajkumar Kale, Senior Manager, KFin Technologies Private Limited, Unit: Hindustan Media Ventures Limited, Selenium Tower B, Plot 31-32, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad 500 032 | Phone No.: +91-040-67162222 | Toll- free No.: 1800-345-4001 | E-mail: **evoting@Kfintech.com**.

PROCEDURE FOR JOINING THE AGM THROUGH VC/OAVM:

1. The Company is providing VC/OAVM facility to its Members for participating at the AGM.

a) Members will be able to attend the AGM through VC at **https://emeetings.Kfintech.com** by using their e-voting login credentials.

Members are requested to follow the procedure given below:

i. Launch internet browser (chrome/firefox/safari) by typing the URL: **https://emeetings.KFintech.com**

ii. Enter the login credentials (i.e., User ID and password for e-voting).

iii. After logging in, click on "Video Conference" option

iv. Then click on camera icon appearing against AGM event of **Hindustan Media Ventures Limited**, to attend the AGM.

b) Members who do not have User ID and Password for e-voting or have forgotten the User ID and Password may retrieve the same by following the procedure given in the e-voting instructions.

c) Members will be allowed to attend the AGM through VC/OAVM on first come, first served basis.

d) Members wish to ask questions during the AGM may register themselves on **https://emeetings.Kfintech.com** and clicking on the 'Speaker Registration' option available on the screen after log in. The Speaker Registration will be open from September 9, 2020 (09:00 A.M. IST) till September 11, 2020 (5:00 P.M. IST). Only those members who have registered themselves as speaker will be allowed to ask questions at the AGM. The Company reserves the right to restrict the number of questions and speakers, depending upon availability of time as appropriate for smooth conduct of the AGM. Members are requested to wait for their turn to be called during the Question and Answer Session. Due to inherent limitation of transmission and coordination during the AGM, the Company may have to dispense with or curtail the Question and Answer Session. Hence, Members are encouraged to get themselves registered in advance to ask questions/queries etc. at the AGM.

e) Link to join the meeting shall be opened 15 minutes before the scheduled time of the AGM and shall be kept open throughout the proceedings of the AGM.

f) Members who need assistance before or during the AGM can contact KFin at **evoting@KFintech.com** or call at 040- 6716 2222/1800-345-4001. Kindly quote your name, DP ID-Client ID/Folio no. and E-voting Event Number in all your communications.

2. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote at the AGM.

<u>Details of the Directors pursuant to Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meeting (SS-2) issued by the Institute of Company Secretaries of India, as applicable</u>

Name of Director	**Shri Shamit Bhartia**
Age (years)	41
Relationship with other Directors *inter-se* and Key Managerial Personnel	Son of Smt. Shobhana Bhartia, *Chairperson* Brother of Shri Priyavrat Bhartia, *Non- Executive Director*
Date of Appointment	December 19, 2011 (Managing Director w.e.f February 4, 2017 for 5 years)
Expertise in specific functional areas	Industrialist Formulation & implementation of 'Vision & Strategy' and mergers & acquisitions
Qualification	Degree in Economics (Dartmouth College, USA)
Terms and conditions of appointment/ re-appointment	Director, liable to retire by rotation
No. of Equity Shares of Rs. 10/- each held in the Company or on behalf of any other person on beneficial basis	5,017
Remuneration last drawn (including sitting fee during FY-20)	Rs. 417.80 Lac
Directorship held in other companies (excluding foreign companies)#	1. Hindustan Media Ventures Limited (Listed company) 2. HT Media Limited (Listed company) 3. Jubilant Foodworks Limited (Listed company) 4. Jubilant Industries Limited (Listed company) 5. Earthstone Holding (Two) Private Limited 6. Goldmerry Investment & Trading Company Limited 7. HT Learning Centers Limited 8. Indian Country Homes Private Limited 9. Jubilant Agri & Consumer Products Limited 10. Jubilant Motorworks Private Limited 11. SBS Trustee Company Private Limited 12. Shine HR Tech Limited 13. Shobhana Trustee Company Private Limited 14. SS Trustee Company Private Limited 15. SSB Trustee Company Private Limited 16. The Hindustan Times Limited
List of the committees of Board of Directors (across all companies) in which Chairmanship/ Membership is held*#	**Member** • Audit Committee of Jubilant Foodworks Limited
No. of Board Meetings attended during FY-20	5

#As per latest disclosure received from the Director

* *In terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, only two Committees viz. Audit Committee and Stakeholders' Relationship/Shareholders'/Investors' Grievance Committee have been taken into consideration*.

Annexure-B

हिन्दुस्तान

HINDUSTAN. INSPIRING AND EMPOWERING 5CR INDIANS.

Hindustan Media Ventures Limited

Annual Report 2019-20

CONTENTS

CORPORATE OVERVIEW

Board of Directors

Smt. Shobhana Bhartia
Chairperson

Shri Ajay Relan

Shri Ashwani Windlass

Dr. Mukesh Aghi

Ms. Savitri Kunadi

Shri Priyavrat Bhartia

Shri Shamit Bhartia
Managing Director

Shri Praveen Someshwar
Managing Director

Chief Executive Officer

Shri Samudra Bhattacharya

Chief Financial Officer

Shri Sandeep Gulati

Company Secretary

Shri Tridib Barat

Statutory Auditors

B S R and Associates,
Chartered Accountants

Registered Office

Budh Marg, Patna - 800 001
Tel.: +91-612-222 3434
Fax: +91-612-222 1545

Corporate Office

Hindustan Times House (2nd Floor)
18-20, Kasturba Gandhi Marg
New Delhi - 110 001
Tel.: +91-11-6656 1608
Fax: +91-11-6656 1445
Email: hmvlinvestor@livehindustan.com
Website: www.hmvl.in

Registrar and Share Transfer Agent

KFin Technologies Private Limited
Selenium, Tower-B
Plot Nos. 31 & 32, Financial District
Nanakramguda, Serilingampally
Hyderabad - 500 032
Tel: +91-40-6716 2222
Fax: +91-40-23001153
Toll Free No.: 18003454001
Email: einward.ris@kfintech.com
Website: www.kfintech.com

Cautionary Statements

Certain statements in the MDA section concerning future prospects may be forward-looking statements which involve a number of underlying identified / non identified risks and uncertainties that could cause actual results to differ materially. In addition to the changes in the macro-environment, the Covid-19 pandemic may pose unforeseen, unprecedented, unascertainable and constantly evolving risk(s), inter-alia, to the Company and the environment in which it operates. The results of these assumptions, relying on available internal and external information, constitute the basis for determining certain facts and figures stated in the report. Since the factors underlying these assumptions are subject to change over time, the estimates on which they are based, are also subject to change accordingly. These forward-looking statements represent only the Company's current intentions, beliefs or expectations, and any forward- looking statement speaks only as of the date on which it was made. The Company assumes no obligation to revise or update any forward-looking statements, whether as a result of new information, future events, or otherwise.

Disclaimer: All data used in the initial sections of the report (including MD&A) have been primarily based on publicly available sources, and discrepancies, if any, are incidental and unintentional.

To view the report online, please log on to: www.hmvl.in

INSPIRING AND EMPOWERING 5CR INDIANS

5 crore readers turn to Hindustan, for their regular dose of news, information and knowledge. It is particularly known for its unflinching commitment to journalistic integrity and its fair, unbiased and balance news reportage and analyses.

Hindustan stands to provide, **Tarrakki Ka Naya Nazariya** (New perspectives to progress) and aspires to be a true ally of its readers, in their quest for success. Hindustan is a source of daily inspiration to crores of readers across India.

A staunch reminder of what lies ahead – of opportunities, aspirations, hopes and possibilities.

Combining our leadership skills with our relentless pursuit to identify and exploit opportunities, we are prepared to chart a new route, empower a nation and build a differentiated position.

At HMVL, we believe in transcending ordinary experiences and limitations to awaken possibilities that inspire exceptional outcomes. With an undaunted attitude to propagate journalism with integrity, we have secured the trust and faith of millions, driving us to provide content that is not just insightful and objective, but remain unbiased and unblemished.

As we continue to strengthen our leadership in the Hindi news segment, we remain vigilant about our diverse offerings, and need to cater to an expanding reader base. Spearheading change and aspiring to be a true reflection of society, HMVL has not just successfully earned the trust and admiration of readers, but continues to inspire 5 crore Indians.

ABOUT HMVL

Hindustan Media Ventures Limited (HMVL) is a subsidiary of HT Media Limited, a diversified media conglomerate. Established as 'The Behar Journals Limited' in 1918, HMVL has successfully established itself as a reliable and trustworthy face of responsible journalism.

Our brands

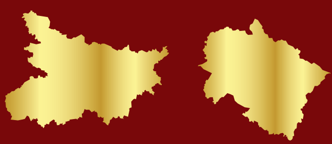
हिन्दुस्तान अनोखी

तन-मन नई दिशाएं

फुरसत कादम्बिनी नंदन

हिन्दुस्तान जॉब सर्च जानो इंग्लिश

Market Position

#1 

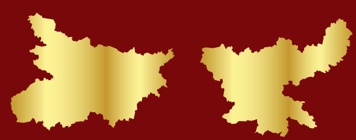
in Bihar (including Patna), Uttarakhand

#2 

in Uttar Pradesh and Bihar combined

#2 

in Jharkhand, Delhi

#2 

in Bihar and Jharkhand combined

Decades of rich industry experience

Note: Ranking is based on Average Issue Readership (AIR) as per IRS Q4 2019

CHAIRPERSON'S MESSAGE

Our strategic focus, through the year, was on customer acquisition, building brand awareness and salience, supporting consumer engagement initiatives and driving affinity and net promoter score for the brand.

Dear Shareholders,

We are happy to share with you our Annual Report of FY 2019-20. While it has been another challenging year in terms of revenue, we recorded an increase in profits and saw an improvement in operating margins.

India's GDP growth continued to soften through all four quarters of FY 2019-20. The Indian Media & Entertainment (M&E) industry reached a size of Rs 1.8 trillion in Calendar Year (CY) 2019, registering a growth of 9% over the previous year. Print continued to be the second largest segment of the M&E industry. However, advertising spends remain muted, impacted by an economic slowdown and subdued growth of key sectors. The outbreak of the COVID-19 pandemic towards the end of the financial year further intensified the challenges faced by the economy during the last quarter of FY 2019-20, especially in the metros. Throughout the year, we adapted our plans and focused on factors within our control to offset the decline in advertising revenue. Hence, despite the pressure on revenue, earnings grew and we have been able to ensure strong cash generation as well. Our treasury operations performed exceedingly well in the year, despite a volatile market and without any credit linked incidents. We continue to be extremely prudent on cash utilisation. We are focused on investing in new organic and inorganic initiatives to create businesses of the future for the company, but we will do this in a measured and prudent manner.

Hindustan Media Ventures Ltd ("HMVL") continued to make steady progress towards our brand promise of "Tarakki ka naya nazaria". Through our flagship product, Hindustan, we offered our readers a modern, youthful and novel approach to news, reinforcing our thought leadership position in the industry.

Our strategic focus, through the year, was on customer acquisition, building brand awareness and salience, supporting consumer engagement initiatives and driving affinity and net promoter score for the brand. We devised unique interventions and programs customized for each market to drive engagement of local audiences. Through Hindustan, we have always been at the forefront of innovation with products such as Hindustan Smart, Fursat, Anokhi, Tan Man, Nayee Dishayein, Job Search and Jaano English, ensuring empowerment, and addressing the aspirations of our extensive reader base. During the year under review, we also launched Hindustan City, a lifestyle and entertainment supplement in Delhi, which was widely accepted and appreciated by our readers.

At HMVL, we acknowledge the importance of our employees, their hard work and dedication which enable us to excel and scale newer heights. We are also committed to building a workforce that is diverse and inclusive. Despite the outbreak of the pandemic, our journalists continued to report from the frontlines, providing credible and trusted news information (always important, but now, more than ever) to our readers. The safety and well-being of our employees is one of our key focus areas.

The outbreak of the COVID-19 pandemic has slowed down economies around the world, including India. Lockdowns imposed to slow the spread of the infection have impacted most industries, resulting in a sharp reduction in advertising spends as businesses responded by cutting discretionary expenditure.

While the outbreak of COVID-19 does bring its own set of challenges, the company is continuously monitoring the evolving situation and taking necessary steps to improve productivity and implement innovative solutions. We remain hopeful of the future, once the impact of pandemic subsides. Hindustan will continue to stay true to its brand promise, and empower readers with information which they can use to meet their aspirations, take the right decisions, or simply stay informed and aware.

We know the successes we have achieved so far were possible only because of the creativity, professionalism and commitment of our workforce and the support of our shareholders, loyal readers and valued advertisers.

We thank them and you for that continued support.

Regards,

Shobhana Bhartia
Chairperson

REACHING OUT VIA CREATIVE PLATFORMS

HMVL aims to personally engage with customers with its creative platforms and enrich consumer experiences. It strives to continuously strengthen the core activities while expanding its reach further, to people from all walks of life.

Hindustan Shikhar Samagam

The 5th edition of Hindustan Shikhar Samagam, organised on 22 February 2020, was based on the theme of 'Naye Daur ka Naya Nazariya'. Eminent personalities from varied fields including corporate, public life, politics, sports, academia, and entertainment came together on one stage to discuss and debate on key issues impacting the country.

The event was attended by speakers including Minister of Textiles and Minister of Women and Child Development Smriti Irani, Hon'ble Chief Minister of Uttar Pradesh Yogi Adityanath, Swara Bhaskar, Akhilesh Yadav, and Ayushmann Khurrana. The event was broadcast live on Facebook, Twitter, television, radio and podcast along with an extensive coverage in newspapers. Shikhar Samagam provides a platform to reach a wider audience, scale up our operations and acquire new clients while building our brand image.

Hindustan Mission Engineering

A symposium organized by HMVL for Class 12 students. The initiative enabled students to successfully attempt competitive exams conducted across 10 cities of Bihar, Jharkhand and Delhi/NCR. It covered more than 600 schools, 200 plus coaching centres and solicited the participation of over 10,000 students across 10 cities. We also connected with top coaching centres, encouraging participation from students. The speaker panel consisted of top dignitaries from State Educational Departments, Educational Boards, AICTE, CBSE and various subject experts.

10000+
Students benefitted across 10 cities

Hindustan Olympiad

HMVL organized the 5th edition of the Hindustan Olympiad, an annual school level general aptitude test helping students to expand their cognitive ability and reasoning skills, thereby focusing on overall development. Open for students of Class 1 to 12, the initiative reached 2500+ schools across the states of Bihar, Jharkhand, Uttar Pradesh and Uttarakhand. The examination helped students to assess their competence in all major subjects and identified talent from various cities and villages in India. With overwhelming support from partner schools and sponsors, the event has become extremely popular and supports students who wish to study further.

1.3+ Lacs
Students participated in the event

2500+
Schools from Bihar, Jharkhand, Uttar Pradesh and Uttarakhand participated

Hindustan Kabaddi League – UP

Hindustan Kabaddi League – UP was organized in association with Uttar Pradesh State Kabaddi Association. It is organized to encourage participation in the sport. The Pro Kabaddi team of the state – UP Yoddha, owned by GMR Group, was also a strategic partner. Teams from various districts compete during the tournament. The events are also a part of company's social outreach programs, with the objective of promoting sports and players. In the 2nd edition of the event, held during September-October 2019, 35 men's and 8 women's teams participated in the tournament. The tournament was hosted in four zones of Uttar Pradesh, namely Agra, Kanpur, Varanasi & Gorakhpur.

650
Players participated in the tournament

COMMITTED TO IMPROVE LIVES

At HMVL, we aim to make a difference to the lives we touch. With our constant effort and endeavour to meet objectives that fulfil our core responsibilities towards the society and environment, we aspire to ensure sustainable and inclusive development of all sections of society.

Healthy Hindustan

HMVL's commitment to ensure health and wellness in communities led to the 'Healthy Hindustan' initiative. For the past 5 years, we have been organizing health check-up camps for the economically weaker sections of society, in remote areas where medical facilities are generally unavailable. This year Hindustan organized 46 such camps across UP and NCR, where people benefitted from quality doctor consultations and medicines.

25000+

People benefitted from the camps

Integrated and Transformational Village Development

HMVL is carrying out this initiative for the past 5 years and has partnered in the transformation of 2 villages, Lohvan and Gossna, near Mathura (Uttar Pradesh). The programme aims at improving the standard of living in villages, offering them better infrastructure to develop heritage sites and revive art & culture. It also encourages skill development among the youth and women, making them employment ready and financially independent. The programme has been acknowledged by the Chief Minister of Uttar Pradesh Yogi Adityanath, and has also won accolades and awards, most notable among them being 'The Golden Peacock Award' for CSR.

Kanyadhan Yojana Scholarship 2019

HMVL continued its scholarship program for the underprivileged girl child, aimed at children from the economically weaker sections of society, offering them an opportunity to win a merit based scholarship.

Healthy Uttarakhand

Under this initiative, camps are being organized every month for the medical check-up of people residing in remote areas or on the hills of Uttarakhand where such facilities are not available. The programme is in line with the Healthy Hindustan campaign which offers similar benefits. The camps are very popular and benefits a large number of people.

40000
People have benefitted

Swachh Ghat Abhiyan

The Swachh Ghat Abhiyan is running for the past 3 years and has helped to clean ghats in Bihar, before and after Chhath puja. The programme is in line with Swachh Bharat initiative undertaken by Government of India, and it has been widely appreciated by the people of Bihar.

Skill Development Program

HMVL continues to serve the nation's youth with its skill development program. Through this initiative, men and women from economically weaker sections of society are trained to be employment ready. It offers professional skill training to ensure financial independence.

Village Pond Rejuvenation

As part of its CSR initiative and its continued efforts towards cleanliness and sanitation, HMVL adopted a village pond to conserve and rejuvenate natural resources while maintaining water quality by cleaning, conserving and adding rain water to the existing ponds of Uttar Pradesh.

INVOKING HOPE AMIDST DESPAIR – FIGHTING COVID-19

The unprecedented spread of COVID-19 has inflicted hardships on people across the world.

The unprecedented spread of COVID-19 has inflicted hardships on people across the world. To curtail its spread & protect lives, the government imposed a country-wide lockdown. At HMVL, we undertook various initiatives to bring hope amidst such stressful and depressing times. With an aim to align business priorities with social commitments, we targeted need-based interventions for society to create a significant positive impact.

At a time when many people are grappling for information, the public is especially susceptible to false and sometimes, hazardous claims and rumours. We stood up and have taken the mantle to spread truth, share reliable news and invoke positivity among readers.

Building on the core tenets of 'Tarakki ka Naya Nazariya', we are disseminating information across all channels. We have been at the forefront in responding to the pandemic and fought the menace of fake news by disseminating authentic information.

Key initiatives

Infusing positivity

20-part series Anokhi Baatein

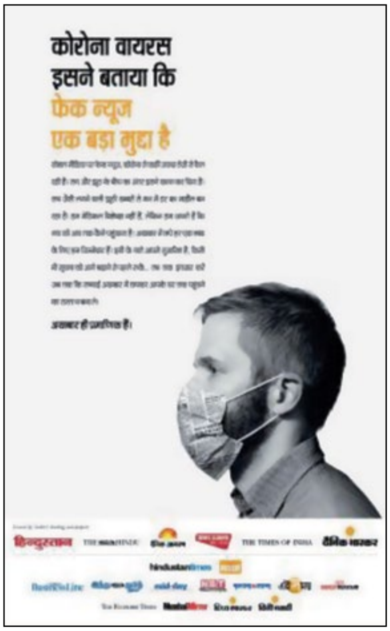

हिन्दुस्तान

हिन्दुस्तान

प्रिय पाठक

Prevent spread of misinformation about COVID-19

18-part series



MANAGEMENT DISCUSSION AND ANALYSIS

Global Economy

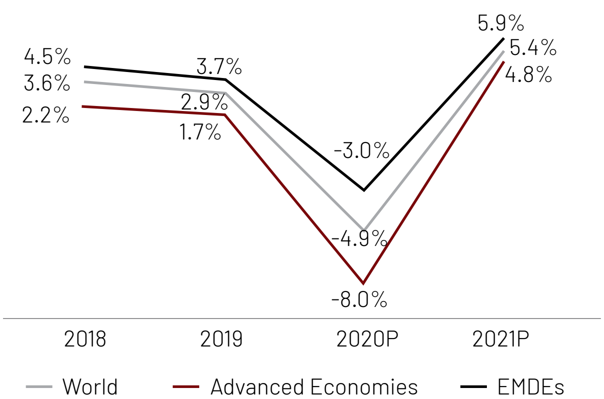
According to the International Monetary Fund (IMF), the world economic growth softened to 2.9% in CY 2019, from 3.6% in the previous year. The weakness was widespread, affecting both advanced economies (particularly the Euro Area) and Emerging Markets and Developing Economies (EMDEs). Various key indicators of economic activity declined simultaneously, approaching their lowest levels since the global financial crisis. Economies all over the world experienced feeble growth and varying degrees of deceleration in CY 2019.

Outlook

The global economy was in delicate position in CY 2019. Some signs of stabilisation had appeared prior to COVID-19, but economic activity remained weak. The outbreak of COVID-19 pandemic is a unique challenge as it has impacted supply, demand and markets. The demand slowdown has impacted discretionary spend categories. According to IMF WEO June 2020 the world economy is expected to enter recession in CY 2020 and the global growth is projected to decline by 4.9% during the year. The adverse impact on confidence, financial markets, travel sector and disruption of supply chains contribute to a downward revision of all G20 economies in CY 2020. However, the global GDP is expected to recover in CY 2021 with a growth of 5.4%.

(Source: IMF WEO, World Bank, OECD, KPMG Report)

Global economic growth



(Source: IMF WEO)

Indian Economy

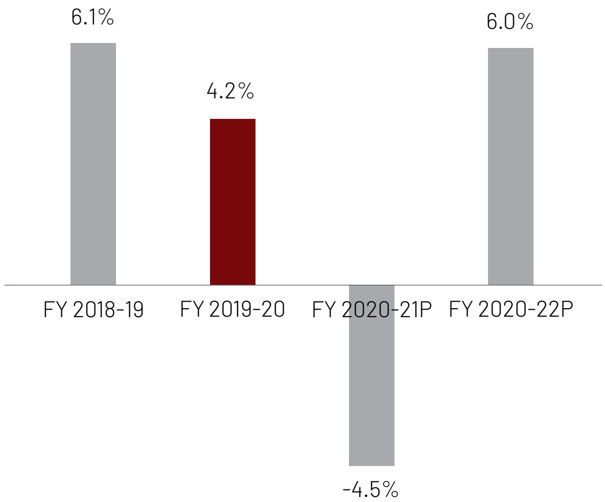
India's economy has become the fifth largest in the world, with an overall size of US $2.9 trillion in CY 2019. However, FY 2019-20 was a challenging year for the Indian economy as consumption and investment decelerated along with a contraction in exports and reduced demand for imports. NBFC crisis, rising retail inflation and contraction in industrial activities also significantly contributed to the economic slowdown. This has considerably slowed the GDP, which grew at 4.2% in FY 2019-20 as compared to 6.1% in FY 2018-19.

Outlook

The recent outbreak of COVID-19 has impacted business and economic activity around the world, and would affect India's recovery. The lockdown imposed in order to contain the spread of the virus, is likely to lead to slower GDP growth in the coming fiscal year, due to reduced economic activity. According to IMF WEO released in June 2020, Indian economy is projected to contract by 4.5% in FY 2020-21. However, a sharp recovery is expected in FY 2021-22 with the GDP growth pegged at 6.0%.

(Source: IMF WEO, Asian Development Outlook, RBI, Economic Survey)

Indian GDP growth



(Source: IMF WEO)

Indian Media & Entertainment Industry

The Media and Entertainment (M&E) industry in India continues to undergo significant transformation. The Indian M&E sector reached ₹1.8 trillion registering a growth of 9% in CY 2019 over previous year. The M&E sector continued to outperform the Indian economy, demonstrating the resilience of subscription based business model and India's competency to attract the youth with innovative content. The Indian advertising industry is one of the fastest growing advertising markets in Asia. However, advertising growth was muted during the year owing to slowdown in the economic activities, especially in the second half of CY 2019, leading to lower advertising spends during festive season and polarization of spends towards impacted properties.

(Source: EY M&E Report, Statista report)

Outlook

The M&E industry was expected to witness a promising growth during CY 2019-2022, with subscription expected to outpace the advertising growth, but it has been impacted by COVID-19. Depending on the severity of pandemic, this could potentially impact the various segments of M&E with plausible effects such as postponement of events, impact on theatrical revenues due to loss of weekends and delay in content production. The growth in advertising revenue will depend upon the revival of Indian economy. There may be a wide variation in the growth rate across media properties in favour of media brands which command credibility and loyalty among users.

(Source: EY M&E Report, Pitch Madison Report)

Print Media

The Indian print media industry had been witnessing steady growth, bucking the trend in rest of the world. However, CY 2019 saw some deceleration. The industry size is estimated at ₹295.7 billion in CY 2019. Revenue from circulation and regional markets continue to drive the industry further. The revenue from circulation grew by 2% over previous year in CY 2019 while the revenue from advertising fell by 5% over previous year.

The print sector continues to be the 2nd largest contributor of advertising expenditure after TV. India is the only country where print has a major share in advertising expenditure.

With rising literacy rates across the country, even youngsters are interested in staying up-to-date with latest news and information from around the world. As a result, many prefer print media over digital platforms due to its credibility and reliability. In a country like India where citizens speak more than 20 languages, the vernacular, and especially Hindi market provides tremendous opportunity to grow and increase circulation. Print has a wide reach, and therefore, has been an attractive medium for advertising.

Going forward, print players are expected to focus on subscription revenue growth through focus on new under-penetrated markets, coupled with cover price actions.

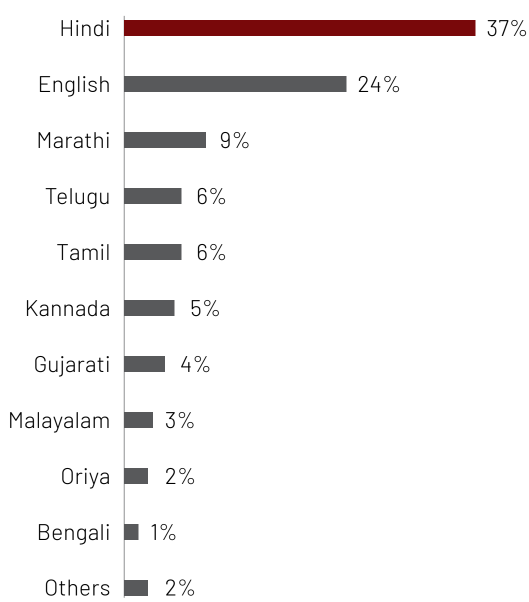
(Source: EY M&E Report, Pitch Madison Report)

Hindi Print Advertising Market

Hindi continued as the largest contributor to advertising volumes in CY 2019, commensurate with the fact that it has the largest reach of any language in India. Hindi dailies accounted for 37% of the total advertising volumes across all the newspaper. However, advertising during the current year was muted on account of a weak economy fuelled by consumption slowdown. Specifically, the growth in advertising expenditure was impacted in the second half of CY 2019, leading to lower advertising spend during the festive season.

(Source: EY M&E Report, Pitch Madison Report)

Ad volume by language (newspapers)



(Source: EY M&E Report)

Hindi Print Circulation Market

Hindi newspapers continue to dominate the daily newspaper market. As per the RNI database, Hindi newspapers form the largest chunk of newspapers published in India, followed by English dailies. Hindi dailies have also successfully created a loyal readership base due to their coverage of local news through various editions and supplements. Regional newspapers hold a majority share in the total circulated copies, with Hindi dailies accounting for nearly 42% in the total share.

(Source: EY M&E Report, Printweek)

Company Overview

One of India's leading print media companies, Hindustan Media Venture Limited (HMVL), provides ground-breaking news to its readers through its flagship publication, Hindustan. HMVL is a subsidiary of HT Media Limited, a diversified media conglomerate. With operations spread across multiple states in India, HMVL has maintained a prominent share in key markets like Bihar, Uttar Pradesh, Jharkhand, Delhi-NCR and Uttarakhand. The Company has witnessed a strong readership due to its ability to provide innovative and refreshing content that enriches reader experience with stories, events and campaigns.

Product Basket

Hindustan

A leading daily in India, Hindustan has continued to expand its reach with Total Readership (TR) of 5 Crore readers as per Indian Readership Survey (IRS) Q4 2019. Hindustan continued its dominant presence with AIR of 37 Lacs in Bihar, despite intense competition, including its top rank in Patna city. It has a 65% share of Hindi paper readers basis TR and 47% share basis AIR, in Bihar. Hindustan continues to be strong in Uttar Pradesh with TR of 2.67 Crore on AIR basis. It is also the 2nd most read newspaper in Jharkhand and Delhi. The median age of Hindustan's reader is 30 years, signalling its popularity across age groups and making it an attractive platform for advertisers.

With an aim to increase reader engagement and brand loyalty, Hindustan has also been at the forefront of innovation with products like Hindustan City, Hindustan Smart, Fursat, Anokhi Tan Man, Nayee Dishayein, Job Search and Jaano English Hindustan's brand promise of 'Tarakki ko chahiye naya nazaria' captures the brand's dedication to partner the progress of its readers in the Gangetic belt. It has contributed to the publication's continuous growth and dominance in states like Bihar and Jharkhand and enabling it to become a leading player in places like UP and Uttarakhand. The growing literacy rate would also help Hindustan to record stronger growth in times to come.

Nandan

HMVL's monthly publication for children, Nandan has a strong repertoire for targeting the younger generation with interesting and interactive content. In the last 47 years, it has cemented its position as a popular children's magazine with a rich blend of traditional and modern stories, stimulating facts, informative columns and educative material contributing to the overall development of children.

Kadambini

A renowned Hindi magazine, Kadambini covers a broad spectrum of subjects ranging from literature, politics, history, sociology and science to films and sports. A monthly

USP of Print Media

Cost Advantage
The price of newspapers in India are very low and affordable

Home Delivery
Most households get newspapers delivered to their home, making it easily accessible & convenient for the readers

Credibility and Reliability
In the era of social media where fake news dominates the space, people prefer to rely on print media to find well-researched and credible information

Habit
Starting the day with a newspaper has become a tradition for many

Hyper-local content
Localization along with credibility helps to cater to a loyal and diverse set of readers

(Source: The Indian Media & Entertainment landscape report by Deloitte)

publication, Kadambini features a unique mix of socio-cultural content that caters to a wide audience and offers varied perspectives on numerous socially relevant topics.

Financial Overview

Revenue from operations

Revenue from operations has decreased from ₹867 Crore in FY 2018-19 to ₹796 Crore in FY 2019-20, owing to slow economic growth which in turn put pressure on advertising spend by key categories.

Profitability

The Company has showcased a strong performance on profitability metrics. Operating EBITDA registered a growth of 115%, increasing from ₹46 Crore in FY 2018-19 to ₹99 Crore in FY 2019-20, while the Operating EBITDA Margin expanded from 5.3% in FY 2018-19 to 12.5% in FY 2019-20. This can be primarily attributed to softening of newsprint prices and tighter control on costs during the year. As a result, Net Profit has also increased by 10% to ₹119 Crore in FY 2019-20 from ₹108 Crore in the previous year, with Net Profit Margin increasing to 13.2% in FY 2019-20 from 11.3% in FY 2018-19. The Return on Net Worth has remained consistent at 7.7%.

Current Ratio

Current Ratio has decreased from 3.2 times as on March 31 2019 to 1.9 times as on March 31 2020. This is led by a decrease in Current Investments and Cash, along with an increase in Short Term Borrowings.

Debt Equity Ratio

During the year under review, the Debt Equity Ratio marginally increased from 0.05 times as on March 31 2019 to 0.08 times as on March 31 2020, due to increase in Borrowings.

Interest Coverage Ratio

The Interest Coverage Ratio has improved by 189% from 6.5 times as on March 31 2019 to 18.7 times as on March 31 2020. The improvement has been led by increase in Operating Profit on account of lower Raw Material Cost, and a decrease in Finance Cost.

Inventory Turnover Ratio

Inventory Turnover Ratio has decreased from 8.6 times as on March 31 2019 to 6.2 times as on March 31 2020. This is primarily due to decrease in Cost of Goods Sold (COGS) on account of softening in newsprint prices.

Marketing Initiatives

HMVL's marketing team plays a vital role in supporting its key programs and initiatives, thereby contributing to strategy formulation. It is responsible for customer acquisition, brand building efforts and supporting editorial initiatives. It has been actively engaged in promoting and developing new initiatives to engage and engross readers with the product. Some of their key marketing initiatives are highlighted below.

8th Vow of equality - Athwa Phera

Through this initiative, Hindustan encouraged ensuring equal status of husband and wife in marriage. It was a 15 day long, high decibel campaign.

24 Mn+ people
Overall reach of the campaign

#3 position
Ranking of #AathwaPhera with 6k+ tweets on the day of Karwa Chauth

20,000+ people
Engaged through amplification across Fever FM

Macchar Ko Takkar

The start of monsoon in India is unfortunately also the beginning of a season of diseases like Dengue, Malaria and Chikungunya. Every year, lacs of people fall victim to the diseases caused by mosquito bites. Hindustan, therefore, decided to support the battle against this deadly menace with a 360-degree campaign and massive on ground platforms. It not only helped to sensitize readers, but also laid down measures to prevent its outbreak.

50 Lacs
People were reached through the awareness campaign

3 Lacs
Students engaged via workshops, student pledges, and school campaigns

2 Lacs
People took pledge to keep their home mosquito-free

Pani Mera Haq

Water being a scarce resource, Hindustan decided to raise its voice against waster wastage. A 10 day campaign titled 'Paani Mera Haq' highlighted the core issue of water wastage and its impact on residents. It mobilized readers to save water and prevent its wastage.

Aao Rajneeti Karein

It is a structured program to help increase voter turnout and promote ethical and informed voting, and has been successfully executed multiple times between 2012 and 2019. The initiative has been twice awarded the National Media Gold Award by the President of India – in 2015 and 2017. This year, the theme and focus of the program was on women voters' rights and requirements. The program helps to establish Hindustan as a brand for the people.

Launch of Hindustan Smart

Patna's first Hindi tabloid, Hindustan Smart was introduced as a parallel newspaper to Hindustan. The product caters to readers' desire for localized content and also focuses on exclusives and sting operations. The Company has successfully established Smart as a different product that matches its high editorial standards.

Launch of Hindustan City

Hindustan City is an exclusive lifestyle and entertainment supplement available free of cost along with Hindustan, in Delhi. Since its launch, Hindustan City garnered a loyal and dedicated following who were interested in its local coverage of various events happening in and around Delhi.

Editorial Highlights

The year under review has been remarkable for Hindustan and some of its key campaigns have been a great success and were duly recognised and honoured. Hindustan won many awards and accolades across multiple award platforms for its initiatives including its article "Hum Saath Saath Hain". Some of the key editorial initiatives have been highlighted below.

Khatam Karo Intezaar

The article highlighted the sorry state of service lanes and traffic jams caused due to slow construction of flyovers.

Paani Ki Loot

An article highlighting the plight of ordinary people suffering due to the corrupt practices of the water tanker mafia.

KUMBH - The vehicle of growth for the city

Hindustan was the administrations' eyes and hands, supporting the smooth execution of Kumbh festival.

Himalaya Bachao Abhiyan

The current theme for the Himalaya Bachao Abhiyan was 'Himalaya bachao, polythene hatao' and the key impact of the campaign is captured in the headline 'Charon dham polythene mukt honge'.

Human Resource

At HMVL, the Human Resource (HR) function plays a pivotal role in enabling the organisation to successfully embark upon a dynamic future and gain a competitive advantage in the industry. Our focus has been on anchoring the organisation and steering it towards successfully attaining its objectives by strategically identifying, on-boarding, developing, supporting and retaining top talent. The HR function partners with various businesses, works in tandem with the stakeholders and acts as agents of handling change and compliance. It strives to encourage diversity in workforce and believes in empowering its employees. As on March 31 2020, the total employee strength of Hindustan Media Ventures Limited is 1,281.

Developmental Programs and Key Initiatives

A number of training programs were conducted during the year, including a rich and diverse mix of behavioural and functional modules. These training programs were imparted using blended models of instructor-led and digital platforms, purely classroom sessions, and digital modules. In order to ensure that our employees are well equipped with functional and technical skills, various programs were organized, some in-house and others with renowned training partners.

Some of the key initiatives undertaken by the Company are mentioned below.

- Launch of a state-of-the-art digital platform for automation of employee processes.
- Projects on people productivity were undertaken by planning focussed interventions, ensuring job realignments, leading to efficiencies and optimization in bottom line.
- Increased focus on Environment, Health and Safety initiatives such as fire safety and road safety across locations to reduce the number of workplace accidents.

507

Employees trained during the year

Women at Workplace

The Company adheres to a strict policy to ensure the safety of women employees at workplace. The Company is fully compliant with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The Company's formulated policy in this regard, is available on the employee intranet portal. The Internal Committee (IC) is also in place. No complaint was reported during FY 2019-20. The Company conducts regular training sessions for employees and Internal Committee Members. The Company has rolled-out an online module for employees to increase awareness. All employees at the time of joining, as a part of their induction, have to mandatorily complete online awareness module on the Prevention of Sexual Harassment policy.

Risk Management

The Company has a robust risk management framework to identify & manage risks and mitigate risks arising from external and internal factors. A risk identification exercise is carried out periodically to identify various strategic, operational, financial and compliance related risks. These are evaluated for their likelihood and potential impact. Few risks and uncertainties that can affect the business include changing consumer preferences and increasing digitization, adverse macroeconomic conditions influencing revenue growth and risk of newsprint price fluctuation and supply constraints resulting in higher direct costs. Further, heightened competition in key markets along with a dynamic regulatory landscape remain some of the key risks faced by the Company.

Potential risks are reviewed on an ongoing basis and mitigating controls are deliberated upon as an integral part of decision-making. To stay ahead of the competition and minimise exposure to risk, the Company has taken various initiatives like continued management focus to increase readership/circulation copies based on strength of differentiated content and launching products aimed at the millennial population. Further, a dynamic mix of local and imported newsprint along with optimized use of different grades, enhanced technological capabilities and digital properties, periodic review of cost structures and the usage of an automated compliance tool to monitor status of statutory compliances across all locations/functions help the Company to minimise its exposure to such risks.

Further, in light of the COVID-19 scenario, the Company is continuously evaluating the evolving situation and taking the necessary steps to mitigate its impact, while ensuring business continuity. The Company is also taking cost optimization efforts across businesses and functions.

Internal Control

The Company has an effective system of internal controls corresponding with its size, nature of business and complexity of operations. The internal control mechanism comprises of a well-defined organizational structure with clearly defined authority and responsibility levels and comprehensive documented policies, guidelines and procedures governing the operations of respective business areas and functions. These controls have been designed to safeguard the assets and interests of the Company and its stakeholders and also ensure compliance with Company's policies, procedures and applicable regulations. Owing to continuously evolving business practices, these controls are regularly updated by the management.

Company's focus on technology and automation has driven the establishment of appropriate automated controls and has further enhanced the existing control framework. A robust ERP system is used for accounting across locations. The Company also has Shared Service Centre (SSC) and CRM application supporting centralized and standardized procurement, payment and approval processes. These systems enhance the reliability of financial and operational information by facilitating system driven control activities, segregation of duties and enabling stricter controls.

The internal control system is supplemented by an extensive program of internal audits and their reviews by the management. The in-house internal audit function supported by professional external audit firms conducts comprehensive risk focused audits and evaluates the effectiveness of the internal control structure across locations and functions on a regular basis. In addition to internal audit activities, the Company has also developed an internal financial control framework to periodically review the effectiveness of controls laid down across all critical processes. The Company uses an online compliance management tool, and a concurrent audit mechanism of the same for ensuring effective compliance oversight. Further, the Company has an Audit Committee of Directors which meet at least once in every quarter to review internal control systems, accounting processes, financial information and other related areas.

Outlook

Going forward, the Company will continue to build deeper connections with its readers and continue to offer innovative and engaging content. It will also continue to make progress towards its brand promise of 'Tarakki ka naya nazaria' and offer customized and local content to the readers across all its key markets. Further, the Company plans to leverage the growing literacy in its key market to increase its readership base and deepen its presence. The Company also plans to leverage technological solutions to enhance its productivity and build an efficient and agile organization. HMVL will continue to undertake engaging events, editorial and marketing initiatives to spread awareness about key issues and in turn gain the loyalty & trust of its readers.

While the global outbreak of COVID-19 may impact the business in short to medium term, the organization remains as committed as ever to its mission of providing credible news and information to the masses. We are hopeful of better financial performance, once the economic activity recovers.

BOARD'S REPORT

Dear Members,

Your Directors are pleased to present their Report, together with the Audited Financial Statements for the financial year ended on March 31, 2020.

FINANCIAL RESULTS (STANDALONE)

Your Company's performance during the financial year ended on March 31, 2020, along with previous year's figures is summarized below:

(₹ in Lac)

Particulars	2019-20	2018-19
Total Income	**90,455**	**95,598**
Earnings before interest, tax, depreciation and amortization (EBITDA)	20,800	13,480
Less: Depreciation	3,066	2,122
Less: Finance cost	949	1,759
Profit before tax	**16,785**	**9,599**
Less: Tax Expense		
• Current Tax	2,912	1,065
• Deferred tax charge/ (Credit)	1,976	(2,306)
Total tax expense/ (credit)	**4,888**	**(1,241)**
Profit for the year	**11,897**	**10,840**
Add: Other Comprehensive Income (net of tax)		
a) Items that will not be re-classified subsequently to profit or loss	(461)	(3)
b) Items that will be re-classified subsequently to profit or loss	(77)	(286)
Total Comprehensive Income for the year (Net of tax)	**11,359**	**10,551**
Opening balance in Retained Earnings	**1,02,715**	**92,939**
Add: Profit for the year	11,897	10,840
Less: Item of other Comprehensive Income recognized directly in Retained Earnings		
• Re-measurement of defined benefit plans (net of tax)	461	3
Less: Dividend paid	881@	881
Less: Tax on Dividend	180	180
Total Retained Earnings	**1,13,090**	**1,02,715**

@ Dividend pertaining to FY-19, declared and paid during FY-20

DIVIDEND

During the last quarter of FY-20, the country witnessed nationwide lockdown due to Covid-19 pandemic, which has adversely impacted the economy. Consequently, Company's printing and publishing business is witnessing a significant decline in revenue and resultant cash burn. In view of the economic uncertainty, the Board of Directors do not recommend any dividend on the Equity Shares of the Company for the financial year ended on March 31, 2020.

The Dividend Distribution Policy framed pursuant to Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") is appearing as "**Annexure-A**", and is also available on the Company's website viz. www.hmvl.in.

COMPANY PERFORMANCE AND FUTURE OUTLOOK

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

SCHEME OF ARRANGEMENT

The Scheme of Arrangement u/s 230 to 232 of the Companies Act, 2013 between the Company and India Education Services Private Limited (IESPL), a fellow subsidiary company and their respective shareholders (Scheme) for demerger and vesting of B2C business (i.e. higher education programs/courses to students and working professionals) of IESPL to and in the Company, on a going concern basis, was sanctioned by Hon'ble National Company Law Tribunal, Kolkata Bench and New Delhi Bench on August 5, 2019 (amended vide order dated August 28, 2019) and October 22, 2019, respectively. Accordingly, the Scheme became effective from October 1, 2017 (i.e. Appointed Date). In terms of the Scheme, 2,77,778 fully paid-up equity shares of ₹ 10/- each of the Company were allotted to the equity shareholders of IESPL (Demerged Company), whose name appeared in the register of members of IESPL as on the record date i.e., December 4, 2019. The said equity shares were admitted for trading on National Stock Exchange of India Limited (NSE) and BSE Limited (BSE), w.e.f. January 30, 2020. Consequently, the paid up equity share capital of the Company as on March 31, 2020 stood at ₹ 73.67 Crore divided into 7,36,71,548 nos. of equity shares of ₹ 10/- each.

SUBSIDIARY COMPANIES

During the year under review, a wholly-owned subsidiary company namely, "HT Noida (Company) Limited" (CIN:U70200DL2020PLC361660) was incorporated on February 11, 2020. Also, a Limited Liability Partnership, namely "HT Content Studio LLP" (LLPIN: AAQ-3225) was incorporated on August 21, 2019.

In terms of the applicable provisions of Section 136 of the Companies Act, 2013, Financial Statements of subsidiary/ associate companies for the financial year ended on March 31, 2020 are available for inspection at the Company's website viz. www.hmvl.in.

A report on the performance and financial position of each of the subsidiary / associate companies in the prescribed Form AOC-1 is annexed to the Consolidated Financial Statements and hence, not reproduced here. The 'Policy for determining Material Subsidiary (ies)', is available on the Company's website viz. www.hmvl.in.

The contribution of subsidiary / associate companies to the overall performance of your Company is outlined in Note no. 46 of the Consolidated Financial Statements for the financial year ended March 31, 2020.

RISK MANAGEMENT

Your Company has a robust risk management framework to identify, evaluate and mitigate business risks. The key enterprise risks along with mitigation measures undertaken by the Management are also periodically reviewed by the Audit Committee. A detailed statement indicating development and implementation of the risk management policy, including identification of various elements of risk, is appearing in the Management Discussion and Analysis.

EMPLOYEE STOCK OPTION SCHEME

The information required to be disclosed pursuant to the provisions of the SEBI (Share Based Employee Benefits) Regulations, 2014 read with SEBI's circular no. CIR/CFD/ POLICY CELL/2/2015 dated June 16, 2015 ("SEBI ESOP Regulations") is available on the Company's website viz. www.hmvl.in. The HT Group Companies - Employee Stock Option Rules for Listed Companies (of a Parent Company) is in compliance with the SEBI ESOP Regulations and there is no change in the same, during the year under review. In accordance with SEBI ESOP Regulations, voting rights on the shares of the Company held by HT Group Companies - Employee Stock Options Trust were not exercised during the year under review. Further, during the year under review, 2,20,376 options were granted to the eligible employees (each option representing one equity share of ₹ 10/- each of the Company) under "HT Group Companies - Employee Stock Option Rules for Listed Companies."

DIRECTORS AND KEY MANAGERIAL PERSONNEL

Directors

The Board of Directors, on the recommendation of Nomination & Remuneration Committee, and after considering the integrity, expertise and experience of Shri Ajay Relan, Shri Ashwani Windlass, Ms Savitri Kunadi and Dr. Mukesh Aghi, accorded its approval to the following:

(a) re-appointment of Shri Ajay Relan (DIN: 00002632) and Shri Ashwani Windlass (DIN:00042686) as Non-executive Independent Directors w.e.f. April 1, 2019, for a second term of 5 (five) consecutive years upto March 31, 2024, which was approved by the Members by way of Postal Ballot on March 24, 2019;

(b) appointment of Ms. Savitri Kunadi (DIN: 00958901) as Non-Executive (Woman) Independent Director w.e.f. May 9, 2019, for a term of 3 (three) consecutive years upto March 31, 2022, which was approved by the Members by way of Postal Ballot on June 19, 2019; and

(c) re-appointment of Dr. Mukesh Aghi (DIN: 00292205) as Non-executive Independent Director w.e.f. April 1, 2020, for a second term of 5 (five) consecutive years upto March 31, 2025, which was approved by the Members at the Annual General Meeting (AGM) held on September 19, 2019.

In accordance with the provisions of the Companies Act, 2013, Shri Shamit Bhartia (DIN: 00020623) retires by rotation at the ensuing AGM, and being eligible, has offered himself for re-appointment. Your Directors commend re-appointment of Shri Shamit Bhartia for approval of the Members at the ensuing AGM.

All the Independent Directors of the Company have confirmed that they meet the criteria of independence as prescribed under both, the Companies Act, 2013 and the SEBI Listing Regulations alongwith declaration of compliance with Rules 6(1) and 6(2) of the Companies (Appointment and Qualification of Directors) Rules, 2014 with respect to their registration in the data bank of Independent Directors maintained by Indian Institute of Corporate Affairs. The Independent Directors have also confirmed that they have complied with the 'Code of Conduct' of the Company.

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

Key Managerial Personnel

Shri Rajeev Beotra ceased to be Chief Executive Officer (KMP) w.e.f. October 31, 2019.

On the recommendation of the Nomination & Remuneration Committee, the Board of Directors appointed Shri Samudra Bhattacharya as Chief Executive Officer (KMP) w.e.f. November 1, 2019.

PERFORMANCE EVALUATION

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

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

The Directors were evaluated on various parameters such as value addition to discussions, level of preparedness, willingness to appreciate the views of fellow directors, commitment to processes which include risk management, compliance and control, commitment to all stakeholders (shareholders, employees, vendors, customers etc.), familiarization with relevant aspects of Company's business / activities, amongst other matters. Similarly, the Board as a whole was evaluated on parameters which included its composition, strategic direction, focus on governance, risk management and financial controls.

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

AUDIT & AUDITORS

Statutory Auditor

During the year under review, Price Waterhouse & Co Chartered Accountants LLP (PwC) [Firm Registration No. 304026E/E-300009] tendered resignation as Statutory Auditor of the Company vide their letter dated July 5, 2019. To fill the casual vacancy caused by resignation of PwC, on July 11, 2019 the Board of Directors on recommendation of Audit Committee, accorded approval to the appointment of B S R and Associates, Chartered Accountants [Firm Registration No. 128901W] ("BSR") as Statutory Auditor, to hold office as such upto the conclusion of the AGM held on September 19, 2019.

In accordance with the provisions of Section 139 and other applicable provisions of the Companies Act, 2013, members of the Company, at their AGM held on September 19, 2019, have approved the appointment of BSR as Statutory Auditor of the Company to hold office from the conclusion of the said AGM till the conclusion of AGM to be held in the calendar year 2024.

The report of BSR on Annual Financial Statements (Standalone and Consolidated) for the financial year ended on March 31, 2020, is an unmodified opinion i.e. it does not contain any qualification, reservation or adverse remark.

Secretarial Auditor

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and rules made thereunder, the Board of Directors had appointed M/s. RMG & Associates, Company Secretaries (Firm Reg. No. P2001DE016100) as Secretarial Auditor, to conduct the Secretarial Audit for financial year 2019-20. The Secretarial Audit Report is annexed herewith as "**Annexure-B**". The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

During the year under review, the Statutory Auditor and the Secretarial Auditor have not reported any instance of fraud to the Audit Committee pursuant to Section 143(12) of the Companies Act, 2013 and rules made thereunder, therefore no detail is required to be disclosed under Section 134(3)(ca) of the Companies Act, 2013.

RELATED PARTY TRANSACTIONS

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

Reference of Members is invited to Note nos. 34 and 34A of the Standalone Financial Statements, which set out the related party disclosures as per IND AS-24.

CORPORATE SOCIAL RESPONSIBILTY

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

The Annual Report on CSR for FY-20 is annexed herewith as "**Annexure-C**".

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Companies Act, 2013, your Directors state that:

i. in the preparation of the annual accounts for the financial year ended on March 31, 2020, the applicable Accounting Standards have been followed and there are no material departures;

ii. such accounting policies have been selected and applied consistently and judgments and estimates have been made; that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as on March 31, 2020; and of the profit of the Company for the year ended on March 31, 2020;

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

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

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

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

DISCLOSURES UNDER THE COMPANIES ACT, 2013

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

Particulars of loans given, investments made, guarantees/ securities given: Details of investments made and loans/ guarantees/securities given, as applicable, are given in Note no. 44 of the Standalone Financial Statements.

Board Meetings: Yearly calendar of board meetings is prepared and circulated in advance to the Directors. During the financial year ended on March 31, 2020, the Board met five times on May 9, 2019, July 22, 2019, July 23, 2019, November 1, 2019 and January 22, 2020. For further details of these meetings, Members may please refer 'Report on Corporate Governance' which forms part of this Annual Report.

Committees of the Board: At present, five standing committees of the Board are in place viz. Audit Committee, Nomination & Remuneration Committee, Corporate Social Responsibility (CSR) Committee, Investment & Banking Committee and Stakeholders' Relationship Committee. During the year under review, recommendations of the aforesaid Committees were accepted by the Board. For further details of the committees of the Board, members may please refer 'Report on Corporate Governance' which forms part of this Annual Report.

Remuneration Policy: The Remuneration Policy of the Company on appointment and remuneration of Directors, Key Managerial Personnel & Senior Management, as prescribed under Section 178(3) of the Companies Act, 2013 and the SEBI Listing Regulations, is available on the Company's website viz. www.hmvl.in. The Remuneration Policy includes, *inter-alia*, criteria for appointment of Directors, KMPs, Senior Management Personnel and other covered employees, their remuneration structure, and disclosure(s) in relation thereto.

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

Particulars of employees and related disclosures: In accordance with the provisions of Section 197(12) of the Companies Act, 2013 and Rule 5(2) & (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, details of employees remuneration are set out in "**Annexure-D**" to this Report.

In terms of the provisions of Section 136(1) of the Companies Act, 2013, the Board's Report is being sent to the Members without this annexure. Members interested in obtaining such information may write to the Company Secretary.

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

Extract of Annual Return: Extract of annual return for the financial year ended on March 31, 2020 in Form MGT-9 is annexed herewith as "**Annexure-F**" and is also available on the website of the Company viz. www.hmvl.in. The Annual Return will be hosted on Company's website after certification by Company Secretary in Practice and upon filing thereof with Registrar of Companies.

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

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

BUSINESS RESPONSIBILITY REPORT

In compliance with the provisions of Regulation 34 of the SEBI Listing Regulations, the Business Responsibility Report (BRR) for financial year ended on March 31, 2020 outlining the initiatives taken by the Company from environmental, social and governance perspective is annexed herewith as "**Annexure-I**".

SECRETARIAL STANDARDS

Your Directors state that the Secretarial Standards i.e. SS-1 and SS-2, relating to 'Meetings of the Board of Directors' and 'General Meetings', respectively have been duly followed by the Company.

PREVENTION OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE

Your Company adheres to a strict policy to ensure the safety of women employees at workplace. The Company is fully compliant with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal)

Act, 2013 and has constituted an Internal Committee to redress complaint regarding sexual harassment. The Company's policy in this regard, is available on the employee intranet portal. The Company conducts regular training sessions for employees and members of Internal Committee, and has also rolled-out an online module for employees to increase awareness. No complaint was reported during the year under review.

GENERAL

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

1. Details relating to deposits covered under Chapter V of the Companies Act, 2013.
2. Issue of equity shares with differential rights as to dividend, voting or otherwise.
3. Issue of shares (including sweat equity shares) to employees of the Company under any scheme of the Company.

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

No material changes/commitments of the Company have occurred after the end of the financial year 2019-20 and till the date of this report, which affect the financial position of your Company.

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

Your Company has adequate internal financial controls in place with reference to the financial statements. The internal control system is supplemented by an extensive program of internal audit and review by the management. The in-house internal audit function, supported by professional external audit firms, conduct comprehensive risk focused audits and evaluate the effectiveness of the internal control structure across locations and functions on a regular basis. In addition to internal audit activities, Company has also developed an internal financial control framework to periodically review the effectiveness of controls laid down across all critical processes. The Company has instituted an online compliance management tool with a centralized repository to cater to its statutory compliance requirements.

ACKNOWLEDGEMENT

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

For and on behalf of the Board

(Shobhana Bhartia)
Chairperson
DIN: 00020648

Place: New Delhi
Date: June 24, 2020

ANNEXURE-A TO BOARD'S REPORT

Dividend Distribution Policy

1.0 Preface

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

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

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

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

1.5 The Policy shall come into force for accounting periods commencing from April 01, 2016.

2.0 Objective

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

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

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

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

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

4.0 Financial parameters that shall be considered while declaring dividend

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

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

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

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

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

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

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

6.0 Policy as to how the retained earnings shall be utilized

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

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

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

ANNEXURE-B TO BOARD'S REPORT

FORM NO. MR - 3
SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON 31 ST MARCH, 2020

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

The Members
Hindustan Media Ventures Limited
(CIN: L21090BR1918PLC000013)
Budh Marg, P.S. Kotwali Patna
Bihar-800001

We have conducted the secretarial audit of the compliance of the applicable statutory provisions and the adherence to good corporate practices by **Hindustan Media Ventures Limited (CIN: L21090BR1918PLC000013)**(hereinafter referred as 'the Company'), having its Registered Office at Budh Marg, P.S. Kotwali Patna, Bihar-800001. The process was undertaken at the Corporate Office of the Company at Hindustan Times House (2nd floor), 18-20, Kasturba Gandhi Marg, New Delhi 110001. The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification, *to the extent possible due to lockdown announced by Government of India on account of COVID – 19 pandemic*, of the Company's books, papers, minutes books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended **March 31, 2020**, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2020 according to the provisions of:

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

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

III. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder by the Depositories with regard to dematerialisation / rematerialisation of securities and reconciliation of records of dematerialised securities with all securities issued by the Company;

IV. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder. Further, there was no transaction of Overseas Direct Investment which was required to be reviewed during the period under audit;

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

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 including the provisions with regard to disclosures and maintenance of records required under the said Regulations;

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

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **[Applicable to the extent of listing of equity shares of the Company on stock exchanges vis a vis BSE and NSE, pursuant to Scheme of Arrangement under Section 230-232 of the Act];**

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

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 **[Not Applicable as the Company has not issued and listed any debt securities during the financial year under review];**

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

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 **[Not Applicable as the Company has not delisted/propose to delist its equity shares from any Stock Exchange during the period under review];**

(h) The Securities and Exchange Board of India (Buy Back of Securities) Regulations, 2018 **[Not Applicable as the Company has not bought back/propose to buy-back any of its securities during the period under review].**

VI. Laws specifically applicable to the industry to which the Company belongs, as identified by the management, that is to say:

(a) The Press and Registration of Books Act, 1867

(b) Press Council Act, 1978

For the compliances of Environmental Laws, Labour Laws & other General Laws, our examination and reporting is based on the documents, records and files as produced and shown to us and the information and explanations as provided to us, by the officers and management of the Company and to the best of our judgment and understanding of the applicability of the different enactments upon the Company, in our opinion there are adequate systems and processes exist in the Company to monitor and ensure compliance with applicable Environmental Laws, Labour Laws & other General Laws.

The compliance by the Company of applicable financial laws, like direct and indirect tax laws, has not been reviewed in this audit since the same have been subject to review by the statutory auditor and other designated professionals.

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

1. Secretarial Standards with respect to Meetings of Board of Directors (SS-1) and General Meetings (SS-2) issued by the Institute of Company Secretaries of India.

2. Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR").

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

We further report that

- the Board of Directors of the Company comprises of Executive Directors, Non-Executive Directors, Independent Directors (including independent woman director) and Woman Director. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act/SEBI LODR and consequently, the committees were re-constituted, whenever required;

- adequate notice(s) were given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent in accordance with applicable laws, as mentioned here above and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting;

- as per the minutes of the meetings of the Board and Committees of the Board, signed by the Chairman, all the decisions of the Board/its Committees were adequately taken and the dissenting members' views, if any, was captured and recorded as part of the minutes; and

- as per the records, the Company has filed all the forms, returns, documents and resolutions as were required to be filed with the Registrar of Companies and other authorities and all the formalities relating to the same is generally in compliance with the Act.

We further report that on review of the compliance mechanism established by the Company, we are of the opinion that the management has systems and processes in the Company, commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines as the Company has developed comprehensive legal compliance scheduling and management software by which specific compliance tasks were assigned to specified officials. The software enables in planning and monitoring all compliance activities across the Company.

We further report that during the audit period, the Company has following specific events/actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc. referred to above:-

1. Ms. Savitri Kunadi (DIN: 00958901) was appointed as Woman Independent Director w.e.f. May 9, 2019 for a period of 3 consecutive years up to March 31, 2022 by passing special resolution via postal ballot on June 21, 2019 and Dr. Mukesh Aghi (DIN: 00292205) was re-appointed as Independent Director w.e.f. April 1, 2020 for a further period of 5 consecutive years up to March 31, 2025 by passing special resolution at the AGM held on September 19, 2019.

2. The shareholders in the Annual General Meeting ("AGM") held on September 19, 2019 confirmed the appointment of M/s. B S R and Associates, Chartered Accountants [Firm Registration No. 128901W] in the casual vacancy caused due to resignation of M/s. Price Waterhouse & Co, Chartered Accountants LLP [Firm Registration No. 304026E/E-300009]. Further, M/s. B S R and Associates was appointed as the Statutory Auditor of the Company for a term of five consecutive years from the conclusion of 9th AGM (post-IPO) upto the conclusion of 14th AGM (post-IPO) of the Company to be held in the calendar year 2024.

3. Shri Samudra Bhattacharya was appointed by the Board of Directors as CEO and KMP of the Company w.e.f. November 1, 2019 in place of Mr. Rajeev Beotra, who relinquished the office of CEO w.e.f. October 31, 2019.

4. The scheme of arrangement between the Company ("Resulting Company") and India Education Services Private Limited ("Demerged Company") was sanctioned by Kolkata Bench and New Delhi Bench of the Hon'ble National Company Law Tribunal vide order dated August 28, 2019 and October 22, 2019 respectively, which came into effect from November 19, 2019 i.e. upon filing of certified copy of the order sanctioning the Scheme with concerned Registrar of Companies.

5. Pursuant to said scheme of arrangement, the Company allotted 2,77,778 Equity Shares of Rs.10/- each, as per the ratio enshrined in the scheme of arrangement to the eligible shareholders of the Demerged Company. Further, such equity shares of the Company were listed and admitted to dealings on the Stock Exchanges i.e. BSE and NSE, with effect from January 30, 2020.

For RMG & Associates
Company Secretaries
Firm Registration No. P2001DE16100
Peer Review No. : 734 / 2020

Sd/-
CS Manish Gupta
Partner
FCS: 5123; C.P. No.: 4095

Place: New Delhi
Date: June 24, 2020
UDIN: F005123B000357992

Note: This report is to be read with 'Annexure I' attached herewith and forms an integral part of this report.

Annexure - I

The Members
Hindustan Media Ventures Limited

Our Secretarial Audit Report for the financial year ended March 31, 2020 of even date is to be read along with this letter:

1. It is the responsibility of management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

2. Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.

3. We believe that audit evidence and information obtained from the Company's management is adequate and appropriate for us to provide a basis for our opinion.

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

5. The Secretarial Audit Report is neither an assurance as to future viability of the Company nor of the efficacy or effectiveness with which the management has conducted affairs of the Company.

6. We have tried to verify the physical records maintained by the company to the extent possible in order to verify the compliances, *however, reliance was also placed on electronic records for verification due to lockdown announced by Government of India on account of COVID- 19 pandemic.*

For RMG & Associates
Company Secretaries
Firm Registration No. P2001DE16100
Peer Review No. : 734 / 2020

Sd/-
CS Manish Gupta
Partner
FCS: 5123; C.P. No.: 4095

Place: New Delhi
Date: June 24, 2020
UDIN: F005123B000357992

ANNEXURE-C TO BOARD'S REPORT

Annual Report on Corporate Social Responsibility for FY-20

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

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

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

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

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

3. Average net profits of the Company for the last 3 financial years – ₹19,908 Lacs

4. Prescribed CSR expenditure (2% of amount as in item 3 above) – ₹400 Lacs

5. Details of CSR spent during the financial year:

a. Total amount to be spent for the financial year- ₹ 400 Lacs

b. Amount unspent as at March 31, 2020- ₹ 17.76 Lacs (refer item 6 below)

c. Manner in which the amount spent during the FY-20 is detailed below:

(₹ in Lac)

Sl. No.	CSR Project or activity identified	Sector in which the Project is covered	Projects or programs (1) Local area or other (2) Specify the State and district where projects or program were undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs Sub-heads: (1) Direct expenditure on projects or programs (2) Overheads	Cumulative expenditure upto the reporting period	Amount spent: Direct or through implementing agency
1	Health Camps - Free preventive health check-up camps	Clause (i) of Schedule VII- Promoting Healthcare including preventive healthcare	Delhi, Uttar Pradesh, Uttarakhand, Bihar & Jharkhand (Local area)	182.67	(1)182.67	182.67	Direct

(₹ in Lac)

Sl. No.	CSR Project or activity identified	Sector in which the Project is covered	Projects or programs (1) Local area or other (2) Specify the State and district where projects or program were undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs Sub-heads: (1) Direct expenditure on projects or programs (2) Overheads	Cumulative expenditure upto the reporting period	Amount spent: Direct or through implementing agency
2.	"Healthy Uttarakhand" campaign - Free preventive health check-up camps	Clause (i) of Schedule VII- Promoting Healthcare including preventive healthcare	Uttarakhand (Local area)	30.00	(1) 28.50 (2)1.50	30.00	Through implementing agency (Manorama Devi Birla Charitable Trust)*
3.	Integrated and transformational village development – Catalyzing positive transformation in Lohvan and Gossna villages which includes infrastructure development, refurbishing places of heritage, art & culture and skill development of residents of the villages. The infrastructure development was focused on providing solar lighting, school upgradation, RO water plant, road repairing, computer training center etc. The skill development was focused on women and youth.	Clause (x) of Schedule VII- Rural development project	Lohvan and Gossna in Mathura District (Uttar Pradesh) (Local area)	35.00	(1) 23.58 (2) 11.42	35.00	Direct
4.	Supporting education & skill development of under-privileged children, youth & women	Clause (ii) of Schedule VII - Promoting education	Uttar Pradesh (Local area)	32.00	(1) 32.00	32.00	Through implementing agency (HT Foundation for Change)*
5.	"Hindustan Olympiad" To provide merit based scholarships	Clause (ii) of Schedule VII - Promoting education	Uttar Pradesh, Uttarakhand, Bihar & Jharkhand (Local area)	37.00	(1) 37.00	37.00	Direct
6.	"Kanyadhan Yojna Scholarship 2018" To provide merit based scholarships to girl child	Clause (ii) of Schedule VII – Promoting education	Uttar Pradesh, Uttarakhand, Bihar & Jharkhand (Local area)	27.00	(1) 27.00	27.00	Direct
7.	"Swach Ghat Abhiyan" To promote cleanliness / sanitation by cleaning the Ghats, ponds and providing equipment, sanitation support and volunteers to clean the Ghats in Bihar for Chhatt	Clause (i) of Schedule VII – Promoting sanitation	Bihar (Local area)	10.00	(1) 10.00	10.00	Direct
8.	"Kabaddi League" To impart training in Kabaddi sport while organizing Kabaddi tournament(s) with participation of teams from various districts of Bihar and Uttar Pradesh and / or Uttrakhand	Clause (vii) of Schedule VII – Training to promote rural sports	Uttar Pradesh & Bihar (Local area)	16.77	(1)16.77	16.77	Direct

(₹ in Lac)

Sl. No.	CSR Project or activity identified	Sector in which the Project is covered	Projects or programs (1) Local area or other (2) Specify the State and district where projects or program were undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs Sub-heads: (1) Direct expenditure on projects or programs (2) Overheads	Cumulative expenditure upto the reporting period	Amount spent: Direct or through implementing agency
9.	Initiative to control spread/ impact of Coronavirus - To support various measures to control spread/impact of Coronavirus, including but not limited to distribution of sanitizers, masks, gloves etc. to persons engaged in delivery of essential goods, services etc.; fumigation of public vehicles ferrying essential goods/ commodities etc.	Clause (i) & (xii) of Schedule VII - Preventive care & Disaster management including relief, rehabilitation and reconstruction activities	Uttar Pradesh, Uttarakhand, Bihar & Jharkhand (Local area)	29.56	(1) 11.80	11.80	Direct
	Total			**400.00**	**382.24**	**382.24**	

Amount contributed to the implementation agencies is being utilized by them in a phased manner.

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

The shortfall in CSR spend of ₹ 17.76 Lac during FY-20 relates to the project '*Initiative to control spread/impact of Coronavirus*' appearing at Sl. No. 9 of the above table. Aforesaid amount could not be utilised during FY-20 as the preventive care initiatives were still underway. During Q1 FY-21, the activity will be completed and the unspent amount will be fully utilized.

Further, the shortfall in spend on CSR obligations of FY-19 amounting, to ₹ 73.36 lac, was fully spent in FY-20, over and above the Company's CSR obligations for FY-20.

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

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

Samudra Bhattacharya	**Priyavrat Bhartia**	**Ajay Relan**	**Shobhana Bhartia**
(Chief Executive Officer)	(Member of CSR Committee)	(Member of CSR Committee)	(Chairperson of CSR Committee)

Place: New Delhi
Date: June 24, 2020

ANNEXURE-E TO BOARD'S REPORT

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

(i) The ratio of remuneration of each Director to the median remuneration of the employees and percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer and Company Secretary during the financial year ended on March 31, 2020, is as under –

Name of Director/KMP & designation	Remuneration for FY-20 (₹/Lac)	% increase in remuneration in FY-20	Ratio of remuneration of each Director to median remuneration of employees in FY-20@
Shri Ashwani Windlass *Independent Director*	19.10*	Not Comparable$	3.88
Shri Ajay Relan *Independent Director*	17.70*	Not Comparable$	3.60
Dr. Mukesh Aghi& *Independent Director*	10.00*	Nil	2.03
*Shri Piyush G Mankad^* *Independent Director*	10.00*	Not applicable	2.03
*Shri Shardul S. Shroff^* *Independent Director*	10.00*	Not applicable	2.03
Ms. Savitri Kunadi# *Independent Director*	6.50*	Not Comparable+	1.32
Shri Shamit Bhartia *Managing Director*	417.80	0.62%	84.92
Shri Praveen Someshwar *Managing Director*	545.93	Not Comparable+	110.96
*Shri Samudra Bhattacharya^^* *Chief Executive Officer*	107.96	Not Comparable+	Not Applicable
Shri Rajeev Beotra** *Ex-Chief Executive Officer*	249.87	Not Comparable+	Not Applicable
Shri Sandeep Gulati *Chief Financial Officer*	167.67	14.58%	Not Applicable
Shri Tridib Barat *Company Secretary*	72.72	20.82%	Not Applicable

@Median remuneration of employees during FY-20 was ₹ 4.92 Lac

**Comprises of profit related commission (for FY-19 paid in FY-20) and sitting fee for attending Board/Committee meetings, as applicable*

$ Not comparable as sitting fee was increased to Rs.1 Lac and Rs.50,000 per board and committee meeting, respectively, from ₹ 30,000 per meeting w.e.f. May 9, 2019

&Voluntarily foregone sitting fee during FY-19 & FY-20

^ Ceased to be Independent Director w.e.f. April 1,2019 as tenure ended on March 31, 2019

#Appointed as Independent Director w.e.f. May 9, 2019

^^Appointed as CEO w.e.f. November 1, 2019

***Ceased as CEO (KMP) w.e.f. October 31, 2019*

+Remuneration not comparable owning to appointment/ cessation during FY-19 or FY-20, as the case may be

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

(ii) There was an increase of 8.37% in the median remuneration of employees of the Company in FY-20.

(iii) As on March 31, 2020, there were 1,281 permanent employees on the rolls of the Company.

(iv) Average percentage increase in remuneration of employees, other than managerial personnel, during FY-20 is 6.9%. During the same period, the average percentage change in remuneration of managerial personnel is given in table above, which was lower than the percentage increase in the remuneration of employees other than managerial personnel.

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

For and on behalf of the Board

(Shobhana Bhartia)
Chairperson
DIN: 00020648

Place: New Delhi
Date: June 24, 2020

ANNEXURE-F TO BOARD'S REPORT

Form No. MGT-9
Extract of Annual Return

For the financial year ended March 31, 2020

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

I. REGISTRATION AND OTHER DETAILS:

Sl. No.	Particulars	Details
i.	Corporate Identification Number (CIN)	L21090BR1918PLC000013
ii.	Registration Date	July 9, 1918
iii.	Name of the Company	Hindustan Media Ventures Limited
iv.	Category / Sub-Category of the Company	Public Company / Limited by Shares
v.	Address of the Registered office and contact details	Budh Marg, Patna, Bihar-800001 Tel: +91-612-222 3434 Fax: +91-612-222 1545 Email: hmvlinvestor@livehindustan.com
vi.	Whether listed company	Yes / ~~No~~
vii.	Name, address and contact details of Registrar and Transfer Agent, if any	KFin Technologies Private Limited Selenium Tower B, Plot No. 31 & 32 Financial District Nanakramguda, Serilingampally Mandal Hyderabad - 500032 Tel: +91-40-6716 2222, Fax No.: +91-40-2300 1153 Toll Free No: 18003454001 Email: einward.ris@kfintech.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

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

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

*Source: National Industrial Classification-2008

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

Sl. No.	Name and Address of the Company	CIN/GLN	Holding / Subsidiary / Associate	% of shares held	Applicable Section of Companies Act, 2013
1.	HT Media Limited* 18-20, Kasturba Gandhi Marg, New Delhi-110001	L22121DL2002PLC117874	Holding	74.40	2(46)

Sl. No.	Name and Address of the Company	CIN/GLN	Holding / Subsidiary / Associate	% of shares held	Applicable Section of Companies Act, 2013
2.	HT Noida (Company) Limited[@] Hindustan Times House, 2nd Floor, 18-20, Kasturba Gandhi Marg, New Delhi 110001	U70200DL2020PLC361660	Subsidiary	100	2(87)
3.	HT Content Studio LLP[^] Hindustan Times House, 2nd Floor, 18-20, Kasturba Gandhi Marg, New Delhi 110001	AAQ-3225	Associate	99.99	2(6)

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

[@] Incorporated on February 11, 2020

[^] Incorporated on August 21, 2019

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

i) Categorywise share holding

Sl. No.	Category of Shareholders	No. of shares held at the beginning of the year (as on 01/04/2019)				No. of shares held at the end of the year (as on 31/03/2020)				% change during the year
		Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
(A)	**PROMOTERS**									
(1)	**INDIAN**									
(a)	Individual /HUF	0	0	0	0.00	0	0	0	0.00	0.00
(b)	Central Government/State Government(s)	0	0	0	0.00	0	0	0	0.00	0.00
(c)	Bodies Corporate	5,45,33,458	0	5,45,33,458	74.30	5,48,08,457	0	5,48,08,457	74.40	0.10
(d)	Financial Institutions / Banks	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Any other	0	0	0	0.00	0	0	0	0.00	0.00
	Sub-Total A(1) :	**5,45,33,458**	**0**	**5,45,33,458**	**74.30**	**5,48,08,457**	**0**	**5,48,08,457**	**74.40**	**0.10**
(2)	**FOREIGN**									
(a)	Individuals (NRIs/Foreign Individuals)	0	0	0	0.00	0	0	0	0.00	0.00
(b)	Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00
(c)	Bank/Financial Institutions	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Any other	0	0	0	0.00	0	0	0	0.00	0.00
	Sub-Total A(2) :	**0**	**0**	**0**	**0.00**	**0**	**0**	**0**	**0.00**	**0.00**
	Total Shareholding of Promoters A=A(1)+A(2)	**5,45,33,458**	**0**	**5,45,33,458**	**74.30**	**5,48,08,457**	**0**	**5,48,08,457**	**74.40**	**0.10**
(B)	**PUBLIC SHAREHOLDING**									
(1)	**INSTITUTIONS**									
(a)	Mutual Funds /UTI	6,27,755	0	6,27,755	0.86	6,70,875	0	6,70,875	0.91	0.05
(b)	Financial Institutions /Banks	1,10,997	0	1,10,997	0.15	94,476	0	94,476	0.13	(0.02)
(c)	Central Government / State Government(s)	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
(f)	Foreign Institutional Investors (FII's)	1,07,18,828	0	1,07,18,828	14.60	1,06,04,757	0	1,06,04,757	14.39	(0.21)
(g)	Foreign Venture Capital Investors	0	0	0	0.00	0	0	0	0.00	0.00
(h)	Any other	0	0	0	0.00	0	0	0	0.00	0.00
	Sub-Total B(1) :	**1,14,57,580**	**0**	**1,14,57,580**	**15.61**	**1,13,70,108**	**0**	**1,13,70,108**	**15.43**	**(0.18)**
(2)	**NON-INSTITUTIONS**									
(a)	**Bodies Corporate**									
	Indian	19,09,174	0	19,09,174	2.60	19,71,867	0	19,71,867	2.68	0.08
	Overseas	0	0	0	0.00	0	0	0	0.00	0.00

Sl. No.	Category of Shareholders	No. of shares held at the beginning of the year (as on 01/04/2019)				No. of shares held at the end of the year (as on 31/03/2020)				% change during the year
		Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
(b)	**Individuals**									
(i)	Individuals holding nominal share capital upto ₹1 lakh	35,25,070	11,785	35,36,855	4.82	34,14,911	42	34,14,953	4.64	(0.18)
(ii)	Individuals holding nominal share capital in excess of ₹1 lakh	12,37,730	0	12,37,730	1.69	14,47,597	0	14,47,597	1.96	0.28
(c)	**Others**									
	Clearing Members	8,592	0	8,592	0.01	27,147	0	27,147	0.04	0.03
	Foreign Bodies	0	0	0	0.00	0	2,777	2,777	0.00	0.00
	I E P F	64,234	0	64,234	0.09	64,266	0	64,266	0.09	0.00
	Non Resident Indians	2,96,490	0	2,96,490	0.40	2,24,287	0	2,24,287	0.30	(0.10)
	NRI Non-Repatriation	1,19,471	0	1,19,471	0.16	10,9903	0	1,09,903	0.15	(0.01)
	Trustee of HT Group Companies Employees Stock Option Trust*	2,30,186	0	2,30,186	0.31	230,186	0	2,30,186	0.31	0.00
(d)	**Qualified Foreign Investor**	0	0	0	0.00	0	0	0	0.00	0.00
	Sub-Total B(2) :	**73,90,947**	**11,785**	**74,02,732**	**10.09**	**74,90,164**	**2,819**	**74,92,983**	**10.17**	**0.08**
	Total Public Shareholding B=B(1)+B(2)	**1,88,48,527**	**11,785**	**1,88,60,312**	**25.70**	**1,88,60,272**	**2,819**	**1,88,63,091**	**25.60**	**(0.09)**
(C)	**SHARES HELD BY CUSTODIAN FOR GDR(S) AND ADR(S)**	0	0	0	0.00	0	0	0	0.00	0.00
	GRAND TOTAL (A+B+C) :	**7,33,81,985**	**11,785**	**7,33,93,770**	**100.00**	**7,36,68,729**	**2,819**	**7,36,71,548**	**100.00**	**0.00**

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

Note: During the year under review, pursuant to the Scheme of Arrangement under Sections 230-232 and other applicable provisions of the Companies Act, 2013 between IESPL (Demerged Company) and the Company, your Company has allotted 2,77,778 equity shares of ₹ 10/- each to equity shareholders of IESPL whose name were appearing in the register of members of IESPL as on the record date i.e. December 4, 2019.

ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year (As on 01/04/2019)			Shareholding at the end of the year (As on 31/03/2020)			% change in shareholding during the year
		No. of shares	% of total shares of the Company	%of shares pledged / encumbered to total shares	No. of shares	% of total shares of the Company	%of shares pledged / encumbered to total shares	
1.	HT Media Limited	5,45,33,458	74.30	0.00	5,48,08,457	74.40	0.00	0.10
	Total	**5,45,33,458**	**74.30**	**0.00**	**5,48,08,457**	**74.40**	**0.00**	**0.10**

(iii) Change in Promoters' Shareholding

Sl. No.	Name	Shareholding at the beginning of the year		Date	Increase/ (Decrease) in shareholding	Reason	Cumulative shareholding during the year	
		No. of shares at the beginning	% of total shares of the Co.				No. of Shares	% of total shares of the Co.
1.	HT Media Limited	5,45,33,458	74.30	05/12/2019	2,74,999	New shares alloted pursuant to a Scheme of Arrangement	5,48,08,457	74.40
	Total	**5,45,33,458**	**74.30**				**5,48,08,457**	**74.40**

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

Sl. No.	Name of the Shareholder	Shareholding at the beginning of the year		Cumulative shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1.	KOTAK MAHINDRA (INTERNATIONAL) LIMITED				
	At the beginning of the year	42,79,952	5.83	42,79,952	5.83
	Bought during the year	0	0.00	42,79,952	5.83
	Sold during the year	43,952	0.06	42,36,000	5.75
	At the end of the year	42,36,000	5.75	42,36,000	5.75
2.	LAVENDER INVESTMENTS LIMITED				
	At the beginning of the year	30,50,000	4.16	30,50,000	4.16
	Bought during the year	0	0.00	30,50,000	4.16
	Sold during the year	0	0.00	30,50,000	4.16
	At the end of the year	30,50,000	4.16	30,50,000	4.14
3.	STEINBERG INDIA EMERGING OPPORTUNITIES FUND LIMITED				
	At the beginning of the year	19,50,000	2.66	19,50,000	2.66
	Bought during the year	2,00,000	0.27	21,50,000	2.93
	Sold during the year	0	0.00	21,50,000	2.93
	At the end of the year	21,50,000	2.92	21,50,000	2.92
4.	MOHANBARI INVESTMENT COMPANY PRIVATE LIMITED				
	At the beginning of the year	4,58,510	0.62	4,58,510	0.62
	Bought during the year	0	0.00	4,58,510	0.62
	Sold during the year	0	0.00	4,58,510	0.62
	At the end of the year	4,58,510	0.62	4,58,510	0.62
5.	BANARHAT INVESTMENT COMPANY PRIVATE LIMITED				
	At the beginning of the year	4,48,541	0.61	4,48,541	0.61
	Bought during the year	0	0.00	4,48,541	0.61
	Sold during the year	0	0.00	4,48,541	0.61
	At the end of the year	4,48,541	0.61	4,48,541	0.61
6.	VIRGINIA TECH FOUNDATION, INC. STEINBERG INDIA ASSET MANAGEMENT LIMITED				
	At the beginning of the year	4,09,253	0.56	4,09,253	0.56
	Bought during the year	0	0.00	4,09,253	0.56
	Sold during the year	0	0.00	4,09,253	0.56
	At the end of the year	4,09,253	0.56	4,09,253	0.56
7.	FRANKLIN TEMPLETON MUTUAL FUND A/C FRANKLIN BUILD INDIA FUND (FBIP)				
	At the beginning of the year	4,00,000	0.55	4,00,000	0.55
	Bought during the year	0	0.00	4,00,000	0.55
	Sold during the year	0	0.00	4,00,000	0.55
	At the end of the year	4,00,000	0.55	4,00,000	0.54
8.	ESVEE CAPITAL				
	At the beginning of the year	3,54,199	0.48	3,54,199	0.48
	Bought during the year	0	0.00	3,54,199	0.48
	Sold during the year	0	0.00	3,54,199	0.48
	At the end of the year	3,54,199	0.48	3,54,199	0.48

Sl. No.	Name of the Shareholder	Shareholding at the beginning of the year		Cumulative shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
9.	BANARHAT INVESTMENT COMPANY PVT. LTD.				
	At the beginning of the year	2,43,687	0.33	2,43,687	0.33
	Bought during the year	0	0.00	2,43,687	0.33
	Sold during the year	0	0.00	2,43,687	0.33
	At the end of the year	2,43,687	0.33	2,43,687	0.33
10.	TRUSTEE OF HT GROUP COMPANIES EMPLOYEE STOCK OPTION TRUST				
	At the beginning of the year	2,30,186	0.31	2,30,186	0.31
	Bought during the year	0	0.00	2,30,186	0.31
	Sold during the year	0	0.00	2,30,186	0.31
	At the end of the year	2,30,186	0.31	2,30,186	0.31

Notes:

1. Year in the above table denotes the period from April 1, 2019 to March 31, 2020
2. Any member desirous of obtaining date-wise particulars of sale/purchase of shares by the above shareholders may write to Company Secretary of the Company

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

Sl. No.	Name of Director/KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1.	Shri Priyavrat Bhartia (Director)				
	At the beginning of the year	6,719	0.01	6,719	0.01
	Bought during the year	0	0.00	6,719	0.01
	Sold during the year	0	0.00	6,719	0.01
	At the end of the year	6,719	0.01	6,719	0.01
2.	Shri Shamit Bhartia (Managing Director)				
	At the beginning of the year	5,017	0.01	5,017	0.01
	Bought during the year	0	0.00	5,017	0.01
	Sold during the year	0	0.00	5,017	0.01
	At the end of the year	5,017	0.01	5,017	0.01
3.	Shri Tridib Barat (Company Secretary)				
	At the beginning of the year	2	0.00	2	0.00
	Bought during the year	0	0.00	2	0.00
	Sold during the year	0	0.00	2	0.00
	At the end of the year	2	0.00	2	0.00

Note:

Year in the above table denotes the period from April 1, 2019 to March 31, 2020

V. INDEBTEDNESS:

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

(₹ in Lac)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year 2019-20				
i) Principal Amount	6,915.00	538.96	-	7,453.96
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	22.50	9.94	-	32.43
Total (i+ii+iii)	**6,937.50**	**548.89**	**-**	**7,486.39**
Change in Indebtedness during the financial year 2019-20				
i) Additions	12,944.57	3,965.90	-	16,910.47
ii) (Reductions)	(12,129.35)	(825.37)	-	(12,954.72)
Net Change (i+ii)	**815.23**	**3,140.52**	**-**	**3,955.75**
Indebtedness at the end of the financial year 2019-20				
i) Principal Amount	7,752.72	3,689.41	-	11,442.14
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	22.18	30.49	-	52.67
Total (i+ii+iii)	**7,774.90**	**3,719.90**	**-**	**11,494.80**

Note:- Arithmetic difference in the above table is attributed to different exchange rate(s) considered for conversion of foreign currency denominated loan into Indian Rupees.

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP):

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

(₹ in Lac)

Sl. No.	Particulars of Remuneration	Shri Shamit Bhartia (Managing Director)	Shri Praveen Someshwar (Managing Director)	Total
1.	Gross salary			
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	389.00	523.57	**912.57**
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	-	0.40	**0.40**
	(c) Profits in lieu of salary under section 17(3)of the Income Tax Act, 1961	-	-	**-**
2.	Stock Option (No. of options granted during the year)	-	-	**-**
3.	Sweat Equity	-	-	**-**
4.	Commission	-	-	**-**
5.	Others- Retirement benefits	28.80	21.96	**50.76**
	Total (A)	**417.80**	**545.93**	**963.73**
Ceiling as per the Act				*Please refer note below**

*The net profit for FY-20 computed as per Section 198 of the Companies Act, 2013 was inadequate for the purpose of payment of Managerial Remuneration in FY-20. In terms of the provisions of Section 197 read with Schedule V of the Companies Act, 2013, the Company has obtained approval of the members by way of special resolution passed on March 24, 2019, for payment of above managerial remuneration. Thus, the ceiling on managerial remuneration as per the Companies Act, 2013 is not applicable.

B. Remuneration to other directors

(₹ in Lac)

Sl. No.	Particulars of Remuneration	Name of Directors						Total
1.	**Independent Directors**	**Shri Ajay Relan**	**Shri Ashwani Windlass**	**Ms. Savitri Kunadi**	**Dr. Mukesh Aghi@**	**Shri Shardul S. Shroff***	**Shri Piyush G Mankad***	
	• Fee for attending board / committee meetings	17.70	9.10	6.50	-	-	-	**33.30**
	• Commission#	-	10.00	-	10.00	10.00	10.00	**40.00**
	• Others	-	-	-	-	-	-	**-**
	Total	**17.70**	**19.10**	**6.50**	**10.00**	**10.00**	**10.00**	**73.30**
2.	**Other Non-Executive Directors**	No remuneration was paid during FY-20						
	Total (B)	**17.70**	**19.10**	**6.50**	**10.00**	**10.00**	**10.00**	**73.30**
Total managerial remuneration (A+B)								**1037.03**
Overall Ceiling as per the Act**								

@Voluntarily foregone sitting fee

*Ceased to be Director w.e.f April 1, 2019

**Not applicable as explained above

#Commission pertains to FY-19 which was paid in FY-20

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

(₹ in Lac)

Sl. No	Particulars of Remuneration	Key Managerial Personnel				
		Shri Rajeev Beotra@ (Ex- CEO)	**Shri Samudra Bhattacharya (CEO)^**	**Shri Sandeep Gulati (CFO)**	**Shri Tridib Barat (CS)**	**Total**
1.	Gross salary					
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	241.37	105.24	160.23	69.70	**576.54**
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	0.23	0.07	-	0.40	**0.70**
	(c) Profits in lieu of salary u/s 17(3) of the Income Tax Act, 1961	-	-	-	-	**-**
2.	Stock Option (No. of options granted during the year)	-	-	-	-	**-**
3.	Sweat Equity	-	-	-	-	**-**
4.	Commission	-	-	-	-	**-**
5.	Others-Retirement benefits	8.27	2.65	7.44	2.62	**20.98**
	Total	**249.87**	**107.96**	**167.67**	**72.72**	**598.22**

@Ceased as CEO w.e.f October 31, 2019

^Appointed as CEO (KMP) w.e.f November 1, 2019

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: Nil

For and on behalf of the Board

(Shobhana Bhartia)
Chairperson
DIN: 00020648

Place: New Delhi
Date: June 24, 2020

ANNEXURE-G TO BOARD'S REPORT

Certificate of Compliance of Corporate Governance

The Members
Hindustan Media Ventures Limited
(CIN: L21090BR1918PLC000013)
Budh Marg, P.S.Kotwali, Patna
Bihar-800001

We have examined the compliance of conditions of Corporate Governance by **Hindustan Media Ventures Limited (CIN: L21090BR1918PLC000013)** (hereinafter referred as 'the Company'), having its Registered Office at Budh Marg, P.S.Kotwali, Patna, Bihar-800001. The process was undertaken at the Corporate Office of the Company at Hindustan Times House, 2nd Floor, 18-20, Kasturba Gandhi Marg New Delhi 110001, for the year ended on March 31, 2020, as stipulated in the relevant provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time ("Listing Regulations").

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

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has compiled with the conditions of Corporate Governance as stipulated in the above mentioned Listing Regulations.

We further state that this certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For RMG & Associates
Company Secretaries
Firm Registration No. P2001DE16100
Peer Review No. : 734 / 2020

Sd/-
CS Manish Gupta
Partner
FCS: 5123; C.P. No.: 4095

Place: New Delhi
Date: June 24, 2020
UDIN: F005123B000358003

ANNEXURE-H TO BOARD'S REPORT

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

(A) Conservation of energy-

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

- Energy saving initiatives taken during earlier years was further progressed during FY-20. At present, 98% (approx.) of the lighting across all print locations have been converted to LED. Internal energy audit in factories has been taken up and various energy saving projects *(major projects – demand reduction, alteration & optimization of chiller operation, spray dampening system, optimization of compressor operations)* have been identified for implementation during FY-21, which are likely to deliver savings of ~₹ 12 Lac/ year.
- Rationalized utility running, only during machine run. Tapping and arresting the energy drain across factories & offices.
- Improved and maintained the power factor towards unity, across print locations.

(ii) Steps taken by the company for utilizing alternate source of energy: Nil

(iii) Capital investment on energy conservation equipments: Nil

(B) Technology absorption-

(i) Efforts made towards technology absorption:

- Introduction of a newer version of digital modulation screening in newspaper printing which gives better ink mileage, reduced Total Ink Coverage (TIC), better print quality and cost saving.
- Use of Viogreen plates for elimination of hazardous waste and water consumption.

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

- Enhanced print quality.
- Cost saving by way of 2-3% optimization of colour ink consumption, without any impact on product quality.

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

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

(iv) Expenditure incurred on Research and Development: Nil

(C) Foreign exchange earnings and outgo-

- Foreign exchange earned in terms of actual inflows during the year: ₹ 35.69 Lac
- Foreign exchange outgo in terms of actual outflows during the year: ₹ 4,536.15 Lac

For and on behalf of the Board

(Shobhana Bhartia)
Chairperson
DIN: 00020648

Place: New Delhi
Date: June 24, 2020

ANNEXURE-I TO BOARD'S REPORT

Business Responsibility Report

Section A: General Information about the Company

Corporate Identity Number (CIN) of the Company	CIN: L21090BR1918PLC000013
Name of the Company	Hindustan Media Ventures Limited
Registered Address	Budh Marg, Patna - 800 001
Website	www.hmvl.in
Email Id	hmvlinvestor@livehindustan.com
Financial Year reported	April 1, 2019- March 31, 2020
Sector(s) that the Company is engaged in (industrial activity code-wise)	Printing and Publication of Newspapers and Periodicals (NIC Code – 181, 581)*
List three key products / services that the Company manufactures/provides (as in balance sheet):	Printing and publishing of newspapers and magazines
Total no. of locations where business activity is undertaken by the Company: a) No. of international locations b) No. of National locations	Indian operations of the Company are carried out through multiple offices across states. Key states / regions include Delhi National Capital Region, Uttar Pradesh, Uttarakhand, Bihar and Jharkhand.The Company does not have any intenational operations.
Markets served by the Company – Local / State / National / International	Newspapers and magazines serve national markets

* Source: National Industrial Clarification - 2008

Section B: Financial Details of the Company

Paid-up Capital (as on March 31, 2020)	₹ 73.67 Crore
Total turnover	₹ 904.55 Crore
Total Profit after taxes	₹ 118.97 Crore
Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	₹ 3.82 Crore (allocated ₹ 4.00 Crore) [2% of profit after tax]
List of activities in which CSR expenditure has been incurred	The Company has taken several initiatives in formulating and implementation of policies which support inclusive growth and equitable development as part of its Corporate Social Responsibility. Our programs include sections of the society that are under-privileged and supports initiatives that promote education, including special education. We also work towards promoting rural sports & healthcare, employment enhancing vocation skills, especially among children, women, elderly, and the differently abled along with supporting livelihood enhancement projects. Some of the initiatives which have made an impact in the last year include - 1. Healthy Hindustan – This is a year-long initiative that is providing free health check-up for the under privileged by qualified doctors from reputed hospitals. 2. Atulya Gram initiative – This is an integrated village development program that collectively enables a disadvantaged community to become self-sustaining and a key peg of India's development story. 3. Kanyadhan Yojna – A merit-based scholarship for the girl child from the economically weaker section of society.

Section C: Other Details

Does the Company have any Subsidiary Company / Companies?	Yes, the Company has 1 Indian subsidiary as on March 31, 2020
Do the Subsidiary Company / Companies participate in the BR initiatives of the parent Company? If yes, then indicate the number of such subsidiary company(s)	Yes, the subsidiary company participates in various BR initiatives of the Company
Do any other entity / entities (e.g. suppliers, distributors etc.) that the Company does business with participate in the BR initiative of the Company? If yes, then indicate the percentage of such entity / entities?	No

Section D: BR Information

1. Details of Director/Directors Responsible for BR:

a) Details of the Director/Directors responsible for implementation of the BR policy/policies:

1.	DIN Number	01802656
2.	Name	Shri Praveen Someshwar
3.	Designation	Managing Director

b) Details of the BR Head:

Sr. No.	Particulars	Details
1	DIN	08711910
2	Name	Shri Sandeep Rao
3	Designation	Chief Strategy Officer
4	Contact details	+91-11-6656 1608
5	E-mail Id	hmvlinvestor@livehindustan.com

2. Principle-wise BR Policy/ Policies

a) Details of Compliance (Reply Y/N)

Sr. No	Questions	Business Ethics P1	Product Responsibility P2	Employee Wellbeing P3	Stakeholder Engagement P4	Human Rights P5	Environment Protection P6	Public & Regulatory Policy P7	CSR P8	Customer relation P9
1	Do you have a Policy / Policies for (*)	Y	Y	Y	Y	Y	Y	Y	Y	Y
2	Has the Policy been formulated in consultation with the relevant stakeholders (*)	Y	Y	Y	Y	Y	Y	Y	Y	Y

Sr. No	Questions	Business Ethics P1	Product Responsibility P2	Employee Wellbeing P3	Stakeholder Engagement P4	Human Rights P5	Environment Protection P6	Public & Regulatory Policy P7	CSR P8	Customer relation P9
3	Does the policy conform to any national / international standards? (**)	Y	Y	Y	Y	Y	Y	Y	Y	Y
4	Has the policy been approved by the board? If yes has it been signed by MD/ CEO/ appropriate Board Director? (***)	Y	N	N	Y	N	N	N	Y	Y
5	Does the Company have a specified committee of the Board/ Director/ Official to oversee implementation of the policy? (***)	Y	Y	Y	Y	Y	Y	N	Y	Y
6	Indicate the link for the policy to be viewed online	Following policies can be viewed on our website www.hmvl.in: 1) Corporate Governance 2) Corporate Social Responsibility 3) Whistle Blower Policy 4) Code of Conduct of the Company								
7	Has the policy been formally communicated to all relevant internal and external stakeholder?	Yes								
8	Does the Company have in house structure to implement the policies?	Yes								
9	Does the Company have a grievance redressal mechanism related to the policy to address stakeholders' grievances related to the policy?	Yes								
10	Has the Company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	Policies are evaluated regularly for implementation by CEO and Business Leaders as part of their regular business reviews. Currently, there is no formal process of an independent audit and evaluation of the working of these policies.								

* While no formal written policy may exist for certain principles, the Company has robust procedures / practices as well as standard operating procedures in place which are being uniformly communicated to the team and are regularly being reviewed for adherence by CEO and respective Business Leaders.

** The policies materially conform and are aligned to applicable legal and regulatory requirements, guidelines, SEBI regulations and our internal guidelines.

*** Within the overall guidance of the Board of Directors, the Company's policies are framed and modified from time to time. As and when these policies are approved, these are released for implementation by the Business Leaders of the Company. These policies are then administered under the overall supervision of CEO.

b. **If answer to the question at Sr No 1 against any principle, is "No", please explain why:**

Sr. No	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	The Company has not understood the principles	Not applicable								
2	The Company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles									
3	The Company does not have financial or manpower resources available for the task									
4	It is planned to be done within next six month									
5	It is planned to be done within next one year									
6	Any other reason (Please specify)									

3. **Governance related to BR:**

a) *Indicate the frequency with which the Board of Directors, Committee of the Board or CEO assesses the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year –*

Assessment of BR performance is done on an ongoing basis by the concerned persons as part of business reviews for the various segments in the Company. CSR Committee of the Board reviews the social performance of the Company on a periodic basis that also includes monitoring current projects, efficient and timely utilization of allocated grants and takes into account the interests of shareholders, clients, employees, communities and regulators.

b) *Does the Company publish a BR or sustainability Report? What is hyperlink for viewing this report? How frequently it is published?*

The Company published the BR report for FY-17 as per SEBI requirement, and it is hosted on the website www.hmvl.in under 'Investor Relations'. This report for FY-20 is also hosted on the website.

Section E: Principle-wise Performance

Principle 1: Businesses should conduct and govern themselves with Ethic Transparency and Accountability

1. *Does the policy relating to ethics, bribery and corruption cover only the Company? Does it extend to the Group / Joint Ventures / Suppliers / Contractors / NGOs / Others?*

The Company considers Corporate Governance as an integral part of management. The Code of Conduct adopted by the Board of Directors is applicable to the Board of Directors and Senior Management. The HR policies framed / circulated are applicable to all employees and deal with ethics, bribery and corruption. These policies are applicable to employees at all levels including the subsidiary.

2. *How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof.*

As mentioned in the Report on Corporate Governance, no investor complaints were received during the year. Additionally, complaints from all other stakeholders are addressed and dealt with by respective functions in the Company.

Principle 2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle

1. *List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and / or opportunities.*

Being part of the Printing and Publishing Industry, the Company publishes newspapers and magazines. We use state-of-the-art technology and innovative techniques to make the best use of material and minimize wastage. Further, our endeavor is always to minimize impact on the environment and its protection.

2. *For each such product, provide the following details in respect of resource use (energy, water, raw materials etc.) per product (optional):*

   We continuously update our technology and machines to make best use of the material and minimize wastage. Regular safety and compliance audits are conducted in all print factories and corrective actions are taken as per recommendations to use the resources optimally.

   Total consumption of newsprint is tracked at a newspaper level and by source (domestic / international).

   Environment conversation is the responsibility of all and we make continuous efforts at our end to conserve the natural resources as well.

   We conserved and recycled 11% of the water per metric ton of newsprint in FY-20 compared to FY-19 by water conservation & waste-water recycling initiatives, further we have installed four rainwater harvesting units in the last year to replenish ground water levels.

   We did significant work at our end to cut on our CO2 emissions by installing 450 KVA Solar power plants at Patna & Ranchi printing press leading to an annual CO_2 reduction by 11 % (528 tons). Other efficiency improvement projects such as plant LED light implementation, VFD installation on ETP / STP plant, reduction in contract demand, compressor efficiency improvement, rationalized Air-condition, chiller and HVAC operations, running machine on single motor & power factor improvement have helped us reduce CO2 emissions by 2.32 % (109 Ton)

3. *Does the Company have a procedure in place for sustainable sourcing (including transportation)? If yes, what percentage of your inputs was sourced sustainably?*

   Yes, the Company has a procedure for sustainable sourcing for all its raw material.

   The Company has been working to enhance the degree of sustainability associated with its sourcing practices. This includes strategy of sourcing from tightly knit clusters, optimizing logistics to reduce fuel consumption, emissions and carbon footprint, re-working packaging to minimize waste and maximize re-use. The sustainability road map of the Company covers these areas and the Company takes steps to ensure that its sourcing methods are sustainable.

4. *Has the Company taken any steps to procure goods and services from local and small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve the capacity and capability of local and small vendors?*

   Yes, the Company regularly procures goods and services from local producers / vendors. The Company continuously endeavors to manage its International: Domestic procurement ratio by investing in its machines and technologies to improve efficiencies.

5. *Does the Company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste. (Separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.*

   The Company recognizes that natural resources are finite and therefore need to be conserved and recycled. Hence, we have taken multiple steps in this direction including upgrading of our technologies and processes, water conservation, reduction of wastage, green initiatives. It is a continuous process with an intention to minimize waste and recycle products. Newspaper & printing waste are 100% recyclable.

Principle 3: Business should promote the well-being of all employees

1. Please indicate the total number of employees: 1,281
2. Please indicate the total number of employees hired on temporary / contractual / casual basis: 965
3. Please indicate the number of permanent women employees: 37
4. Please indicate the number of permanent employees with disabilities: Nil
5. Do you have employee association that is recognized by management? No
6. What percentage of your permanent employees is member of this recognized employee associations? Not Applicable
7. Please indicate the number of complaints relating to child labor, forced labor, involuntary labor, and sexual harassment in the last financial year and pending as on the end of the financial year.

   No complaints were received by the Internal Committee (IC) under The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

8. *What percentage of your under mentioned employees were given safety and skill up-gradation training in the last year?*

   Each year a 'Safety Week' is celebrated across all locations where extensive fire safety mock drills, first-aid training, advance safety training and training on correct use of personal protective equipment (PPEs) is conducted covering 100% factory staff and 60% office staff on rotation basis. 'Continuous self-renewal' is one of our Organization values within which skill up-gradation is innate in our annual Performance Management and Talent Development programs.

Principle 4: Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.

1. *Has the Company mapped its internal and external stakeholders?*

   Yes, the Company has a well-established process for identifying and engaging with both internal and external stakeholders, which can be categorized as employees, consumers, vendors, government authorities and shareholders.

2. *Out of the above, has the Company identified the disadvantaged, vulnerable and marginalized stakeholders?*

   We do not consider any of our stakeholders as disadvantaged, vulnerable or marginalized.

3. *Are there any special initiatives taken by the Company to engage with the disadvantaged, vulnerable and marginalized stakeholders? If so, provide details thereof*

   Not applicable

Principle 5: Businesses should respect and promote human rights

1. *Does the policy of the Company on human rights cover only the Company or extend to the Group / Joint ventures / suppliers / contractors / NGOs / Others?*

   The Company adheres to all statues that embody the principles of human rights such as prevention of child labor, women empowerment, non-discrimination, etc. We promote the awareness of these rights among our vendors and the value chain and discourage instances of any abuse. Whistle blower policy provides an opportunity to all stakeholders to raise instances of abuse of human rights as well.

2. *How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the Management?*

   The Company has not received any complaint on human rights violation.

Principle 6: Businesses should respect, protect and make efforts to restore the environment

1. *Does the policy related to Principle 6 cover only the Company or extends to the Group / Joint Ventures / Suppliers / Contractors / NGOs / Others?*

   The Company adheres to and makes an effort to respect and protect environment. We do not have a direct control over the external stakeholders. However, the endeavor is to do business with entities that echo our principles and policies.

2. *Does the Company have strategies / initiatives to address global environmental issues such as climate change, global warming, etc.? Y/N. If yes, please give hyperlink for webpage etc.*

   To minimize impact on the environment, the Company continuously improves its products, upgrades technology and recycles scrap.

3. *Does the Company identify and assess potential environmental risks? Y/N*

   Yes, the Company regularly reviews its environmental risks and undertakes initiatives to mitigate them.

4. *Does the Company have any project related to Clean Development Mechanism? If so, provide details thereof in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?*

   The Company continuously seeks to improve its environment performance by adopting cleaner production methods, promoting use of energy efficient and environment friendly technologies as well renewable energy. Some examples of these are given in responses below:

   - Use of Solar Energy,

   - Reduction in hazardous waste.

   Currently, company has not registered any project for Clean Development Mechanism, so submission compliance report is not needed.

5. *Has Company has undertaken any other initiatives on – clean technology, energy efficiency, renewable energy etc.? Y/N. If yes, please give hyperlink to web page etc.*

   We replenish ground water level by rain harvesting (4 such units have been constructed to improve ground water level and water quality). Further, green energy generation (Solar energy) project has been installed at Patna & Ranchi printng press which are generating 1800 KWH per day reducing 528 Ton/annum of CO2 emissions.

6. *Are the Emissions/Waste generated by the Company within permissible limits given by CPCB / SPCB for the financial year being reported?*

   All plants of the Company now are "Zero Disposal" factories. We recycle all the waste water that is generated in the factories to create a green cover. Further, the hazardous waste is routed to authorized agencies to dispose that waste as per government recommended guidelines, emissions / waste remain within permissible limits.

7. *Number of show cause/legal notices received from CPCB / SPCB which are pending (i.e. not resolved to satisfaction) as of end of financial year.*

   Nil

Principle 7: Businesses, when engaged in influencing public, clients and regulatory policy, should do so in a responsible manner

1. *Is your Company a member of any trade and chambers or association? If yes, name only those major ones that your business deals with.*

   The Company is a member of the following major trade bodies, Chambers and Associations that our businesses deal with: -

   a. Indian Newspaper Society (INS)

   b. The Audit Bureau of Circulation (ABC)

2. *Have you advocated/lobbied through above associations for advancement or improvement of public good? Yes/No; if yes, specify the broad areas*

   Yes, The Company, through these associations, has supported/advocated for advancement of public good along with industry peers. Such work mainly consists of creating awareness, voicing concerns and inclusive development of the industry.

Principle 8: Businesses should support inclusive growth and equitable development

1. *Does the Company have specified programmes / initiatives / projects in pursuit of the policy related to Principle 8?*

   The Company has taken several initiatives in formulating and implementation of policies which support inclusive growth and equitable development as part of its Corporate Social Responsibility. Our programmes include sections of the society that are under-privileged and support initiatives towards promoting education, including special education.

   We also work towards promoting rural sports & healthcare, employment enhancing vocation skills especially among children, women, elderly, and the differently-abled along with supporting livelihood enhancement projects. Some of the initiatives which have made an impact in the last year include

   1. Healthy Hindustan – This is a year-long initiative that is providing free health check-up for the under privileged by qualified doctors from reputed hospitals.

   2. Atulya Gram initiative – This is an integrated village development program that collectively enables a disadvantaged community to become self-sustaining and a key peg of India's development story.

   3. Kanyadhan Yojna – A merit-based scholarship for the girl child from the economically weaker section of society.

2. *Are the programmes / projects undertaken through in-house team / own foundation / external NGO / government structures/ any other organization?*

   The programmes / projects are undertaken in a variety of ways. These can be through in-house teams, own foundation (HT Foundation for Change), external NGOs or any other organization, depending on what is best suited in that situation and creates maximum impact.

3. *Have you done any impact assessment of your initiative?*

   Impact assessment is an important element of all our projects and initiatives. The CSR team of the Company track progress by regular meetings with the concerned implementing agencies on various initiatives. The CSR team also visits the project sites to ensure execution of the various initiatives.

4. *What is Company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken?*

   The Company has committed an expenditure of INR 4 crores in the year 2019-20. The projects undertaken are in the areas of disaster management, healthcare, education, vocational skill development integrated village development, promotion of rural sports and promoting cleanliness.

5. *Have you taken steps to ensure that the community successfully adopts this community development initiative?*

   Along with our partners in the projects, we work towards making communities self-reliant for our projects. Our CSR team regularly engages with the community to educate them on adopting and maintaining the community assets constructed via these initiatives.

Principle 9: Businesses should engage with and provide value to their customers and consumers in a responsible manner

1. *What percentage of customer complaints/ consumer cases are pending as on the end of financial year?*

   `No material consumer / customer complaints are outstanding as at the end of the financial year.

2. *Does the Company display product information on the product label, over and above what is mandated as per local laws?*

   The Company displays product information as required by the Press and Regulation of Books Act, 1867.

3. Is there any case filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and or anti-competitive behavior during the last five years and pending as of end of financial year?

   No material cases are filed and pending as of end of financial year

4. *Did your Company carry out any consumer survey/consumer satisfaction trends?*

   The Company regularly carries out consumer surveys to determine the satisfaction trends for our products using a combination of internal resources and external agencies. KPI tracks and Net Promoter Score (NPS) survey is done for all our products across print and digital readers. In these, we benchmark the performance of our product viz-a-viz the competition. Finally, there are third party surveys like IRS and RAM that give readership and listenership of our newspapers in the market. In addition, we subscribe to third part surveys like Media Perception Monitor (MPM) which is done among advertisers and agencies to get their feedback about us and our key competitors.

REPORT ON CORPORATE GOVERNANCE

In your Company, Corporate Governance embraces the tenets of Trusteeship, Accountability and Transparency. Adherence to each of these principles has set a culture in the Company, wherein good Corporate Governance underlines interface with all stakeholders. With this belief, the Company has initiated and implemented significant measures for balanced care of all stakeholders.

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

BOARD OF DIRECTORS

Composition of the Board

As on March 31, 2020, the Board comprised of eight Directors, including six Non-executive Directors. In accordance with SEBI Listing Regulations, more than one-half of the Board of Directors comprises of Non-executive Directors. Your Company also complies with the requirement of at least one-half of the Board to comprise of Independent Directors including one woman Independent Director. The Chairperson of the Board is a Non-executive (Woman) Director.

The composition of the Board of Directors as on March 31, 2020, was as follows:

Name of the Director	Date of first appointment	Relationship between Directors, *inter-se*	Director Identification Number (DIN)
NON- EXECUTIVE DIRECTOR(S)			
Smt. Shobhana Bhartia *Chairperson*	January 6, 2010	Mother of Shri Priyavrat Bhartia and Shri Shamit Bhartia	00020648
Shri Priyavrat Bhartia	August 27, 2010	Son of Smt. Shobhana Bhartia and Brother of Shri Shamit Bhartia	00020603
NON-EXECUTIVE INDEPENDENT DIRECTOR(S)			
Shri Ajay Relan	February 22, 2010	None	00002632
Shri Ashwani Windlass	February 22, 2010	None	00042686
Dr. Mukesh Aghi@	June 21, 2015	None	00292205
Ms. Savitri Kunadi	May 9, 2019	None	00958901
MANAGING DIRECTOR(S)			
Shri Shamit Bhartia#	December 19, 2011	Son of Smt. Shobhana Bhartia and Brother of Shri Priyavrat Bhartia	00020623
Shri Praveen Someshwar	August 1, 2018	None	01802656

@Re-appointed as Independent Director w.e.f. April 1, 2020
#Appointed as Managing Director w.e.f. February 4, 2017

None of the Directors serve as Independent Director in more than seven listed companies, or three listed companies in case he/she serves as Whole-time Director in a listed company, as the case may be. Except Shri Priyavrat Bhartia, who holds 6,719 equity shares of the Company, none of the non-executive Directors hold any shares in the Company,

Further, none of the Directors on the Board have been debarred or disqualified from being appointed or continuing as director by SEBI/ Ministry of Corporate Affairs or any other statutory authority. The certificate of M/s RMG & Associates, Company Secretaries, certifying the same, is appearing in this report as "**Annexure – A**".

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

Matrix setting out the core skills/expertise/ competence of the Board

A matrix setting out the skills/expertise/competencies of the Individual Directors is given below:

Area of skill / expertise	Board of Directors as on March 31, 2020							
	Smt. Shobhana Bhartia	Shri Ashwani Windlass	Shri Ajay Relan	Ms. Savitri Kunadi	Dr. Mukesh Aghi	Shri Priyavrat Bhartia	Shri Shamit Bhartia	Shri Praveen Someshwar
Part A – Industry knowledge/experience								
Knowledge of Media & Entertainment Industry	√	√	√	√	√	√	√	√
Understanding of laws, rules, regulations and policies applicable to Media & Entertainment Industry	√	√	√	-	-	√	√	√
Part B- Technical skills/experience								
General management	√	√	√	√	√	√	√	√
Accounting and finance	√	√	√	√	√	√	√	√
Strategic planning/ business development	√	√	√	√	√	√	√	√
Information Technology	√	√	-	-	√	√	√	√
Talent management	√	√	√	√	√	√	√	√
Compliance & risk management	√	√	√	√	√	√	√	√
Part C: Behavioural competencies								
Integrity and ethical standards	√	√	√	√	√	√	√	√
Decision making	√	√	√	√	√	√	√	√
Problem solving skills	√	√	√	√	√	√	√	√

Directors' attendance and Directorships held

Meetings of Board are held at the Corporate Office in New Delhi. Five Board meetings were held during the financial year ended on March 31, 2020, details whereof are as follows:

Date of Board meeting	Board strength	Number of Directors present	Number of Independent Directors present
May 9, 2019	8	8	4 out of 4
July 22, 2019	8	8	4 out of 4
July 23, 2019 (Strategy Board Meeting)	8	6	2 out of 4
November 1, 2019	8	8*	4 out of 4
January 22, 2020	8	8	4 out of 4

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

Attendance record of Directors at Board Meetings and details of other Directorships/Committee positions held by them as on March 31, 2020 in Indian public limited companies, are as follows:

Name of the Director	No. of Board Meetings attended during FY-20	No. of other Directorships held	Committee position held in other companies^		Directorships held in other listed companies and category
			Chairperson	Member[1]	
Smt. Shobhana Bhartia	5	6	1	0	(i) HT Media Limited *Executive Director (Chairperson)* (ii) Ronson Traders Limited *Non-Executive Director*
Shri Ashwani Windlass	5	4	2	0	(i) Bata India Limited *Non-executive Director* (ii) Vodafone Idea Limited *Independent Director* (iii) Jubilant Foodworks Limited *Independent Director*
Shri Ajay Relan	4	6	4	3	(i) HT Media Limited *Independent Director* (ii) Capri Global Capital Limited *Independent Director* (iii) Next Mediaworks Limited *Independent Director* (iv) Digicontent Limited *Independent Director*
Dr. Mukesh Aghi	4[@]	-	-	-	-
Ms. Savitri Kunadi	5	-	-	-	-
Shri Priyavrat Bhartia	5	6	-	4	(i) HT Media Limited *Non-executive Director* (ii) Jubilant Life Sciences Limited *Non-executive Director* (iii) Jubilant Industries Limited *Non-executive Director* (iv) Digicontent Limited *Non-executive Director*

Name of the Director	No. of Board Meetings attended during FY-20	No. of other Directorships held	Committee position held in other companies^		Directorships held in other listed companies and category
			Chairperson	Member[1]	
Shri Shamit Bhartia	5	8	0	1	(i) HT Media Limited *Non-executive Director*
					(ii) Jubilant Foodworks Limited *Non-executive Director*
					(iii) Jubilant Industries Limited *Non-executive Director*
Shri Praveen Someshwar	5	9	1	6	(i) HT Media Limited *Executive Director (MD & CEO)*
					(ii) Next Mediaworks Limited *Non-executive Director*
					(iii) Digicontent Limited *Non-executive Director*

^ Only Audit Committee and Stakeholders' Relationship Committee are considered

[1] Does not include chairmanships

[@] Participated in one board meeting via tele-conferencing (not counted for quorum)

The Directors are not members of more than ten board committees or Chairperson of more than five such committees. The number of Directorships, Committee membership(s)/ Chairmanship(s) of the Directors are within respective limits prescribed under the Companies Act, 2013 and SEBI Listing Regulations.

Shri Praveen Someshwar, Managing Director (also representing Chairman of Stakeholders' Relationship Committee) and Shri Ashwani Windlass, Independent Director and Chairman of Audit Committee and Nomination & Remuneration Committee attended the last Annual General Meeting of Members of the Company held on September 19, 2019.

Board Procedure

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

Quality debates and participation by all Directors and invitees are encouraged at Board/Committee meetings. The Board engages with the management during business reviews, and provides constructive suggestions and guidance on various issues, including strategy, as required from time to time.

In order to meet business exigencies, matters which require board / committee approval, are approved by way of resolution(s) passed by circulation, only if the proposed resolution is permissible by law to be passed as such.

The Board gives due attention to governance and compliance related issues, including the efficacy of systems of internal financial controls, risk management, avoidance of conflict of interest, and redressal of employee/ stakeholder grievances, among others.

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

Details of remuneration paid to Directors

During the financial year ended on March 31, 2020, the Board of Directors revised the sitting fee payable to Independent Directors from ₹ 30,000/- per meeting to ₹ 1,00,000/- and ₹ 50,000/- per Board and Committee meeting, respectively, w.e.f. May 9, 2019. The details of sitting fee and profit related commission paid during FY-20 are as under-.

(₹ in Lac)

Name of the Director	Sitting fee**	Commission paid during FY-20 (pertaining to profit for FY-19)
Smt. Shobhana Bhartia@	Nil	Nil
Shri Ajay Relan@	17.70	Nil
Shri Ashwani Windlass	9.10	10.00
Dr. Mukesh Aghi*	Nil	10.00
Ms. Savitri Kunadi	6.50	Nil
Shri Shardul S. Shroff^	Nil	10.00
Shri Piyush G. Mankad^	Nil	10.00
Shri Priyavrat Bhartia@	Nil	Nil

@ Voluntarily foregone profit related commission

* voluntarily foregone sitting fee

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

^ Ceased to be Non-executive Independent Director w.e.f. April 1, 2019

Details of remuneration paid to Shri Shamit Bhartia & Shri Praveen Someshwar (Managing Directors) during the financial year ended on March 31, 2020, are as under:

(₹ in Lac)

Name of the Director	Salary & Allowances	Perquisites	Retirement benefits	Total
Shri Shamit Bhartia	389.00	-	28.80	**417.80**
Shri Praveen Someshwar	523.57	0.40	21.96	**545.93**

Notes:

1) *Retirement benefits include contribution to Provident Fund*
2) *Perquisites include car, telephone, medical reimbursements, club fee etc., calculated as per Income Tax rules*
3) *Remuneration excludes provision for leave encashment and gratuity*
4) *There is no separate provision for payment of severance fees*
5) *Salary & allowances paid to Shri Praveen Someshwar include ₹ 160 Lac of variable pay viz. bonus for FY18-19, which is linked to his personal performance and contribution for the said financial year.*

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

BOARD COMMITTEES

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

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

The role and composition of the committees, particulars of meetings held during the financial year ended on March 31, 2020 and attendance of Directors thereat, are given hereunder.

(a) Audit Committee

Audit Committee of the Board of Directors comprises of four members, including three Independent Directors. The Audit Committee acts as a link between the Statutory & Internal Auditors and the Board of Directors of the Company.

The terms of reference of the Audit Committee are in accordance with the Companies Act, 2013 and the SEBI Listing Regulations which includes, *inter-alia*, oversight of Company's financial reporting process and disclosure of financial information to ensure that the financial statements are correct, sufficient and credible; recommending the appointment, re-appointment, remuneration and terms of appointment of auditors and approval of payment for other services rendered by statutory auditors; reviewing with the management quarterly results and annual financial statements before submission to the Board for approval; approval or subsequent modification of transactions with related parties; review and monitor the auditor's independence and performance and effectiveness of audit process; scrutiny of inter-corporate loans and investments; valuation of undertakings or assets of the Company, whenever it is necessary; evaluation of internal financial controls and risk management system; reviewing with the management, performance of statutory & internal auditors and adequacy of the internal control systems; and reviewing the functioning of the whistle blower mechanism.

During the financial year ended on March 31, 2020, four meetings of the Audit Committee were held. The composition of Audit Committee, date on which the meetings were held and attendance of Directors at the above meetings, was as follows:

Name of the Director	Category	Meetings attended			
		09.05.19	22.07.19	01.11.19	22.01.20
Shri Ashwani Windlass *(Chairman)*	Non-executive Independent Director	√	√	√	√
Shri Ajay Relan	Non-executive Independent Director	√	√	√	√
Ms. Savitri Kunadi*	Non-executive Independent Director	Not Applicable	√	√	√
Shri Priyavrat Bhartia	Non-executive Director	√	√	√	√

*Inducted as member of the Committee w.e.f. May 9, 2019

Chairman of Audit Committee is a Non-executive Independent Director who has accounting and related financial management expertise.

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

Chief Executive Officer, Chief Financial Officer and Head-Internal Audit also attended the meetings of Audit Committee. Representatives of Statutory Auditor are permanent invitees to the meetings of Audit Committee.

Company Secretary acts as Secretary to the Committee.

(b) Stakeholders' Relationship Committee

Stakeholders' Relationship Committee (SRC) of the Board of Directors comprises of three Directors. Chairman of the Committee is a Non-executive Independent Director.

The terms of reference of SRC are in accordance with Companies Act, 2013 and SEBI Listing Regulations, as amended. The role of SRC, *inter-alia*, includes resolving the grievances of the security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc; review of measures taken for effective exercise of voting rights by shareholders; review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent; and review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.

The committees discharges such other function(s) as may be delegated by the Board from time to time.

During the financial year ended on March 31, 2020, one meeting of SRC was held. The composition of SRC and attendance of the Directors at the said meeting was as follows:

Name of the Director	Category	Attendance at the meeting held on November 1, 2019
Shri Ajay Relan *(Chairman)*	Non-executive Independent Director	√
Shri Praveen Someshwar	Managing Director	√
Shri Priyavrat Bhartia	Non-executive Director	√

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

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

Opening Balance	Received	Resolved	Closing Balance
Nil	Nil	Nil	Nil

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

(c) Investment & Banking Committee

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

During the financial year ended on March 31, 2020, the Investment & Banking Committee met fifteen times. The composition of the Committee, date on which the meetings were held and attendance of Directors at the meetings, was as follows:

Name of the Director	Category	Meetings attended														
		08.04.19	09.05.19	27.05.19	12.06.19	08.07.19	14.08.19	26.09.19	11.10.19	24.10.19	17.12.19	15.01.20	27.01.20	19.02.20	12.03.20	27.03.20
Shri Ajay Relan *(Chairman)*	Non-executive Independent Director	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√
Shri Priyavrat Bhartia	Non-executive Director	-	-	-	-	√	√	√	√	√	-	√	√	√	-	-
Shri Praveen Someshwar	Managing Director	√	√	√	√	-	-	√	√	√	√	√	√	√	√	√

(d) Corporate Social Responsibility (CSR) Committee

CSR Committee of Directors has been constituted as per of Section 135 of the Companies Act, 2013.

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

During the financial year ended on March 31, 2020, three meetings of the CSR Committee were held. The composition of CSR Committee, date on which the meetings were held and attendance of the Directors at the said meetings was as follows:

Name of the Director	Category	Meetings attended		
		09.05.19	10.07.19	24.10.19
Smt. Shobhana Bhartia *(Chairperson)*	Non-executive Director	√	-	√
Shri Ajay Relan	Non-executive Independent Director	√	√	√
Shri Priyavrat Bhartia	Non-executive Director	√	√	√

Group Chief Marketing Officer is a permanent invitee to the meetings of CSR Committee.

(e) Nomination & Remuneration Committee (NRC)

NRC comprises of three Non-executive Directors. Chairman of NRC is a Non-executive Independent Director.

The terms of reference of NRC are in accordance with the requirement of the Companies Act, 2013 and the SEBI Listing Regulations which include, *inter-alia*, identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board their appointment and removal; carry out evaluation of every director's performance; formulate the criteria for determining qualifications, experience and independence of a director; recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees; and recommend to the Board, all remuneration, in whatever form, payable to senior management.

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

During the financial year ended on March 31, 2020, five meetings of NRC were held. The composition of NRC, date on which the meetings were held and attendance of Directors at the said meetings was as follows:

Name of the Director	Category	Meetings attended				
		06.05.19	22.07.19	09.08.19	25.10.19	22.01.20
Shri Ashwani Windlass *(Chairman)*	Non-executive Independent Director	√	√	√	√	√
Smt. Shobhana Bhartia	Non-executive Director	-	√	-	√	√
Shri Ajay Relan	Non-executive Independent Director	√	√	√	√	√

GENERAL BODY MEETINGS

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

Date & Time	September 19, 2019 at 2:00 p.m.	September 18, 2018 at 2:30 p.m.	September 20, 2017 at 2:30 p.m.
Venue	Hotel Maurya, South Gandhi Maidan, Patna – 800 001		
Special Resolution (s) passed	Re-appointment of Dr. Mukesh Aghi as an Independent Director for second term of 5 (five) consecutive years w.e.f. April 1, 2020	None	• Appointment of Shri Shamit Bhartia as Managing Director • Appointment of Shri Priyavrat Bhartia as Managing Director

No Extra-ordinary General Meeting was held during last 3 years.

POSTAL BALLOT

During the financial year ended on March 31, 2020, members of the Company have approved by requisite majority, the special resolution for appointment of Ms. Savitri Kunadi as Non-executive (woman) Independent Director w.e.f. May 9, 2019 for a term of 3 consecutive years. The Postal Ballot Notice dated May 14, 2019 along with Postal Ballot Form were sent in electronic form to the members whose e-mail address were registered with the Company / respective Depository Participants. For shareholders whose e-mail address were not registered, physical copies of the Postal Ballot Notice along with Postal Ballot Form and self-addressed postage pre-paid Business Reply Envelope were sent by registered post. The Company had published a notice in the newspaper on May 21, 2019 in 'Hindustan Times' (English Newspaper) and 'Hindustan' (Hindi Newspaper) in compliance with the provisions of the Companies Act, 2013 and Secretarial Standard - 2. The e-voting period commenced from May 21, 2019, at 9:00 a.m. (server time) and ended on June 19, 2019 at 5:00 p.m. (server time).

The voting rights of members were reckoned on the paid-up value of shares registered in the name of member / beneficial owner (in case of electronic shareholding) as on Friday, May 10, 2019. The Board had appointed Shri Sanket Jain, Company Secretary-in-Practice (CP No. 12583) as Scrutinizer, to scrutinize the voting through Postal Ballot and e-voting process in a fair and transparent manner, and had engaged KFin Technologies Private Limited, Registrar & Share Transfer Agent to provide e-voting facility. Shri Sanket Jain, Scrutinizer, submitted his report on voting by way of Postal Ballot to the Chairperson on June 20, 2019. The results were displayed on the website of the Company viz. www.hmvl.in, and also communicated to the Stock Exchanges. The resolutions were considered as passed on June 19, 2019, being the last date for receipt of duly completed postal ballot forms and e-voting.

The details of the voting pattern are given below:

Resolution passed through Postal Ballot (including e-voting)	Voting in favour of the resolution (%)	Voting against the resolution (%)
Appointment of Ms. Savitri Kunadi (DIN: 00958901) as Non-executive Independent Director of the Company, not liable to retire by rotation w.e.f. May 9, 2019 for a period of 3 consecutive years upto March 31, 2022	99.99%	0.01%

At present, no Special Resolution is proposed to be passed through Postal Ballot.

DISCLOSURES

During the financial year ended on March 31, 2020, all transactions entered into with the Related Parties as defined under the Companies Act, 2013 and Regulation 23 of the SEBI Listing Regulations were in the ordinary course of business and on arm's length terms, and they do not attract the provisions of Section 188 of the Companies Act, 2013. There was also no materially significant related party transaction that may have a potential conflict with the interest of the Company at large. The Audit Committee reviews the statement containing details of transactions with the related parties, on quarterly basis.

The required disclosures on related parties and transactions with them, are appearing in Note nos. 34 and 34A of the Annual Financial Statements. The Company has formulated the 'Policy on Materiality of and dealing with Related Party Transactions', which is hosted on Company's website viz. www.hmvl.in.

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

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

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

Further, the Independent Directors meet the criteria of independence specified in Section 149 (6) of the Companies Act, 2013 and Regulation 16 of the SEBI Listing Regulations, and are independent of the management.

The Company has complied with some of the non-mandatory requirements of the SEBI Listing Regulations on Corporate Governance. In the spirit of good corporate governance, the Company sends quarterly financial results via email to the Members whose email address is registered with DP/Company, after they are approved by the Board of Directors and disseminated to the stock exchanges. The Auditors have submitted their Report with unmodified opinion on the Financial Statements for the financial year ended on March 31, 2020. Chairperson's office is separate from that of the Chief Executive Officer.

The Whistle Blower Policy provides opportunity to the directors/ employees/stakeholders of the Company to report concerns about unethical behavior, actual or suspected fraud by any Director and/or employee of the Company or any violation of the Company's Code of Conduct and any incident of leak or suspected leak of Unpublished Price Sensitive Information (UPSI). The policy provides for adequate safeguards against victimization of the Whistle Blower. The Policy is posted on the Company's website viz. www.hmvl.in. During FY-20, no person was denied access to the Audit Committee.

During the year under review, your Company has not raised any funds through preferential allotment or qualified institutional placement, as specified under Regulation 32 (7A) of the SEBI Listing Regulations.

During the year under review, all the recommendations made by the committees of the directors have been duly accepted by the Board of Directors.

The subsidiary company is Board managed, entrusted with the responsibility to manage the affairs in the best interest of the stakeholders. The Company has formulated "Policy for determining Material Subsidiary(ies)" in compliance of SEBI Listing Regulations, which is hosted on the Company's website viz.www.hmvl.in.

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

COMMODITY PRICE RISK / FOREIGN EXCHANGE RISK AND HEDGING ACTIVITIES

The Company is exposed to commodity risk mainly due to Newsprint. Details of exposure is given below:

Commodity name	Exposure in ₹/ Lac towards the particular commodity	Exposure in quantity terms towards the particular commodity (MT)	% of such exposure hedged through commodity derivatives				
			Domestic market		International market		Total
			OTC	Exchange	OTC	Exchange	
Newsprint							
Domestic	21,913	64,487	-	-	-	-	-
Import	6,396	16,366	-	-	-	-	-
Total	**28,309**	**80,853**					

Newsprint is an important raw material consumed by the Company. The global supply & demand fluctuations determine newsprint price trends. Decrease in global demand in FY-20 led to a steady price reduction. The global mills adjusted excess capacities by idling/shifting the grades/shutting the mills – however, demand deceleration was higher than supply reduction and prices remained soft.

With the outbreak of COVID – 19 in the last quarter of FY-20, global supply chains were disrupted and newsprint was no exception. However, we leveraged relationship with global value chain partners to prioritize our shipments and ensured seamless supplies from mills outside India. Besides, optimizing the import & domestic newsprint mix helped in mitigating supply chain risks.

Inventory norms are redefined in line with consumption trends and replenishment model is implemented to ensure sufficient stocks across print units.

Your Company uses derivative products to hedge its forex exposure against imports, loans, investments and other payables, whenever required. HMVL does not have any major forex exposure on account of exports, receivable and other income. The particulars of sensitivity to foreign exchange exposures as on March 31, 2020 are disclosed in Note no. 38 to the Standalone Financial Statements.

PREVENTION OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE

During the year under review, no complaint was filed / disposed off / pending, under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

FEE PAID TO STATUTORY AUDITOR

The details of fee paid by the Company during FY-20, to B S R and Associates, Chartered Accountants, Statutory Auditor, and to all entities in the network firm/network entity of which the statutory auditor is a part, are as follows:

Particulars	Amount (₹ in Lac)*
Audit Fees	24.00
Limited Review	17.00
Tax Audit Fees	2.50
Certification Fees	3.50
Total fees	**47.00**

*excluding reimbursement of out of pocket expenses

PERFORMANCE EVALUATION

The process followed for evaluation of performance of the Board, its Committees, individual Directors and the Chairperson for the financial year ended on March 31, 2020, alongwith criteria for evaluation of individual directors and Board, is outlined in the Board's Report.

FAMILIARIZATION PROGRAM

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

MEETING OF INDEPENDENT DIRECTORS

During the year, a separate meeting of Independent Directors was held on January 22, 2020 without the presence of Non-Independent Directors and members of the management, wherein the performance of non-independent directors, the Board as a Whole and Chairperson of the Company was evaluated, taking into account the views of executive directors, and non-executive directors.

CODE OF CONDUCT

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

The Board Members and Senior Management Personnel are expected to adhere to the Code, and have accordingly, affirmed compliance of the same during FY-20. The declaration of CEO of the Company affirming compliance of the Code by the Board Members and Senior Management Personnel of the Company during FY-20, is appearing at the end of this report as "**Annexure – B**".

PROHIBITION OF INSIDER TRADING OF SHARES

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

CREDIT RATING

During the year under review, credit rating agency 'ICRA Limited' has re-affirmed the rating of Commercial Paper Programme at (ICRA)A1+ and withdrawn rating of (ICRA)AA+, with negative outlook for Long term Borrowing Programme.

MEANS OF COMMUNICATION

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

GENERAL SHAREHOLDER INFORMATION

Forthcoming Annual General Meeting

Day, Date & Time	Monday, September 14, 2020 at 11.00 A.M.
Venue	AGM will be conducted through video conferencing/OAVM due to COVID-19 outbreak, by following the circulars issued by Ministry of Corporate Affairs in this regard, and as such there is no requirement to have a venue for the AGM. For details, please refer to the Notice of AGM.

As required under Regulation 36(3) of the SEBI Listing Regulations and Secretarial Standard 2, particulars of Directors seeking re-appointment at this AGM are given in the Annexure to the Notice of this AGM.

FINANCIAL YEAR

April 1 of each year to March 31 of next year

Financial Calendar (Tentative)

Results for quarter ended June 30, 2020	End July, 2020
Results for quarter and half-year ending September 30, 2020	End October, 2020
Results for quarter and nine months period ending December 31, 2020	Mid January, 2021
Results for the quarter and year ending March 31, 2021	Mid May, 2021
Annual General Meeting	Mid September, 2021

REGISTRAR AND SHARE TRANSFER AGENT

KFin Technologies Private Limited

(earlier known as Karvy Fintech Private Limited)

Selenium Tower B, Plot No. 31 & 32

Financial District, Nanakramguda

Serilingampally Mandal

Hyderabad - 500032

Fax: +91-40-2300 1153

Tel: +91-40-6716 2222

Toll Free No.: 1800 345 4001

E-mail: einward.ris@kfintech.com

SHARE TRANSFER SYSTEM

The equity shares of the Company are compulsorily traded in demat form. In terms of Regulation 40 of SEBI Listing Regulations, as amended, equity shares can be transferred only in dematerialized form w.e.f. April 1, 2019 except in case of requests received for transmission or transposition of shares. Members are advised, in their own interest, to dematerialize the shares held by them in physical form. Transfer of equity shares in electronic form is effected through the depositories i.e. National Securities Depository Limited (NSDL) and Control Depository Services India Limited (CDSL).

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

As required under Regulation 40(9) of the SEBI Listing Regulations, the Company obtains a certificate on half-yearly basis from a Company Secretary-in-Practice, regarding share transfer formalities, which is filed with the Stock Exchanges.

Listing of Equity Shares on Stock Exchanges and Stock Codes

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

Name of the Stock Exchange	Scrip Code/Trading Symbol
BSE Limited (BSE) Phiroze Jeejeebhoy Towers Dalal Street, Mumbai - 400 001	533217
National Stock Exchange of India Limited (NSE) Exchange Plaza, Plot No. C-1, G-Block Bandra-Kurla Complex, Bandra (East) Mumbai - 400 051	HMVL

Annual listing fee for the financial year 2020-21 has been paid to both, BSE and NSE.

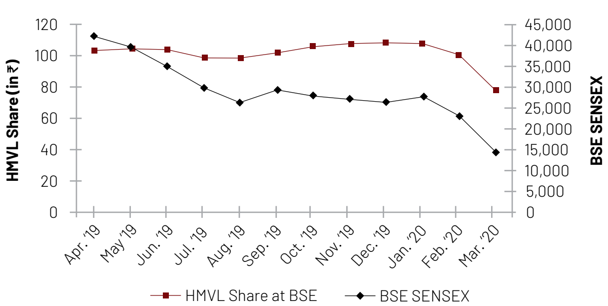
ISIN of the Equity Shares of the Company is '**INE871K01015**'.

Stock Price Data

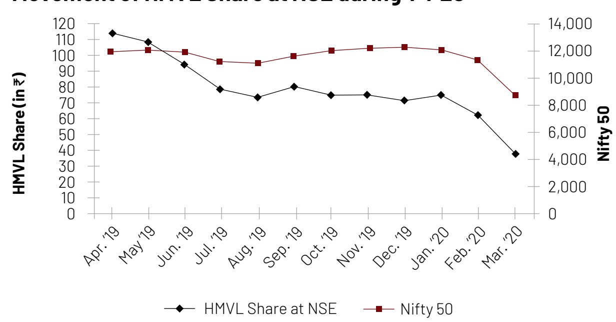
Month	BSE				NSE			
	HMVL		SENSEX		HMVL		NIFTY 50	
	High (in ₹)	Low (in ₹)	High	Low	High (in ₹)	Low (in ₹)	High	Low
Apr '19	119.20	103.60	39,487.45	38,460.25	127.60	104.85	11,856.15	11,549.10
May '19	120.15	101.10	40,124.96	36,956.10	121.00	101.05	12,041.15	11,108.30
Jun '19	111.65	92.75	40,312.07	38,870.96	111.05	92.90	12,103.05	11,625.10
Jul '19	97.70	74.25	40,032.41	37,128.26	96.00	74.95	11,981.75	10,999.40
Aug '19	82.35	61.00	37,807.55	36,102.35	82.00	68.35	11,181.45	10,637.15
Sep '19	84.10	69.55	39,441.12	35,987.80	84.60	71.25	11,694.85	10,670.25
Oct '19	84.45	65.85	40,392.22	37,415.83	83.80	65.55	11,945.00	11,090.15
Nov '19	92.00	71.00	41,163.79	40,014.23	91.00	70.50	12,158.80	11,802.65
Dec '19	75.45	68.00	41,809.96	40,135.37	77.90	66.80	12,293.90	11,832.30
Jan '20	87.70	69.90	42,273.87	40,476.55	87.60	69.30	12,430.50	11,929.60
Feb ' 20	76.45	62.00	41,709.30	38,219.97	77.00	62.15	12,246.70	11,175.05
Mar '20	67.10	35.50	39,083.17	25,638.90	64.95	35.00	11,433.00	7,511.10

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

Movement of HMVL Share at BSE during FY 20



Movement of HMVL Share at NSE during FY 20



Category of Shareholders as on March 31, 2020 (in both physical and demat form)

Category	No. of Equity Shares held	% of Shareholding
Promoters & Promoter Group (A)	**5,48,08,457**	**74.40**
Public Shareholding (B)		
Banks, Financial Institutions and Insurance Companies	94,476	0.13
Foreign Institutional Investors (FIIs) / Foriegn Portfolio Investors	1,06,04,757	14.39
Mutual Funds	4,00,000	0.54
Non-Resident Indians	3,34,190	0.45
Bodies Corporate (Indian, Foreign)	19,74,644	2.68
Individuals	46,50,189	6.31
Clearing members	27,147	0.04
HUF	2,12,361	0.29
Others (AIF)	2,70,875	0.37
IEPF	64,266	0.09
Total Public Shareholding (B)	**1,86,32,905**	**25.29**
Non Promoter - Non Public(C)		
Trustee of HT Group Companies Stock Option Trust	2,30,186	0.31
Total Shareholding (A+B+C)	**7,36,71,548**	**100.00**

Distribution of shareholding by size as on March 31, 2020

No. of Equity Shares held	No. of Shareholders[@]	% of total no. of Shareholders	No. of Equity Shares held	% of total no. of Shares
Upto 500	9,659	84.42	10,43,349	1.42
501 – 1,000	899	7.86	6,66,398	0.90
1,001 – 5,000	698	6.10	14,20,019	1.93
5,001 – 10,000	95	0.83	6,66,414	0.90
10,001 & above	91	0.80	6,98,75,368	94.85
TOTAL	**11,442**	**100.00**	**7,36,71,548**	**100.00**

[@] Pursuant to SEBI's circular, shareholding is are consolidated on the basis of PAN and accordingly, number of shareholders stand reduced from 11,710 to 11,442 nos.

Dematerialization of shares and liquidity as on March 31, 2020

Category	No. of Equity Shares held	% of Shareholding
Equity Shares held in Demat form	7,36,68,729	99.99
Equity Shares held in Physical form	2,819	0.01
TOTAL	**7,36,71,548**	**100.00**

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

No GDRs/ADRs/Warrants or any convertible instruments have been issued by the Company during FY-20.

Address for correspondence

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

Compliance Officer

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

Company Registration Details

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

Compliance Certificate

A certificate dated June 24, 2020 of RMG & Associates, Company Secretaries, regarding compliance of conditions of 'Corporate Governance' as stipulated under Schedule V of the SEBI Regulations, is annexed to the Board's Report.

Nomination facility

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

Plant Locations (as on March 31, 2020)

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

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

Annexure-A to report on Corporate Governance

Certificate

[Pursuant to Regulation 34(3) read with Schedule V Para C clause (10)(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

The Members
Hindustan Media Ventures Limited
(CIN: L21090BR1918PLC000013)
Budh Marg, P.S. Kotwali Patna,
Bihar-800001

We have examined the relevant registers, records, forms and returns maintained/filed by **Hindustan Media Ventures Limited (CIN: L21090BR1918PLC000013)** (hereinafter referred as 'the Company'), having its Registered Office at Budh Marg, P.S. Kotwali Patna, Bihar-800001 and notices and disclosures received from the Directors of the Company and produced before us by the Company for the purpose of issuing this certificate, in accordance with ***Regulation 34(3) read with Schedule V Para C Sub clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) 2015***, as amended from time to time (hereinafter referred to as "Listing Regulations").

In our opinion and to the best of our information and according to the verifications (including verification of Director Identification Number status at the portal www.mca.gov.in) as considered necessary by us and explanations furnished to us by the Company, we hereby certify that none of the Directors on the Board of the Company, as stated below, for the financial year ended on March 31, 2020 have been debarred or disqualified from being appointed or continuing as directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other statutory authority.

Sr. No.	DIN	Name	Date of Appointment
1.	00020648	Ms. Shobhana Bhartia	06-01-2010
2.	00002632	Mr. Ajay Kumar Relan	22-02-2010
3.	00042686	Mr. Ashwani Windlass	22-02-2010
4.	00020603	Mr. Priyavrat Bhartia	27-08-2010
5.	00020623	Mr. Shamit Bhartia	19-12-2011
6.	00292205	Dr. Mukesh Aghi	21-06-2015
7.	01802656	Mr. Praveen Someshwar	01-08-2018
8.	00958901	Ms. Savitri Kunadi	09-05-2019

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these, based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company

For RMG & Associates
Company Secretaries
Firm Registration No. P2001DE16100
Peer Review No. : 734 / 2020

Sd/-
CS Manish Gupta
Partner
FCS: 5123; C.P. No.: 4095

Place: New Delhi
Date: June 24, 2020
UDIN: F005123B000358014

Annexure-B to report on Corporate Governance

Declaration of compliance with 'Code of Conduct' of the Company

I, Samudra Bhattacharya, Chief Executive Officer of the Company, do hereby confirm that all the Board members and Senior Management Personnel of the Company have complied with the 'Code of Conduct' during the financial year 2019-20.

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

Place: New Delhi
Date: May 28, 2020

(Samudra Bhattacharya)
Chief Executive Officer

INDEPENDENT AUDITOR'S REPORT

To
The Members of **Hindustan Media Ventures Limited**

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of Hindustan Media Ventures Limited ("the Company"), which comprise the standalone balance sheet as at March 31, 2020 and the standalone statement of profit and loss (including other comprehensive income), standalone statement of changes in equity and standalone statement of cash flows for the year then ended, and notes to the standalone financial statements, including a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020 and profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

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

Description of Key Audit Matter

Impairment testing of property, plant and equipment

See note 3 to the standalone financial statements

The key audit matter	How the matter was addressed in our audit

The Company is engaged in printing and publishing of newspapers and periodicals through various plants operated in India.
 	
The gross carrying value of property, plant and equipment amounts to INR 25,767 lakhs as at March 31, 2020.
 	
The Company performs annual assessment of the property, plant and equipment at cash generating unit (CGU) level, to identify indicators of impairment, if any. The recoverable amount of the cash generating unit ('CGU') based on value in use ('VIU'), has been derived using discounted cash flow model. The model uses several key assumptions. The economic slowdown owing to the Covid-19 pandemic and other economic factors may impact the key assumptions taken while computing VIU.
 	
Considering the inherent uncertainty, complexity and judgment involved and the significance of the value of the assets, impairment assessment of above mentioned assets has been considered as a key audit matter.
	Our audit procedures included:
	
	• Assessed Company's identification of CGU with reference to the guidance in the applicable accounting standards;
	
	• Tested design, implementation and operating effectiveness of key controls over the impairment assessment process.
	
	• The Company's assessment included computation of VIU. We obtained and assessed the VIU as determined by the Company as under:
	
	    • Assessed the method of determining VIU and key assumptions used therein through historical information, budgets / projections, and other relevant information.
	
	    • Challenged the key assumptions contained including growth assumptions, discount rates and implications of prevailing market environment and Covid 19.
	
	    • Assessed the sensitivity of the outcome of impairment assessment to changes in key assumptions.

Other Information

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the financial statements and our auditors' report thereon.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's and Board of Directors' Responsibility for the Standalone Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs, profit/loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

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

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the standalone financial statements made by the Management and Board of Directors.

- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

We draw your attention to the fact that the corresponding figures for the year ended March 31, 2019 are based on previously issued standalone financial statements of the Company that were audited by the predecessor auditor who expressed an unmodified opinion on those standalone annual financial statements dated May 9, 2019.

The above corresponding financial figures for the year ended March 31, 2019 have also been re-presented to give effect to the merger of Business to Consumer ('B2C') business of India Education Services Private Limited ('IESPL'), fellow subsidiary of the Company. The B2C business of IESPL was merged with the Company pursuant to the order of National Company Law Tribunal and the merger has been given effect from the beginning of the preceding period in the standalone financial statements as the merger is a common control transaction. The B2C business of IESPL is audited by the auditors of IESPL whose unmodified report dated June 2, 2020 has been furnished to us by management and our report in so far as it relates to the amounts and disclosures included in respect of B2C business of IESPL is based solely on the reporting of the auditor of IESPL.

Our opinion is not modified in respect of the above matter.

Report on Other Legal and Regulatory Requirements

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

2. (A) As required by Section 143(3) of the Act, we report that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

   c) The standalone balance sheet, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flows dealt with by this Report are in agreement with the books of account.

   d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under section 133 of the Act.

   e) On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164(2) of the Act.

   f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

   (B) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

   i. The Company has disclosed the impact of pending litigations as at March 31, 2020 on its financial position in its standalone financial statements - Refer Note 33 to the standalone financial statements;

   ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

   iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company;

   iv. The disclosures in the standalone financial statements regarding holdings as well as dealings in specified bank notes during the period from November 8, 2016 to December 30, 2016 have not been made in these financial statements since they do not pertain to the financial year ended March 31, 2020.

(C) With respect to the matter to be included in the Auditors' Report under section 197(16):

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

For **B S R and Associates**
Chartered Accountants
Firm's Registration No.- 128901W

Rajesh Arora
Partner
Membership No. 076124
UDIN: 20076124AAAABO1073

Place: Gurugram
Date: June 24, 2020

ANNEXURE A REFERRED TO IN OUR INDEPENDENT AUDITOR'S REPORT

to the members of Hindustan Media Ventures Limited on the standalone financial statements for the year ended March 31, 2020.

With reference to the Annexure A referred to in the Independent Auditor's Report to the members of the Company on the standalone financial statements for the year ended March 31, 2020, we report the following:

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

(b) The Company has a regular programme of physical verification of its fixed assets, by which all fixed assets are verified in a phased manner over a period of three years. In our opinion, this periodicity of physical verification by management is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this programme, certain fixed assets were physically verified during the year. As informed to us, no material discrepancies were noticed on such verification.

(c) The title deeds of immovable properties, as disclosed in Note 3 on property, plant and equipment to the financial statements, are held in the name of the Company.

(ii) Inventories, except for goods-in-transit have been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable. According to the information and explanations given to us, the procedures for physical verification of inventories followed by the management during the year are reasonable and adequate in relation to the size of the Company and the nature of its business. The discrepancies noticed on verification between the physical stocks and the book records were not material and have been properly adjusted in the books of account.

(iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Accordingly, the provisions of paragraph 3 (iii) of the Order are not applicable to the Company.

(iv) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no loans or investments made by the Company which are not in compliance with Section 185 and 186 of the Companies Act,2013. There are no guarantees given or securities provided by the Company as specified under Section 185 and 186 of the Companies Act, 2013.

(v) As per the information and explanations given to us, the Company has not accepted any deposits as mentioned in the directives issued by the Reserve Bank of India and the provisions of Section 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under. Accordingly, paragraph 3(v) of the Order is not applicable.

(vi) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Sub-section (1) of Section 148 of the Companies Act, 2013, for any of the services rendered and goods sold by the Company. Accordingly, paragraph 3(vi) of the Order is not applicable.

(vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, employees' state insurance, income-tax, goods and services tax, duty of customs, cess , professional tax and other statutory dues have been regularly deposited during the year by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of sales tax, service tax, duty of excise and value added tax.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, goods and services tax, duty of customs, cess, professional tax and other statutory dues were in arrears as at March 31, 2020 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no dues of income-tax, sales tax, service tax, goods and services tax, duty of customs, duty of excise and value added tax which have not been deposited by the Company with the appropriate authorities on account of any dispute as at March 31, 2020 except as mentioned below :-

Statement of Disputed Tax Dues

Name of the Statute	Nature of dues	Amount (in lakhs)	Period to which amount relates	Forum where the dispute is pending
Income tax act ,1961	Disallowance of certain expenditure	376	AY 2017-18	Commissioner of Income Tax (Appeals)
Income tax act ,1961	Disallowance of certain expenditure	215	AY 2016-17	Commissioner of Income Tax (Appeals)
Income tax act ,1961	Disallowance of certain expenditure	72	AY 2015-16	Commissioner of Income Tax (Appeals)
Income tax act ,1961	Disallowance of certain expenditure	6	AY 2012-13	Commissioner of Income Tax (Appeals)
Income tax act ,1961	Disallowance of certain expenditure	-*	AY 2013-13 and AY 2014-15	Commissioner of Income Tax (Appeals)

*Adjustment in Refund order for disallowance of certain expenditure.

(viii) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans or borrowings to banks. Further, no loans or borrowings were taken from financial institutions and government and there were no debentures issued during the year or outstanding as at March 31, 2020.

(ix) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has applied the money raised by way of term loans for the purpose for which they were obtained. Further, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments).

(x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

(xi) According to the information and explanations given to us, the remuneration paid during the year by the Company to its directors is in accordance with the provisions of Section 197 read with Schedule V to the Act.

(xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable.

(xiii) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, the transactions with the related parties are in compliance with Sections 177 and 188 of the Companies Act, 2013, where applicable, and the details have been disclosed in the standalone financial statements as required by the applicable accounting standards.

(xiv) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the current year. Accordingly, paragraph 3(xiv) of the Order is not applicable to the Company.

(xv) According to the information and explanations given to us, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.

(xvi) According to the information and explanation given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act 1934. Accordingly, paragraph 3(xvi) of the Order is not applicable.

For **B S R and Associates**
Chartered Accountants
Firm's Registration No.- 128901W

Rajesh Arora
Partner
Membership No. 076124
UDIN: 20076124AAAAB01073

Place: Gurugram
Date: June 24, 2020

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

on the standalone financial statements of Hindustan Media Ventures Limited for the year ended March 31, 2020.

Report on the internal financial controls with reference to the aforesaid standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013

(Referred to in paragraph 1(A)(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

We have audited the internal financial controls with reference to standalone financial statements of Hindustan Media Ventures Limited ("the Company") as of March 31, 2020 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to standalone financial statements and such internal financial controls were operating effectively as at March 31, 2020 based on the internal financial controls with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's Responsibility for Internal Financial Controls

The Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (hereinafter referred to as "the Act").

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and whether such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial controls with Reference to Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial controls with Reference to Financial Statements

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

For **B S R and Associates**
Chartered Accountants
Firm's Registration No.- 128901W

Rajesh Arora
Partner
Membership No. 076124
UDIN: 20076124AAAAB01073

Place: Gurugram
Date: June 24, 2020

BALANCE SHEET

AS AT MARCH 31, 2020

(₹ in Lakhs)

Particulars	Notes	As at March 31, 2020	As at March 31, 2019 Restated (Refer Note 42)
I ASSETS			
1) Non-current assets			
(a) Property, plant and equipment	3	16,041	20,039
(b) Capital work in progress	3	1,019	1,152
(c) Right - of - use assets	43	5,962	-
(d) Investment property	4	4,161	3,227
(e) Intangible assets	5	6,791	6,827
(f) Investment in subsidiary and joint venture (accounted for using equity method)	6A	329	-
(g) Financial assets			
(i) Investments	6B	87,381	56,852
(ii) Loans	6C	7,708	683
(iii) Other financial assets	6D	463	-
(h) Income tax assets (net)	7	1,268	1,357
(i) Other non-current assets	8	310	491
Total non- current assets		**1,31,433**	**90,628**
2) Current assets			
(a) Inventories	9	4,651	4,443
(b) Financial assets			
(i) Investments	6A	30,843	50,220
(ii) Trade receivables	10A	16,785	16,672
(iii) Cash and cash equivalents	10B	1,525	5,565
(iv) Bank balances other than (iii) above	10C	2,006	2,168
(v) Other financial assets	6D	1,694	310
(c) Other current assets	11	3,469	3,271
Total current assets		**60,973**	**82,649**
Total Assets		**1,92,406**	**1,73,277**
II EQUITY AND LIABILITIES			
1) Equity			
(a) Equity share capital	12	7,367	7,339
(b) Share Suspense account (Refer Note 42)	12	-	28
(c) Other equity	13	1,44,316	1,34,002
Total equity		**1,51,683**	**1,41,369**
2) Liabilities			
Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	15A	4,722	6,051
(ii) Lease liabilities	15D	1,136	-
(iii) Other financial liabilities	15C	352	263
(b) Contract liabilities	15E	1	-
(c) Deferred tax liabilities (net)	14	1,814	127
Total non- current liabilities		**8,025**	**6,441**
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	15A	4,832	539
(ii) Lease liabilities	15D	1,038	-
(iii) Trade Payables	15B		
a) total outstanding dues of micro enterprises and small enterprises		111	43
b) total outstanding dues of creditors other than of micro enterprises and small enterprises		8,407	10,772
(iv) Other financial liabilities	15C	14,640	11,311
(b) Contract liabilities	15E	1,503	1,427
(c) Provisions	16	1,083	208
(d) Income tax liabilities (net)	17	222	401
(e) Other current liabilities	18	862	766
Total current liabilities		**32,698**	**25,467**
Total liabilities		**40,723**	**31,908**
Total Equity and liabilities		**1,92,406**	**1,73,277**
Summary of significant accounting policies	2		

See accompanying notes to the standalone financial statements.

In terms of our report of even date attached

For B S R and Associates
Chartered Accountants
(Firm Registration Number: 128901W)

Rajesh Arora
Partner
Membership No. 076124

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

Tridib Barat
Company Secretary

Sandeep Gulati
Chief Financial Officer

Samudra Bhattacharya
Chief Executive Officer

Praveen Someshwar
Managing Director
(DIN: 01802656)

Shobhana Bhartia
Chairperson
(DIN: 00020648)

Place: Gurugram
Date: June 24, 2020

Place: New Delhi
Date: June 24, 2020

STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED MARCH 31, 2020

(₹ in Lakhs)

Particulars	Notes	Year ended March 31, 2020	Year ended March 31, 2019 Restated (Refer Note 42)
I Income			
(a) Revenue from operations	19	79,578	86,726
(b) Other Income	20	10,877	8,872
Total Income		**90,455**	**95,598**
II Expenses			
(a) Cost of materials consumed	21	28,248	40,234
(b) Changes in inventories of finished goods, stock-in -trade and work-in-progress	22	(77)	(14)
(c) Employee benefits expense	23	12,555	11,165
(d) Finance costs	24	949	1,759
(e) Depreciation and amortization expense	25	3,066	2,122
(f) Other expenses	26	28,929	30,733
Total expenses		**73,670**	**85,999**
III Profit before tax (I-II)		**16,785**	**9,599**
IV Earnings before finance costs, tax, depreciation and amortization expense (EBITDA) [III+II(d+e)]		**20,800**	**13,480**
V Tax expense			
Current tax	14	2,912	1,065
[Adjustment of tax charge/ (credit) related to earlier periods-NIL {Previous Year ₹(1,279 lakhs)}]			
Deferred tax charge/(credit)	14	1,976	(2,306)
[Adjustment of tax charge/ (credit) related to earlier periods-NIL {Previous Year ₹(2,769) lakhs}]			
Total tax expense/(credit)		**4,888**	**(1,241)**
VI Profit after tax for the year (III-V)		**11,897**	**10,840**
VII Other Comprehensive Income	27		
Items that will not to be reclassified subsequently to profit or loss			
Remeasurement of defined benefit plans		(708)	(6)
Income tax effect		247	3
Items that will be reclassified subsequently to profit or loss			
Cash flow hedging reserve		(165)	(122)
Income tax effect		58	43
Costs of hedging reserve		46	(318)
Income tax effect		(16)	111
Other comprehensive income for the year, net of tax		**(538)**	**(289)**
VIII Total Comprehensive Income for the year, net of tax (VI+VII)		**11,359**	**10,551**
IX Earnings per share (₹)			
Basic (Face value of shares ₹ 10/-)	28	16.15	14.71
Diluted (Face value of shares ₹ 10/-)	28	16.15	14.71
Summary of significant accounting policies	2		

See accompanying notes to the standalone financial statements.

In terms of our report of even date attached

For B S R and Associates
Chartered Accountants
(Firm Registration Number: 128901W)

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

Rajesh Arora
Partner
Membership No. 076124

Tridib Barat
Company Secretary

Sandeep Gulati
Chief Financial Officer

Samudra Bhattacharya
Chief Executive Officer

Praveen Someshwar
Managing Director
(DIN: 01802656)

Shobhana Bhartia
Chairperson
(DIN: 00020648)

Place: Gurugram
Date: June 24, 2020

Place: New Delhi
Date: June 24, 2020

STATEMENT OF CASH FLOW

FOR THE YEAR ENDED MARCH 31, 2020

(₹ in Lakhs)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019 Restated (Refer Note 42)
Cash flows from operating activities		
Profit before tax :	**16,785**	**9,599**
Adjustments for:		
Depreciation and amortization expense	3,066	2,122
Loss on sale of investment properties (including impairment)	53	220
Loss on disposal of property, plant and equipment (including impairment)	23	26
Unrealized foreign exchange loss	808	143
Unclaimed balances/liabilities written back (net)	(187)	(114)
Finance income from investment and other interest received	(9,619)	(7,592)
Fair value of investment through profit and loss (including (profit)/ loss on sale of investments)	125	(124)
Interest cost on debts and borrowings	919	1,715
Impairment for doubtful debts	940	1,275
Employee stock option expenses	18	-
Cash flows from operating activities before changes in following assets and liabilities	**12,931**	**7,270**
Changes in operating assets and liabilities		
(Increase) in trade receivables	(1,053)	(4,165)
(Increase)/Decrease in inventories	(208)	416
(Increase) in current and non-current financial assets and other current and non-current assets	(2,755)	(656)
Increase in current and non-current financial liabilities and other current and non-current liabilities & provision	478	6,122
Cash generated from operations	**9,393**	**8,987**
Income taxes paid (net of refunds)	(3,002)	(3,332)
Net cash from operating activities (A)	**6,391**	**5,655**
Cash flows from investing activities		
Payment for purchase of property, plant and equipment & intangible assets	(1,676)	(5,845)
Proceeds from sale of property, plant and equipment & intangible assets	138	94
Investment made in subsidiary and joint venture	(329)	-
Purchase of investments	(89,755)	(54,780)
Sale/ Redemption of investments	78,602	58,037
Inter-corporate deposits (given)	(6,050)	-
Purchase of investment properties	(1,681)	(2,829)
Proceeds from sale of investment properties	650	-
Finance income from investment and other interest received	9,134	8,796
Proceeds/(payment) of margin money deposits (net)	141	(2,143)
Net cash (used in)/from investing activities (B)	**(10,826)**	**1,330**

STATEMENT OF CASH FLOW

FOR THE YEAR ENDED MARCH 31, 2020

(₹ in Lakhs)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019 Restated (Refer Note 42)
Cash flows from financing activities		
Dividend paid on equity shares	(881)	(881)
Tax on equity dividend paid	(180)	(180)
Repayment of lease liabilities (Refer Note 43)	(885)	-
Interest paid on debts and borrowings	(898)	(1,797)
Proceeds from borrowings	15,768	81,072
Repayment of borrowings	(13,671)	(85,248)
Net cash (used in) financing activities (C)	**(747)**	**(7,034)**
Net Decrease in cash and cash equivalents (A + B + C)	**(5,182)**	**(49)**
Cash and cash equivalents at the beginning of the year	5,565	5,614
Cash and cash equivalents at the end of the year	**383**	**5,565**

(₹ in Lakhs)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019 Restated (Refer Note 42)
Components of cash and cash equivalents as at end of the year		
Cash and cheques on hand	1,053	3,767
With Scheduled banks - on current accounts	472	1,779
With Scheduled banks - on deposit accounts	-	19
Total cash and cash equivalents	**1,525**	**5,565**
Less: Bank Overdraft	1,142	-
Cash and cash equivalents as per Cash Flow Statement	**383**	**5,565**

Refer Note 15A for debt reconciliation disclosure
See accompanying notes to the standalone financial statements.

In terms of our report of even date attached

For B S R and Associates
Chartered Accountants
(Firm Registration Number: 128901W)

Rajesh Arora
Partner
Membership No. 076124

Place: Gurugram
Date: June 24, 2020

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

Tridib Barat
Company Secretary

Sandeep Gulati
Chief Financial Officer

Samudra Bhattacharya
Chief Executive Officer

Praveen Someshwar
Managing Director
(DIN: 01802656)

Shobhana Bhartia
Chairperson
(DIN: 00020648)

Place: New Delhi
Date: June 24, 2020

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED MARCH 31, 2020

A. Equity Share Capital (Refer Note 12)

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

Particulars	No of shares	₹ in Lakhs
Balance as at April 1, 2018	7,33,93,770	7,339
Changes in share capital during the year	-	-
Balance as at March 31, 2019	**7,33,93,770**	**7,339**
Changes in share capital during the year	2,77,778	28
Balance as at March 31, 2020	**7,36,71,548**	**7,367**

B. Other Equity attributable to equity holders (Refer Note 13)

(₹ in Lakhs)

Particulars	Reserve & Surplus						Other Comprehensive Income		Total
	Capital reserve	Capital redemption reserve	Securities premium	General Reserve	Share-based payments reserve	Retained earnings	Cash flow hedging reserve* (Refer Note 36)	Costs of hedging reserve (Refer Note 36)	
Balance as at April 1, 2018	**7,965**	**1**	**24,239**	**688**	**-**	**92,939**	**-**	**-**	**1,25,832**
Adjustment for IESPL Scheme	(1,320)	-	-	-	-	-	-	-	(1,320)
Profit for the year	-	-	-	-	-	10,840	-	-	10,840
Other comprehensive income	-	-	-	-	-	(3)	(79)	(207)	(289)
Dividend paid	-	-	-	-	-	(881)	-	-	(881)
Dividend distribution tax	-	-	-	-	-	(180)	-	-	(180)
Balance as at March 31, 2019	**6,645**	**1**	**24,239**	**688**	**-**	**1,02,715**	**(79)**	**(207)**	**1,34,002**
Profit for the year	-	-	-	-	-	11,897	-	-	11,897
Other comprehensive income	-	-	-	-	-	(461)	(107)	29	(539)
Share-based payments	-	-	-	-	17	-	-	-	17
Dividend paid	-	-	-	-	-	(881)	-	-	(881)
Dividend distribution tax	-	-	-	-	-	(180)	-	-	(180)
Balance as at March 31, 2020	**6,645**	**1**	**24,239**	**688**	**17**	**1,13,090**	**(186)**	**(178)**	**1,44,316**

* The effective portion of gains and loss on hedging instruments in a cash flow hedge

See accompanying notes to the standalone financial statements.

In terms of our report of even date attached

For B S R and Associates
Chartered Accountants
(Firm Registration Number: 128901W)

Rajesh Arora
Partner
Membership No. 076124

Place: Gurugram
Date: June 24, 2020

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

Tridib Barat
Company Secretary

Sandeep Gulati
Chief Financial Officer

Samudra Bhattacharya
Chief Executive Officer

Praveen Someshwar
Managing Director
(DIN: 01802656)

Shobhana Bhartia
Chairperson
(DIN: 00020648)

Place: New Delhi
Date: June 24, 2020

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2020

1. Corporate information

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

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

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

The financial statements of the Company for the year ended March 31, 2020 are authorised for issue in accordance with a resolution of the Board of Directors on June 24, 2020.

2. Significant accounting policies followed by company

2.1 Basis of preparation

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

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

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

- Derivative financial instruments measured at fair value;
- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments)
- Defined benefit plans - plan assets measured at fair value;

The standalone financial statements are presented in Indian Rupees (₹), which is also the Company's functional currency and all values are rounded to nearest lakhs.

2.2 Summary of significant accounting policies

a) Business combinations - common control transactions

Common control business combination means a business combination involving entities or businesses in which all the combining entities or businesses are ultimately controlled by the same party or parties both before and after the business combination, and that control is not transitory.

Common control business combination are accounted for using the pooling of interests method as follows:

- The assets and liabilities of the combining entities are reflected at their carrying amounts.
- No adjustments are made to reflect fair values, or recognise any new assets or liabilities. Adjustments are only made to harmonise accounting policies.
- The financial information in the financial statements in respect of prior periods is restated as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination. However, where the business combination had occurred after that date, the prior period information is restated only from that date.
- The balance of the retained earnings appearing in the financial statements of the transferor is aggregated with the corresponding balance appearing in the financial statements of the transferee or is adjusted against general reserve.
- The identity of the reserves are preserved and the reserves of the transferor become the reserves of the transferee.

The difference, if any, between the amounts recorded as share capital issued plus any additional consideration in the form of cash or other assets and the amount of share capital of the transferor is transferred to capital reserve and is presented separately from other capital reserves.

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2020

b) Current versus non- current classification

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

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

All other assets are classified as non-current.

A liability is current when:

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

The Company classifies all other liabilities as non-current.

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

The operating cycle is the time between publishing of advertisement and circulation of newspaper and its realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

c) Foreign currencies

Transactions and Balances

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

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

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

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

Exchange differences pertaining to long term foreign currency loans obtained or re-financed on or before March 31, 2016:

- Exchange differences on long-term foreign currency monetary items relating to acquisition of depreciable assets are adjusted to the carrying cost of the assets and depreciated over the balance life of the assets in accordance with option available under Ind-AS 101 (first time adoption).

Exchange differences pertaining to long term foreign currency loans obtained or re-financed on or after April 1, 2016:

- The exchange differences pertaining to long term foreign currency loans obtained or re-financed on or after April 1, 2016 is charged off or credited to the statement of profit & loss account under Ind-AS.

d) Fair value measurement

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

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2020

The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

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

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

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

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

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

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

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly
- Level 3 — Valuation techniques for which inputs are unobservable inputs for the asset or liability

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

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

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

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

e) Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured based on the transaction price, which is the consideration, adjusted for allowances, trade discounts, volume rebates, if any, as specified in the contract with the customer. Revenue excludes taxes collected from customers. The Company has concluded that it is the principal in all of its revenue arrangements since it is the primary obligor in all the revenue arrangements as it has pricing latitude and is also exposed to inventory and credit risks.

Goods and Service Tax (GST) is not received by the Company on its own account. Rather, it is tax collected on behalf of the government. Accordingly, it is excluded from revenue.

Contract asset and unbilled receivables

Contract asset represents the Company's right to consideration in exchange for services that the Company has transferred to a customer when that right is conditioned on something other than the passage of time.

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2020

When there is unconditional right to receive cash, and only passage of time is required to do invoicing, the same is presented as unbilled receivable.

Contract liability

A contract liability is recognised if a payment is received or a payment is due (whichever is earlier) from a customer before the Company transfers the related goods or services. Contract liabilities are recognised as revenue when the Company performs under the contract (i.e., transfers control of the related goods or services to the customer).

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

Advertisements

Revenue is recognized as and when advertisement is published/ displayed and when it is "probable" that the Company will collect the consideration it is entitled to in exchange for the services it transfers to the customer.

Revenue from advertisement is measured based on the transaction price, which is the consideration, adjusted for allowances, trade discounts and volume rebates.

Education

Revenue is recognized when persuasive evidence of an arrangement exists, services have been rendered or delivery has occurred, fee or price to the customer is fixed or determinable and collectability is reasonably assured

- Tuition and educational services encompasses all educational delivery modalities (i.e online, on-campus etc.) and
- Revenue is recognized (Tuition fee including registration fee, net of discounts) over the period of instruction as services are delivered to students, which may vary depending on the program structure. Following situations may arise-
  - **Regular Students:** Revenue is recognized over the period of instruction for the program.
  - **Students on Break:** Revenue is deferred till the time student joins back and revenue is recognized once the student's period of instructions starts again.
  - **Drop out students:** Revenue is recognized to the extent instructions are delivered and payment is received.
- Students are billed separately for each program, resulting in the recording of a receivable from the student and deferred revenue in the amount of the billing.
- The Company generally recognizes revenue evenly over the period of instruction (e.g. five weeks for a five-week course) as services are delivered to the student.
- For students who enrolls at Company's programs on risk free basis (100% scholarship, Ambassador program, Trials), the Company does not recognize revenue for that program until students decide to continue beyond the risk free period, which is when the fees become fixed and determinable.
- The Company reassesses collectability throughout the period revenue is recognized when there are changes in facts or circumstances that indicate collectability is no longer reasonably assured Security deposit collected from students are refundable post completion of the program and are not recognized as revenue.

Sale of News & Publications, Waste Paper and Scrap

Revenue from the sale of goods is recognised when the control is transferred to the buyer, usually on delivery of the goods. Revenue from the sale of goods is measured based on the transaction price, which is the consideration, adjusted for returns, allowances, trade discounts and volume rebates.

For contracts with a significant financing component, an entity adjusts the promised consideration to reflect the time value of money.

Management also extends a right to return to its customers which it believes is a form of variable consideration. Revenue recognition is limited to amounts for which it is "highly probable" a significant reversal will not occur (i.e. it is highly probable the goods will not be returned). A refund liability is established for the expected amount of refunds and credits to be issued to customers.

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2020

Printing Job Work

Revenue from printing job work is recognized on the stage of completion of job work as per terms of the agreement. Revenue from job work is measured based on the transaction price, which is the consideration, adjusted for allowances, trade discounts and volume rebates, if any.

Interest income

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

Dividends

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

f) Government grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

When the Company receives grants for purchase of property, plant and equipment, the asset and the grant are recorded at fair value amounts and released to statement of profit and loss over the expected useful life of the asset.

g) Taxes

Current income tax

Tax expense comprises current and deferred tax.

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

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

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised is correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Appendix C to Ind AS 12, Income Taxes dealing with accounting for uncertainty over income tax treatments is applicable from accounting periods beginning on or after April 1, 2019. It does not have any material impact on financial statements of the Company.

Deferred tax

Deferred tax is provided considering temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2020

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

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

Deferred tax assets and deferred tax liabilities are offset if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

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

MAT Credits are in the form of unused tax credits that are carried forward by the company for a specified period of time. Accordingly, MAT Credit Entitlement are grouped with Deferred Tax Asset in the Balance Sheet. The company reviews at each balance sheet date the reasonable certainty to recover deferred tax asset including MAT Credit Entitlement.

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

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

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

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

h) Discontinued operations

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

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

Or

- Is a subsidiary acquired exclusively with a view to resale

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

i) Property, plant and equipment

The Company has applied the one time transition option of considering the carrying cost of property,

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2020

plant & equipment and intangible assets on the transition date i.e. April 1, 2015 as the deemed cost under Ind-AS.

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

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

Recognition:

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

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

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

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

Depreciation methods, estimated useful life and residual value

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

Type of asset	Useful life estimated by management (Years)
Plant and Machinery	2-21
Buildings (Factory)	10-30
Buildings (other than factory buildings)	3-60
Furniture and Fittings	2-10
IT Equipment	3-6
Office Equipment	2-5
Vehicles	8

The Company, based on technical assessment made by the management depreciates certain assets over estimated useful life which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management has estimated, supported by technical assessment, the useful life of certain plant and machinery as 16 to 21 years. These useful life are higher than those indicated in schedule II to the Companies Act, 2013. The management believes that these estimated useful life are realistic and reflect a fair approximation of the period over which the assets are likely to be used.

Property, Plant and Equipment which are added/ disposed off during the year, depreciation is provided on pro-rata basis with reference to the month of addition/deletion.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2020

are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised.

Subsequent expenditure can be capitalised only if it is probable that future economic benefits associated with the expenditure will flow to the Company.

Expenditure directly attributable to construction activity is capitalized. Other indirect costs incurred during the construction periods which are not directly attributable to construction activity are charged to Statement of Profit and Loss. Reinvested income earned during the construction period is adjusted against the total of indirect expenditure.

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

j) Investments in associates

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

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

The Company has elected to recognize its investments in associate companies at cost in accordance with the option available in Ind-AS 27, 'Separate Financial Statements'. Except where investments accounted for at cost shall be accounted for in accordance with Ind-AS 105, Non-current Assets Held for Sale and Discontinued Operations, when they are classified as held for sale.

k) Investment properties

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

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

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

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

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

l) Intangible assets

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

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

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2020

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

The useful life of intangible assets is assessed as either finite or indefinite.

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

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

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

Intangible Assets	Useful life (in years)
Software Licenses	1 - 6
Brand	Indefinite useful life

An intangible asset is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss.

m) Borrowing costs

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

n) Leases

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

The Company recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss.

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2020

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Company is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. The Company recognises the amount of the re-measurement of lease liability due to modification as an adjustment to the right-of-use asset and statement of profit and loss depending upon the nature of modification. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognises any remaining amount of the re-measurement in statement of profit and loss.

The Company has elected not to apply the requirements of Ind AS 116 to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognised as an expense on a straight-line basis over the lease term.

As a practical expedient a lessee (the company) has elected, by class of underlying asset, not to separate lease components from any associated non-lease components. A lessee (the company) accounts for the lease component and the associated non-lease components as a single lease component.

Company as a lessor

At the inception of the lease the Company classifies each of its leases as either an operating lease or a finance lease. The Company recognises lease payments received under operating leases as income on a straight- line basis over the lease term. In case of a finance lease, finance income is recognised over the lease term based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the lease.

Transition to Ind AS 116

Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has notified Ind AS 116 Leases which replaces the existing lease standard, Ind AS 17 leases and other interpretations. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. It introduces a single, on-balance sheet lease accounting model for lessees.

The Company has adopted Ind AS 116, effective annual reporting period beginning April 1, 2019 and applied the standard to its leases, retrospectively, with the cumulative effect of initially applying the Standard, recognised on the date of initial application (April 1, 2019). Accordingly, the Company has not restated comparative information. As on April 1, 2019, the Company has recognized a right of use asset at an amount equivalent to the lease liability and consequently there is no adjustment to the opening balance of retained earnings as on April 1, 2019. On application of Ind AS 116, the nature of expenses has changed from lease rent in previous periods to depreciation cost for the right-to-use asset, and finance cost for interest accrued on lease liability.

Refer note 2(l) – Significant accounting policies – Leases in the Annual report of the Company for the year ended March 31, 2019, for the policy as per Ind AS 17.

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2020

Identification of lease:

- The Company has reassessed whether a contract is, or contains, a lease at the date of initial application.

Leases previously classified as operating leases:

- The Company has recognised a lease liability at the date of initial application for leases previously classified as an operating lease applying Ind AS 17 (other than those which does not satisfy the lease definition criteria under Ind AS 116). The Company has measured lease liability at the present value of the remaining lease payments, discounted using the Company's incremental borrowing rate at the date of initial application.
- The Company has recognised a right-of-use asset at the date of initial application for leases previously classified as an operating lease applying Ind AS 17 (other than those which does not satisfy the lease definition criteria under Ind AS 116). The Company has opted to measure right-of-use asset at an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in the balance sheet immediately before the date of initial application.
- The Company has relied on its assessment of whether leases are onerous applying Ind AS 37, Provisions, Contingent Liabilities and Contingent Assets, immediately before the date of initial application as an alternative to performing an impairment review.
- The Company has opted not to apply the above transition requirements to leases for which the lease term ends within 12 months of the date of initial application.

Leases previously classified as finance leases:

- For leases that were classified as finance leases applying Ind AS 17, the carrying amount of the right-of-use asset and the lease liability at the date of initial application is the carrying amount of the lease asset and lease liability immediately before that date measured applying Ind AS 17.

Impact on transition as on April 1, 2019:

Intangible Assets	₹ in Lakhs
Right-of-use assets – property, plant and equipment	326
Lease liabilities	326
Retained earnings	-

Intangible Assets	₹ in Lakhs
Operating lease commitments at March 31, 2019 as disclosed under Ind AS 17 in the Company's financial statements (A)	595
Less : Transactions in the nature of lease under Ind AS 17 but does not qualify definition of lease under Ind AS 116 (B)	156
Net Operating lease commitments (C)=(A)-(B)	439
Discounted using the incremental borrowing rate at April 1, 2019 (D)	326
Lease liabilities recognised at April 1, 2019 (E)	326
Difference (D)- (E)	-

The weighted average incremental borrowing rate of 8% has been applied to lease liabilities recognized in the balance sheet at the date of initial application.

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2020

o) Inventories

Inventories are valued as follows :

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

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

p) Impairment of non-financial assets

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

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

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

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

An assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the

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FOR THE YEAR ENDED MARCH 31, 2020

carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

q) Provisions

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

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

r) Employee benefits

Short term employee benefits and defined contribution plans:

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

Employee benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

Gratuity

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

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

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

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

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

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

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

NOTES TO FINANCIAL STATEMENTS

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Termination Benefits

Termination benefits are payable when employment is terminated by the company before the normal retirement date. The Company recognises termination benefits at the earlier of the following dates: (a) when the company can no longer withdraw the offer of those benefits; and (b) when the Company recognises costs for a restructuring that is within the scope of Ind AS 37 and involves the payment of terminations benefits. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value.

Compensated Absences

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

Re-measurements, comprising of actuarial gains and losses, are immediately taken to the statement of profit and loss and are not deferred. The Company presents the leave as a current liability in the balance sheet to the extent it does not have an unconditional right to defer its settlement for 12 months after the reporting date. Where Company has the unconditional legal and contractual right to defer the settlement for a period beyond 12 months, the same is presented as non- current liability.

s) Share-based payments

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

Equity-settled transactions

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

That cost is recognised, together with a corresponding increase in share-based payment (SBP) reserves in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest. The statement of profit and loss expense or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense. The SBP Scheme is administered through Employee Stock Option Trust

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

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

When the terms of an equity-settled award are modified, the minimum expense recognised is the expense had the terms had not been modified, if the original terms of the award are met. An additional expense is recognised

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FOR THE YEAR ENDED MARCH 31, 2020

for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee as measured at the date of modification. Where an award is cancelled by the entity or by the counterparty, any remaining element of the fair value of the award is expensed immediately through profit or loss.

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

t) Financial instruments

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

Financial assets

Initial recognition and measurement

All financial assets (Other than trade receivable which is recognised at transaction price as per Ind AS 115) are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Subsequent measurement

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

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

Debt instruments at amortised cost

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

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

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

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

Debt instruments at FVTPL

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

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

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss as "Finance income from debt instruments at FVTPL" under the head "Other Income".

Equity investments

All equity investments in scope of Ind-AS 109 are measured at fair value. Equity instruments which are held for trading recognised by an acquirer in a business combination to which Ind-AS 103 applies are Ind-AS classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

NOTES TO FINANCIAL STATEMENTS

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

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

De-recognition

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

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

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

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

Impairment of financial assets

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

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

b) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind-AS 115 (referred to as 'contractual revenue receivables' in these financial statements)

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

- Trade receivables or contract revenue receivables; and
- All lease receivables resulting from transactions within the scope of Ind- AS 116

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

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

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

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

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

As a practical expedient, the Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss (P&L). This amount is reflected under the head 'other expenses' in the P&L. The balance sheet presentation for various financial instruments is described below:

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

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

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

Financial liabilities

Initial recognition and measurement

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

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

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

Subsequent measurement

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

Financial liabilities at fair value through profit or loss

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

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind-AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to P&L.

NOTES TO FINANCIAL STATEMENTS

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However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss.

Loans and borrowings

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

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

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

De-recognition

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

Embedded derivatives

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

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

Offsetting of financial instruments

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

u) Derivative financial instruments and hedge accounting

Derivative accounting

Initial recognition and subsequent measurement

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

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

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Hedge Accounting

Initial recognition and subsequent measurement

The Company designates (Cash Flow Hedge):

- Intrinsic Value of Call Spread option to hedge foreign currency risk for repayment of Principal Amount in relation to External Commercial Borrowing (ECB) availed in USD.
- Interest Rate Swap (Floating to Fixed) to hedge interest rate risk in respect of Floating rate of interest in relation to ECB.

The Company documents at the inception of the hedging transaction the economic relationship between hedging instruments and hedged items including whether the hedging instrument is expected to offset changes in cash flows of hedged items. The Company documents its risk management objective and strategy for undertaking various hedge transactions at the inception of each hedge relationship.

Cash flow hedges that qualify for hedge accounting

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in the other comprehensive income in cash flow hedging reserve within equity, limited to the cumulative change in fair value of the hedged item on a present value basis from the inception of the hedge. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss, within other income or expense.

When option contracts are used to hedge foreign currency risk, the Company designates only the intrinsic value of the option contract as the hedging instrument.

Gains or losses relating to the effective portion of the change in intrinsic value of the option contracts are recognised in the cash flow hedging reserve within equity. The changes in the time value of the option contracts that relate to the hedged item ('aligned time value') are recognised within other comprehensive income in the costs of hedging reserve within equity.

Amounts accumulated in equity are reclassified to profit or loss in the periods when the hedged item affects profit or loss. The time value of an option used to hedge represents part of the cost of the transaction.

When a hedging instrument expires, or is sold or terminated, or when a hedge no longer meets the criteria for hedge accounting, any cumulative deferred gain or loss and deferred costs of hedging in equity at that time remains in equity until the forecast transaction occurs. When the forecast transaction is no longer expected to occur, the cumulative gain or loss and deferred costs of hedging that were reported in equity are immediately reclassified to profit or loss within other income or expense.

v) Cash and cash equivalents

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

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

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

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

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

Upon distribution of non-cash assets, any difference between the carrying amount of the liability and the carrying amount of the assets distributed is recognised in the statement of profit and loss.

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x) Contingent liabilities

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

y) Measurement of EBITDA

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

z) Investments in subsidiaries, joint ventures and associates

An investor, regardless of the nature of its involvement with an entity (the investee), shall determine whether it is a parent by assessing whether it controls the investee.

An investor controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

Thus, an investor controls an investee if and only if the investor has all the following:

(a) power over the investee;

(b) exposure, or rights, to variable returns from its involvement with the investee and

(c) the ability to use its power over the investee to affect the amount of the investor's returns.

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

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

The Company has elected to recognize its investments in subsidiary and joint venture companies at cost in accordance with the option available in Ind-AS 27, 'Separate Financial Statements'. Except where investments accounted for at cost shall be accounted for in accordance with Ind-AS 105, Non-current Assets Held for Sale and Discontinued Operations, when they are classified as held for sale.

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

aa) Earnings per share

Basic earnings per share

Basic earnings per share are calculated by dividing:

- the profit attributable to owners of the Company
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year.

Diluted earnings per share

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

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2020

2.3. Significant accounting judgements, estimates & assumptions

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

1) The areas involving critical estimates are as below:

Property, Plant and Equipment

The Company, based on technical assessment and management estimate, depreciates certain assets over estimated useful lives which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management has estimated, supported by technical assessment, the useful lives of certain plant and machinery as 16 to 21 years. These useful lives are higher than those indicated in schedule II. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

Defined benefit plans

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

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

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

Further details about gratuity obligations are given in Note 31.

2) The areas involving critical Judgement are as below:

Intangible asset – "Hindi Hindustan" Brand

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

Contingent Liability and commitments

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

Fair value measurements

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

Changes in assumptions about these factors could affect the reported fair value of financial instruments. See Note 38 for further disclosures.

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2020

Taxes

Uncertainties exist with respect to the interpretation of complex tax regulations, changes in tax laws, and the amount and timing of future taxable income. Given the wide range of business relationships and the long-term nature and complexity of existing contractual agreements, differences arising between the actual results and the assumptions made, or future changes to such assumptions, could necessitate future adjustments to tax income and expense already recorded. The Company establishes provisions, based on reasonable estimates. The amount of such provisions is based on various factors, such as experience of previous tax assessments and differing interpretations of tax regulations by the taxable entity and the responsible tax authority. Such differences of interpretation may arise on a wide variety of issues depending on the conditions prevailing in the respective domicile of the Companies.

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

Further details on taxes are disclosed in Note 14.

Volume discounts and pricing incentives

The company accounts for volume discounts and pricing incentives to customers as a reduction of revenue based on the rateable allocation of the discounts/ incentives amount to each of the underlying revenue transaction that results in progress by the customer towards earning the discount/ incentive. Also, when the level of discount varies with increases in levels of revenue transactions, the company recognizes the liability based on its estimate of the customer's future purchases. If it is probable that the criteria for the discount will not be met, or if the amount thereof cannot be estimated reliably, then discount is not recognized until the payment is probable and the amount can be estimated reliably. The company recognizes changes in the estimated amount of obligations for discounts in the period in which the change occurs.

Impairment of financial assets

The impairment provisions for financial assets are based on assumptions about risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

Impairment of non- financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or CGU's fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent markets transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded subsidiaries or other available fair value indicators.

Share Based Payment

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

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2020

assumptions about them. The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in Note 32.

Determining the lease term of contracts with renewal and termination options – as lessee

The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Company applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Company reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate.

The periods covered by termination options are included as part of the lease term only when they are reasonably certain not to be exercised.

For further details about leases, refer to accounting policy on leases and Note 43.

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2020

Note 3 : Property, Plant and Equipment and Capital Work-in-Progress

(₹ in Lakhs)

Particulars	Land Freehold (Refer Note II)	Land Leasehold	Buildings (Refer Note II)	Improvement to Leasehold Premises	Plant and Machinery (Refer Note II)	Office Equipment (Refer Note II)	Furniture & Fixture (Refer Note II)	Vehicles	Total
Cost or Valuation									
As at April 1, 2018	**981**	**1,240**	**4,276**	**1,013**	**13,199**	**361**	**450**	**35**	**21,555**
Acquisition from IESPL (refer note 42)	-	-	-	-	56	11	42	-	109
Additions	-	2,535	650	76	3,163	107	27	-	6,558
Disposals/ adjustments	-	-	-	43	144	47	54	35	323
As at March 31, 2019	**981**	**3,775**	**4,926**	**1,046**	**16,274**	**432**	**465**	**-**	**27,899**
Additions	-	-	1,040	1	733	52	7	-	1,833
Less : Reclassification to right - of - use assets	-	3,775	-	-	-	-	-	-	3,775
Less : Disposals/ adjustments	-	-	1	69	101	19	-	-	190
As at March 31, 2020	**981**	**-**	**5,965**	**978**	**16,906**	**465**	**472**	**-**	**25,767**
Accumulated Depreciation/ Impairment									
As at April 1, 2018	**-**	**45**	**660**	**541**	**4,419**	**222**	**74**	**6**	**5,967**
Depreciation charge for the year	-	44	241	157	1,494	77	70	1	2,084
Impairment	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	23	104	38	19	7	191
As at March 31, 2019	**-**	**89**	**901**	**675**	**5,809**	**261**	**125**	**-**	**7,860**
Depreciation charge for the year	-	-	266	104	1,618	71	49	-	2,108
Impairment (refer note III below)	-	-	-	-	11	-	-	-	11
Less : Reclassification to right - of - use assets	-	89	-	-	-	-	-	-	89
Less: Disposals	-	-	1	67	77	19	-	-	164
As at March 31, 2020	**-**	**-**	**1,166**	**712**	**7,361**	**313**	**174**	**-**	**9,726**
Net Block									
As at March 31, 2020	**981**	**-**	**4,799**	**266**	**9,545**	**152**	**298**	**-**	**16,041**
As at March 31, 2019	**981**	**3,686**	**4,025**	**371**	**10,465**	**171**	**340**	**-**	**20,039**

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2020

Note 3 : Property, Plant and Equipment and Capital Work-in-Progress (Contd..)

(₹ in Lakhs)

Particulars	March 31, 2020	March 31, 2019
Property, plant and equipment	16,041	20,039
Capital work in progress	1,019	1,152
Total	**17,060**	**21,191**

I. Capital work in progress (CWIP)

The capital work in progress as at March 31, 2020 and March 31, 2019 comprises mainly expenditure for Buildings & Plant and Machinery.

The Company accounts for capitalization of property, plant and equipment to the extent applicable through capital work in progress and therefore the movement in capital work-in-progress is the difference between closing and opening balance of capital work-in-progress as adjusted in additions to property, plant and equipment.

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

(₹ in Lakhs)

Particulars	March 31, 2020					March 31, 2019		
	Plant and Machinery	Freehold Land	Buildings	Office Equipment	Furniture & Fixture	Plant and Machinery	Freehold Land	Buildings
Gross block	2,965	296	1,412	20	1	1,194	296	808
Accumulated depreciation	1,223	-	217	8	0	358	-	134
Net block	**1,742**	**296**	**1,195**	**12**	**1**	**836**	**296**	**674**
Depreciation for the year	240	-	54	4	0	100	-	36

For further disclosures on assets given under operating lease, refer note 43.

III. Additional information for which impairment loss/reversal of impairment has been recognized are as under:

1) Nature of asset :Plant and machinery
2) Amount of Impairment : 11 lakhs (previous year: Nil)
3) Reason of Impairment : On account of physical damage

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2020

Note 4 : Investment Property

(₹ in Lakhs)

Particulars	Amount
Cost	
As at April 1, 2018	**618**
Additions	2,829
Disposals	-
As at March 31, 2019	**3,447**
Additions	2,592
Moved to property plant and equipment (capital work-in-progress)	(911)
Disposals	(838)
As at March 31, 2020	**4,290**
Accumulated Depreciation and impairment	
As at April 1, 2018	**-**
Depreciation	-
Impairment (refer note I below)	220
As at March 31, 2019	**220**
Depreciation	44
Impairment (refer note I below)	18
Disposals	(153)
As at March 31, 2020	**129**
Net Block	
As at March 31, 2020	**4,161**
As at March 31, 2019	**3,227**

Information regarding income and expenditure of investment property (excluding profit/ (loss) on sale of investment and impairment of properties)

(₹ in Lakhs)

Particulars	March 31, 2020	March 31, 2019
Rental income derived from investment properties	25	-
Direct operating expenses (including repairs and maintenance) generating rental income	3	-
Direct operating expenses (including repairs and maintenance) that did not generate rental income	5	-
Profit arising from investment properties before depreciation and indirect expenses	**17**	**-**

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2020

Note 4 : Investment Property (Contd..)

Note I : Additional information for which impairment loss has been recognized are as under:

1) Nature of asset: Investment Property

2) Amount of Impairment: 18 lakhs (Previous Year: 220 lakhs)

3) Reason for impairment: Fair value being recoverable amount was determined for disclosure requirement. The same was compared with the carrying amount.

The management has determined that the investment properties consist of two classes of assets — residential and commercial— based on the nature, characteristics and risks of each property.

As at March 31, 2020 and March 31, 2019, the fair values of the properties are ₹ 4,585 Lakhs and ₹ 3,390 Lakhs respectively. These valuations are based on valuations performed by an accredited independent valuer who is an specialist in valuing these types of investment properties. A valuation model in accordance with Ind AS 113 has been applied.

The Company has no restrictions on the realisability of its investment properties and there exist contractual obligations of ₹ 2,433 Lakhs (March 31, 2019: ₹ 83 Lakhs) to purchase the investment property whereas there are no contractual obligation to develop investment property or for repairs and enhancements.

Estimation of Fair Value

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

Note 5 : Intangible Assets

(₹ in Lakhs)

Particulars	Website Development	Software Licenses	Brand #	Total (Intangible Assets)
Cost or Valuation				
As at April 1, 2018	**2**	**276**	**6,696**	**6,974**
Acquisition from IESPL (refer note 42)	-	7	-	7
Additions	-	70	-	70
Disposals/ adjustments	-	35	-	35
As at March 31, 2019	**2**	**318**	**6,696**	**7,016**
Additions				-
Disposals/ adjustments				-
As at March 31, 2020	**2**	**318**	**6,696**	**7,016**
Accumulated Amortization/ Impairment				
As at April 1, 2018	**2**	**150**	**-**	**152**
Charge for the year	-	38	-	38
Disposals	-	1	-	1

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2020

Note 5 : Intangible Assets (Contd..)

(₹ in Lakhs)

Particulars	Website Development	Software Licenses	Brand #	Total (Intangible Assets)
As at March 31, 2019	**2**	**187**	**-**	**189**
Charge for the year		36		36
Disposals				-
As at March 31, 2020	**2**	**223**	**-**	**225**
Net Block				
As at March 31, 2020	**-**	**95**	**6,696**	**6,791**
As at March 31, 2019	**-**	**131**	**6,696**	**6,827**

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

For the purposes of impairment testing of Brand with indefinite life, the recoverable amount of Brand is based on its fair value. The fair value has been determined as per Royalty Relief method. The fair value is being compared with the Carrying amount of Brand as stated above. No impairment has been observed. Discount rate (14 % to 17%) and Royalty rate (4%) are the key assumptions considered in determining fair value. It is Level III valuation. There has been no change in the valuation technique.

Note 6A : Investment in subsidiary and joint venture

(₹ in Lakhs)

Particulars	March 31, 2020	March 31, 2019
Investment in subsidiary (at cost)		
Unquoted		
HT Noida Company Limited	5	-
0.5 lakhs (previous year: NIL) equity shares of ₹ 10/- each fully paid up		
Investment in joint venture (at cost)		
Unquoted		
HT Content Studio LLP (99.99% profit sharing ratio)(in form of capital contribution)	324	-
HT Content Studio LLP became a Joint Venture of the Company w.e.f August 21, 2019.		
Total	**329**	**-**
Non - Current	329	-
Aggregate value of unquoted investments	329	-
Aggregate amount of impairment in value of investments	-	-

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2020

Note 6B : Financial Assets- Investments

(₹ in Lakhs)

Particulars	March 31, 2020	March 31, 2019
I. Investment at fair value through profit and loss		
Unquoted		
Investment in equity instruments	1,871	1,485
Investment in optionally convertible redeemable preference shares	1,320	-
Quoted		
Investment in mutual funds*	1,15,033	1,05,393
Total I	**1,18,224**	**1,06,878**
II. Investment at amortised cost		
Quoted		
Investment in bonds	-	194
Total II	**-**	**194**
Total Investments (I+II)	**1,18,224**	**1,07,072**
Non - Current	87,381	56,852
Current	30,843	50,220
Aggregate book value of quoted investments	1,15,033	1,05,587
Aggregate market value of quoted investments	1,15,033	1,05,603
Aggregate book value of unquoted investments	3,191	1,485

* ₹ 17,914 Lakhs (Fair value) of mutual fund (Original cost: ₹ 15,303 Lakhs) are pledged in favour of banks against Overdraft and ECB facility in F.Y. 19-20 (F.Y 18-19 - Fair value : ₹ 16,673 Lakhs & Original Cost :₹ 14,900 Lakhs).

Note 6C :Financial assets- Loans

(₹ in Lakhs)

Particulars	March 31, 2020	March 31, 2019
At amortised cost		
Inter-corporate deposits (refer note 34A & 44)	6,050	-
Security deposit #	1,658	683
Total Loans	**7,708**	**683**
Non - Current	7,708	683

Includes security deposit paid to related parties ₹ 1,446 Lakhs (Previous year March 31, 2019: ₹ 237 Lakhs) (refer note 34A)

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2020

Note 6C :Financial assets- Loans (Contd..)

(₹ in Lakhs)

Particulars	March 31, 2020	March 31, 2019
Secured, considered good	-	-
Unsecured, considered good	7,708	683
Unsecured, considered doubtful	-	-
	7,708	**683**
Allowances for bad and doubtful loans	-	-
Total Loans	**7,708**	**683**

Note 6D :Other Financial Assets

(₹ in Lakhs)

Particulars	March 31, 2020	March 31, 2019
I. Derivatives at Fair Value through other comprehensive income		
- Forex derivative contract	619	170
Total I	**619**	**170**

Derivative instruments at fair value through other comprehensive income reflect the positive change in fair value of those foreign exchange option contracts that are designated in hedge relationships. (Refer Note 36)

(₹ in Lakhs)

Particulars	March 31, 2020	March 31, 2019
II. Other Financial Assets at Amortised Cost		
Balance with Banks :		
- Margin money (held as security in form of fixed deposit)	21	-
Interest accrued on inter corporate deposits and others	391	30
Other Receivables #	1,126	110
Total II	**1,538**	**140**
Total Other Financial Assets (I) +(II)	**2,157**	**310**
Non - Current	**463**	**-**
Current	**1,694**	**310**

Includes receivable from related parties ₹ 1,126 Lakhs (Previous year March 31, 2019: ₹ 88 Lakhs)

Loans and receivables are non-derivative financial assets which generate a fixed or variable interest income for the company. The carrying value may be affected by changes in the credit risk of the counterparties.

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2020

Note 6D :Other Financial Assets (Contd..)

Break up of financial assets carried at amortised cost

(₹ in Lakhs)

Particulars	March 31, 2020	March 31, 2019
Investments in Bonds (note 6B)	-	194
Trade receivables (note 10A)	16,785	16,672
Cash and cash equivalents (note 10B)	1,525	5,565
Other bank balances (note 10 C)	2,006	2,168
Loans (note 6C)	7,708	683
Other financial assets (note 6D)	1,538	140
Total financial assets carried at amortised cost	**29,562**	**25,422**

Note 7: Income tax assets (net)

(₹ in Lakhs)

Particulars	March 31, 2020	March 31, 2019
Current tax assets (net)	1,268	1,357
Non- Current	**1,268**	**1,357**

Note 8 : Other non- current assets

(₹ in Lakhs)

Particulars	March 31, 2020	March 31, 2019
Capital advance	178	286
Advances other than capital advances		
Prepaid expenses *	132	146
Deferred premium call spread	-	59
Total	**310**	**491**

Includes prepaid expenses pertaining to related parties ₹ 132 Lakhs (previous year March 31, 2019: ₹ 146 Lakhs) (refer note 34A)

Note 9 : Inventories

(₹ in Lakhs)

Particulars	March 31, 2020	March 31, 2019
Raw Materials {includes stock in transit of ₹ 907 Lakhs (March 31, 2019: ₹ 413 Lakhs)}	3,633	3,432
Work- in- Progress	44	20
Stores and spares	884	954
Scrap and waste papers	90	37
Total	**4,651**	**4,443**

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2020

Note 10 A : Trade receivables

(₹ in Lakhs)

Particulars	March 31, 2020	March 31, 2019
Trade receivables	16,290	15,944
Receivables from related parties (refer note 34A)	495	728
Total	**16,785**	**16,672**

(₹ in Lakhs)

Particulars	March 31, 2020	March 31, 2019
Secured, considered good	1,351	1,000
Unsecured, considered good	15,434	15,672
Unsecured, considered doubtful	3,550	2,965
	20,335	**19,637**
Loss allowance for bad & doubtful debts	(3,550)	(2,965)
Total	**16,785**	**16,672**

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

Note 10 B : Cash and cash equivalents

(₹ in Lakhs)

Particulars	March 31, 2020	March 31, 2019
Balance with banks :		
- On current accounts	472	1,779
- Deposits with original maturity of three months or less than three months	-	19
Cheques in hand	910	3,550
Cash on hand	143	217
Total	**1,525**	**5,565**

Note 10 C: Bank balances other than (10B) above

(₹ in Lakhs)

Particulars	March 31, 2020	March 31, 2019
- Deposits with original maturity of more than three months*	2,000	2,161
- Unclaimed dividend account#	6	7
Total	**2,006**	**2,168**

* Represents deposit receipts pledged with banks against overdraft facility for ₹ 2,000 lakhs (previous year - Nil)

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

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2020

Note 10 C: Bank balances other than (10B) above (Contd..)

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

(₹ in Lakhs)

Particulars	March 31, 2020	March 31, 2019
Balance with banks :		
- On current accounts	472	1,779
- Deposits with original maturity of three months or less than three months	-	19
Cheques in hand	910	3,550
Cash on hand	143	217
	1,525	**5,565**
Less - Bank overdraft (refer note 15A)	1,142	-
	383	**5,565**

Note 11 : Other current assets

(₹ in Lakhs)

Particulars	March 31, 2020	March 31, 2019
Prepaid expenses #	225	642
Advances given (net)	577	494
Deferred premium call spread	-	37
Balance with government authorities	2,667	2,098
Total	**3,469**	**3,271**

Includes prepaid expenses pertaining to related parties ₹ 124 Lakhs (Previous year March 31, 2019: ₹ 217 Lakhs) (refer note 34A)

Note 12 : Share Capital

Authorised Share Capital

(₹ in Lakhs)

Particulars	No. of shares	Amount (₹ in Lakhs)
At April 1, 2018	8,70,00,000	8,700
Increase during the year	-	-
At March 31, 2019	8,70,00,000	8,700
Increase during the year	-	-
At March 31, 2020	8,70,00,000	8,700

Terms/ rights attached to equity shares

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

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2020

Note 12 : Share Capital (Contd..)

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

Share Suspense Account

(₹ in Lakhs)

Particulars	No. of shares	Amount (₹ in Lakhs)
At April 1, 2018 (refer note 42)	2,77,778	28
Changes during the year	-	-
At March 31, 2019	2,77,778	28
Changes during the year	-2,77,778	-28
At March 31, 2020	-	-

Issued, subscribed and paid-up share capital

(₹ in Lakhs)

Equity shares of ₹ 10 each issued, subscribed and fully paid-up	No. of shares	Amount (₹ in Lakhs)
At April 1, 2018	7,33,93,770	7,339
Changes during the year	-	-
At March 31, 2019	7,33,93,770	7,339
Changes during the year	2,77,778	28
At March 31, 2020	7,36,71,548	7,367

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

Particulars	March 31, 2020		March 31, 2019	
	No. of shares	Amount (₹ in Lakhs)	No. of shares	Amount (₹ in Lakhs)
Shares outstanding at the beginning of the year	7,33,93,770	7,339	7,33,93,770	7,339
Shares Issued during the year	2,77,778	28	-	-
Shares outstanding at the end of the year	**7,36,71,548**	**7,367**	**7,33,93,770**	**7,339**

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

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

(₹ in Lakhs)

Particulars	March 31, 2020	March 31, 2019
HT Media Limited, the holding company 54,808,457 (previous year 54,533,458) equity shares of ₹ 10 each fully paid	5,481	5,453

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2020

Note 12 : Share Capital (Contd..)

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

Particulars	As at March 31, 2020		As at March 31, 2019	
	No. of shares	Amount (₹ in Lakhs)	No. of shares	Amount (₹ in Lakhs)
Equity shares of ₹ 10 each fully paid				
HT Media Limited, the holding company	5,48,08,457	74.40%	5,45,33,458	74.30%
Kotak Mahindra (International) Limited	42,36,000	5.75%	42,79,952	5.83%

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

Shares reserved for issue under options

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

Note 13 : Other Equity

(₹ in Lakhs)

Particulars	March 31, 2020	March 31, 2019
Securities premium	24,239	24,239
Capital redemption reserve	1	1
Capital reserve	6,645	6,645
General reserve	688	688
Retained earnings	1,13,090	1,02,715
Cash flow hedging reserve (refer note 36)	(186)	(79)
Costs of hedging reserve (refer note 36)	(178)	(207)
Share-based payments reserve (refer note 32)	17	-
Total	**1,44,316**	**1,34,002**

Securities Premium

Particulars	Amount (₹ in Lakhs)
At April 1, 2018	24,239
Changes during the year	-
At March 31, 2019	**24,239**
Changes during the year	-
At March 31, 2020	**24,239**

Securities premium is used to record the premium on issue of shares. The reserve can be utilised only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013.

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2020

Note 13 : Other Equity (Contd..)

Capital Redemption Reserve

Particulars	Amount (₹ in Lakhs)
At April 1, 2018	1
Changes during the year	-
At March 31, 2019	**1**
Changes during the year	-
At March 31, 2020	**1**

Capital Reserve

Particulars	Amount (₹ in Lakhs)
At April 1, 2018 *	7,965
Adjustment for IESPL Scheme (refer note 42)	(1,320)
At March 31, 2019	**6,645**
Changes during the year	-
At March 31, 2020	**6,645**

* Origination of ₹ 238 Lakhs is in relation to common control acquisition and of ₹ 7,727 Lakhs is in relation to demerger of business.

General Reserve

Particulars	Amount (₹ in Lakhs)
At April 1, 2018	688
Changes during the year	-
At March 31, 2019	**688**
Changes during the year	-
At March 31, 2020	**688**

Retained Earnings

(₹ in Lakhs)

Particulars	March 31, 2020	March 31, 2019
Opening Balance	1,02,715	92,939
Net Profit for the year	11,897	10,840
Items of other comprehensive income (OCI) recognised directly in retained earnings		
- Remeasurements of defined benefit plans, net of tax	(461)	(3)
Less: Final dividend paid for March 2019: ₹ 1.2 per share (March 2018: ₹ 1.2 per share)	881	881

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2020

Note 13 : Other Equity (Contd..)

Retained Earnings

(₹ in Lakhs)

Particulars	March 31, 2020	March 31, 2019
Less: Tax on dividend	180	180
Closing Balance	**1,13,090**	**1,02,715**

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

Cash flow hedging reserve * (Refer Note 36)

Particulars	Amount (₹ in Lakhs)
At April 1, 2018	-
Changes in intrinsic value of foreign currency options	170
Changes in fair value of interest rate swaps	(122)
Tax impact	43
Amounts reclassified to profit or loss	(170)
At March 31, 2019	**(79)**
Changes in intrinsic value of foreign currency options	449
Changes in fair value of interest rate swaps	(165)
Tax impact	58
Amounts reclassified to profit or loss	(449)
At March 31, 2020	**(186)**

* The effective portion of gains and loss on hedging instruments in a cash flow hedge

Costs of hedging reserve

Particulars	Amount (₹ in Lakhs)
At April 1, 2018	-
Deferred costs of hedging-transaction related- deferred time value of foreign currency option contracts	(464)
Amount reclassified from cost of hedging reserve to profit or loss	146
Tax impact	111
At March 31, 2019	**(207)**
Deferred costs of hedging-transaction related- deferred time value of foreign currency option contracts	(126)
Amount reclassified from cost of hedging reserve to profit or loss	171
Tax impact	(16)
At March 31, 2020	**(178)**

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2020

Note 13 : Other Equity (Contd..)

Share-based payments reserve (Refer Note 32)

Particulars	Amount (₹ in Lakhs)
At April 1, 2018	-
Changes during the year	-
At March 31, 2019	**-**
Changes during the year	17
At March 31, 2020	**17**

Note 14 : Income Tax

The major components of income tax expense for the year ended March 31, 2020 and March 31, 2019 are :

Statement of profit and loss :

Profit and loss section

(₹ in Lakhs)

Particulars	March 31, 2020	March 31, 2019
Current income tax :		
Current income tax charge	2,912	2,344
Adjustments in respect of current income tax of previous years	-	(1,279)
Deferred tax :		
Relating to origination and reversal of temporary differences	1,976	463
Adjustments in respect of deferred tax of previous years	-	(2,769)
Income tax expense reported in the statement of profit and loss	**4,888**	**(1,241)**

OCI section :

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

(₹ in Lakhs)

Particulars	March 31, 2020	March 31, 2019
Income tax charge/(credit) on cash flow hedging reserve	(58)	(43)
Income tax charge/(credit) on costs of hedging reserve	16	(111)
Income tax charge/(credit) on remeasurement of defined benefit plans	(247)	(3)
Income tax charged to OCI	**(289)**	**(157)**

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2020

Note 14 : Income Tax (Contd..)

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for March 31, 2020 and March 31, 2019:

(₹ in Lakhs)

Particulars	March 31, 2020	March 31, 2019
Accounting profit before income tax	16,785	9,599
At India's statutory income tax rate of 34.944 % (March 31, 2019: 34.944 %)	5,866	3,354
Non-Taxable Income for tax purposes:		
Income from investments	(1,221)	(872)
Non-deductible expenses for tax purposes:		
Other non-deductible expenses	140	109
Adjustments in respect of current income tax of previous years	-	(1,279)
Adjustments in respect of deferred income tax of previous years	-	(2,769)
Adjustments in respect of change in tax rate	(17)	6
Income taxable at lower rate	(368)	(414)
Difference in tax base and book base of investments / investment property	488	624
At the effective income tax rate	**4,888**	**(1,241)**
Income tax expense reported in the Statement of Profit and Loss	**4,888**	**(1,241)**

Deferred tax relates to the following:

(₹ in Lakhs)

Particulars	March 31, 2020	March 31, 2019	Movement during the year
Deferred tax liabilities			
Differences in depreciation in block of property, plant and equipment as per tax books and financial books	2,174	2,702	(528)
Difference between tax base and book base on Investments/ Investment Property	2,310	1,822	488
Gross deferred tax liabilities	**4,484**	**4,524**	**(40)**
Deferred tax assets			
Effect of expenditure debited to the Statement of Profit and Loss in the current year/earlier years but allowed for tax purposes in following years	631	470	161
Unutilized MAT Credit*	1,240	2,856	(1,616)
Allowance for doubtful debts and advances	799	1,071	(272)
Gross deferred tax assets	**2,670**	**4,397**	**(1,727)**
Deferred tax liabilities (net)	**1,814**	**127**	**1,687**

* Considering the future projections, there is a reasonable certainty to recover MAT Credit Entitlement.

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2020

Note 14 : Income Tax (Contd..)

Reconciliation of deferred tax liabilities (net):

(₹ in Lakhs)

Particulars	March 31, 2020	March 31, 2019
Opening balance as of April 1	127	2,591
Tax expense/(income) during the period recognised in Statement of Profit and Loss	1,687	(2,464)
Closing balance as at March 31	**1,814**	**127**

During the year ended March 31, 2020 and March 31, 2019, the Company has paid dividend to its shareholders. This has resulted in payment of Dividend Distribution Tax to the taxation authorities. The company believes that Dividend Distribution Tax represents additional payment to taxation authority on behalf of the shareholders. Hence Dividend Distribution Tax paid is charged to equity.

Note 15 A : Borrowings

(₹ in Lakhs)

Particulars	Effective Interest Rate %	Maturity	March 31, 2020	March 31, 2019
Non-current borrowings				
From banks				
Secured				
ECB from banks	Refer note I	Refer note I	4,722	6,051
			4,722	**6,051**
Current borrowings				
From banks				
Secured				
ECB from banks	Refer note I	Refer note I	1,889	864
Cash credit/ overdraft from bank	Refer note II	Refer note II	1,142	-
Unsecured				
Buyer's credit from bank	Refer note III	Refer note III	3,690	539
			6,721	**1,403**
Less : Amount clubbed under "other current financial liabilities" (Current maturities of long term borrowing)			1,889	864
Net current borrowings			**4,832**	**539**
Aggregate secured loans			7,753	6,915
Aggregate unsecured loans			3,690	539

Note I - External Commercial Borrowing from Bank (secured)

External commercial borrowing of USD 100 Lakhs from Bank carries interest @USD 3 months Libor + 0.65% spread p.a. The loan is repayable in 8 semi annual equal installments of USD 12.50 Lakhs starting from November 29, 2019. The loan is secured by Pledge of Debt Mutual Funds investment of company. Refer Note 36 for further details.

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2020

Note 15 A : Borrowings (Contd..)

Note II- Cash Credit/ Overdraft from Bank (Secured)

Outstanding Cash Credit/ Overdraft from Bank was drawn @ Mibor + 170 bps p.a./ 6.83% p.a. and payable on demand. The loan is secured by pledge on Mutual funds units/ Lien on Fixed Deposits.

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

Outstanding Buyer's Credit loan from Bank was drawn in various tranches from August 01, 2019 till March 27, 2020 @ average Interest Rate of 2.87% p.a. (Applicable LIBOR+Margin from time to time/ Fixed rate) and are due for repayment respective due dates starting from April 27, 2020 till December 16, 2020.

For investments pledged in order to fulfill the collateral requirements for Borrowings, refer note 38.

(₹ in Lakhs)

Particulars	Current borrowings (including current portion of Long-term borrowings but excluding bank overdraft classified as part of cash and cash equivalent)	Non Current Borrowings	Total
As at April 1,2018	**11,487**	**-**	**11,487**
Cash flows:			
- Proceeds from short term borrowings	74,327	-	74,327
- Proceeds from non current borrowings	-	6,745	6,745
- Repayment of short term borrowings	(85,248)	-	(85,248)
Non-cash movements:			
- Foreign exchange adjustments	(27)	170	143
- Re-classification of long-term borrowing	864	(864)	-
As at March 1,2019	**1,403**	**6,051**	**7,454**
Cash flows:			
- Proceeds from short term borrowings	15,768	-	15,768
- Repayment of short term borrowings	(13,671)	-	(13,671)
Non-cash movements:			
- Foreign exchange adjustments	190	560	750
- Re-classification of long-term borrowing	1,889	(1,889)	-
As at March 31, 2020	**5,579**	**4,722**	**10,301**

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2020

Note 15 B : Trade Payables

(₹ in Lakhs)

Particulars	March 31, 2020	March 31, 2019
Trade Payables		
- total outstanding due of micro enterprises and small enterprises (refer note 40)	111	43
- total outstanding dues of creditors other than of micro enterprises and small enterprises	7,593	9,442
- total outstanding due to related parties (refer note 34A)	814	1,330
Total	**8,518**	**10,815**
Current	**8,518**	**10,815**

Note 15 C : Other financial liabilities

(₹ in Lakhs)

Particulars	March 31, 2020	March 31, 2019
Other financial liabilities at amortized cost		
Current maturity of long term loans	1,889	864
Book overdraft	58	-
Sundry deposits*	9,498	8,284
Interest accrued but not due on borrowings and others	53	32
Unclaimed dividend#	6	7
Liability-premium call option	288	430
Employee related payables	2,775	1,640
Others	138	195
Other financial liabilities at fair value through profit and loss		
Derivatives designated as hedges		
Derivative liability-IRS (refer note 36)	287	122
Total other financial liabilities	**14,992**	**11,574**
Non- Current	**352**	**263**
Current	**14,640**	**11,311**
# Amount payable to Investor Education and Protection Fund	Nil	Nil

* Includes security deposits pertaining to related parties ₹ 575 Lakhs (Previous year March 31, 2019: ₹ 375 Lakhs)(refer note 34A)

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2020

Note 15 C : Other financial liabilities (Contd..)

Break up of financial liabilities carried at amortized cost

(₹ in Lakhs)

Particulars	Note No	March 31, 2020	March 31, 2019
Borrowings (current)	15A	4,832	539
Borrowings (non- current)	15A	4,722	6,051
Trade payables	15B	8,518	10,815
Current maturity of long term loans	15C	1,889	864
Book overdraft	15C	58	-
Sundry deposits	15C	9,498	8,284
Interest accrued but not due on borrowings and others	15C	53	32
Unclaimed dividend	15C	6	7
Liability-premium call option	15C	288	430
Employee related payables	15C	2,775	1,640
Others	15C	138	195
Total financial liabilities carried at amortised cost		**32,777**	**28,857**

Note 15 D : Lease liabilities

(₹ in Lakhs)

Particulars	March 31, 2020	March 31, 2019
Unsecured		
Lease liabilities (refer note 43)	2,174	-
Total	**2,174**	**-**
Current	**1,038**	**-**
Non- current	**1,136**	**-**

Note 15 E : Contract liabilities

(₹ in Lakhs)

Particulars	March 31, 2020	March 31, 2019
Advances from customers	803	672
Deferred revenue	701	755
Total	**1,504**	**1,427**
Current	**1,503**	**1,427**
Non- current	**1**	**-**

Amount of revenue recognised during FY 2019-2020 from contract liabilities at the beginning of the year is ₹ 924 lakhs.

Amount accrued during FY 2019-2020 amounts to ₹ 1,001 lakhs.

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2020

Note 16 : Provisions

(₹ in Lakhs)

Particulars	March 31, 2020	March 31, 2019
Provision for employee benefits (refer note 31)		
Provision for leave benefits	97	87
Provision for gratuity	986	121
Total	**1,083**	**208**
Current	**1,083**	**208**

Note 17 : Income tax liabilities (net)

(₹ in Lakhs)

Particulars	March 31, 2020	March 31, 2019
Income tax liability (net)	222	401
Total	**222**	**401**

Note 18 : Other current liabilities

(₹ in Lakhs)

Particulars	March 31, 2020	March 31, 2019
Advances from customers	3	2
Customer credit balances	510	529
Statutory dues	349	235
Total	**862**	**766**

Note 19 : Revenue from operations

Revenue from contracts with customers

(₹ in Lakhs)

Particulars	March 31, 2020	March 31, 2019
Sale of products		
- Sale of newspaper and publications	19,972	20,599
Sale of services		
- Advertisement revenue	58,161	64,159
- Job work revenue and commission income	411	439
- Tuition and educational service	1	143
Other operating revenues		
- Sale of scrap, waste papers and old publication	867	1,297
- Forfeiture of security deposits	76	-
- Others	90	89
Total	**79,578**	**86,726**

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2020

Note 19 : Revenue from operations (Contd..)

Reconciliation of revenue recognised with the contracted price is as follows:

(₹ in Lakhs)

Particulars	March 31, 2020	March 31, 2019
Contract price	81,622	88,778
Adjustments to the contract price	(2,044)	(2,052)
Revenue recognised	**79,578**	**86,726**

The adjustments made to the contract price comprises of volume discounts, returns, credits, etc under the head "Revenue from Operations".

Note 20 : Other Income

(₹ in Lakhs)

Particulars	March 31, 2020	March 31, 2019
Interest income on EIR basis		
- Bank deposits	186	256
- Loan to fellow subsidiary	377	-
- Others	48	89
Other non - operating income		
Unclaimed balances/liabilities written back (net)	187	114
Rental income	969	775
Finance income from debt instruments at FVTPL*	8,972	7,244
Profit on sale of investments	9	124
Unwinding of discount on security deposit	36	3
Income from government grant**	-	142
Miscellaneous income	93	125
Total	**10,877**	**8,872**

*Gain on account of fair value movement (refer note 2.2 (t) Debt instruments at FVTPL)

**includes NIL (Previous year: ₹ 142 Lakhs) towards Electricity duty exemption

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2020

Note 21 : Cost of materials consumed

(₹ in Lakhs)

Particulars	March 31, 2020	March 31, 2019
Consumption of raw material		
Inventory at the beginning of the year	3,432	3,946
Add: Purchase during the year	28,585	39,951
Less : Sale of damaged newsprint	136	231
	31,881	**43,666**
Less: Inventory at the end of the year	3,633	3,432
Total	**28,248**	**40,234**

Note 22 : Changes in inventories

(₹ in Lakhs)

Particulars	March 31, 2020	March 31, 2019
Inventory at the beginning of the year		
- Finished goods	-	3
- Work -in- progress	20	2
- Scrap and waste papers	37	38
Inventory at the end of the year		
- Work -in- progress	44	20
- Scrap and waste papers	90	37
Changes in inventories		
- Finished goods	-	3
- Work -in- progress	(24)	(18)
- Scrap and waste papers	(53)	1
Total	**(77)**	**(14)**

Note 23 : Employee benefits expense

(₹ in Lakhs)

Particulars	March 31, 2020	March 31, 2019
Salaries, wages and bonus	11,685	10,444
Contribution to provident and other funds (refer note 31)	504	403
Employee stock option scheme (refer note 32)	18	-
Gratuity expense (refer note 31)	157	110
Workmen and staff welfare expenses	191	208
Total	**12,555**	**11,165**

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2020

Note 24 : Finance costs

(₹ in Lakhs)

Particulars	March 31, 2020	March 31, 2019
Interest on debts and borrowings	722	1,587
Interest on lease liabilities	140	-
Exchange difference regarded as an adjustment to borrowing costs	57	128
Bank charges	30	44
Total	**949**	**1,759**

Note 25 : Depreciation and amortization expense

(₹ in Lakhs)

Particulars	March 31, 2020	March 31, 2019
Depreciation of tangible assets (note 3)	2,108	2,084
Depreciation expense of right-of-use assets (note 43)	878	-
Amortization of intangible assets (note 5)	36	38
Depreciation on investment properties (note 4)	44	-
Total	**3,066**	**2,122**

Note 26 : Other expenses

(₹ in Lakhs)

Particulars	March 31, 2020	March 31, 2019
Consumption of stores and spares	2,113	2,546
Printing and service charges	4,421	3,643
News service and dispatches	438	429
News content sourcing fees	7,113	7,594
Service charges on advertisement revenue	809	602
Power and fuel	1,170	1,428
Advertising and sales promotion (refer note 41)	3,672	4,460
Freight and Forwarding charges	1,249	1,274
Rent (refer note 43)	730	1,039
Rates and taxes	62	56
Insurance	159	222
Repairs and maintenance:		
- Plant and machinery	574	635
- Building	62	110
- Others	11	54
Travelling and conveyance	1,643	1,527
Communication costs	239	281

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2020

Note 26 : Other expenses (Contd..)

(₹ in Lakhs)

Particulars	March 31, 2020	March 31, 2019
Legal and professional fees	1,662	1,624
Payment to auditors (refer note I)	53	52
Director's sitting fees	37	12
Foreign exchange differences (net)	317	183
Allowances for bad and doubtful debts (includes bad debts written off) (refer note II)	940	1,275
Loss on sale of property, plant and equipment (includes impairment of property, plant and equipment)	23	26
Fair value loss on Investments through profit and loss	134	-
Loss on sale of investment properties	35	-
Impairment of investment properties	18	220
Donations/ contributions (refer note 41)	62	58
Miscellaneous expenses	1,183	1,383
Total	**28,929**	**30,733**

Note I : Payment to auditors

(₹ in Lakhs)

Particulars	March 31, 2020	March 31, 2019
As auditor :		
- Audit fee	24	24
- Limited review	17	16
- Tax audit fee	3	3
- Certification fees	4	4
- Reimbursement of expenses	5	5
Total	**53**	**52**

Note II : Movement of allowances for bad and doubtful debts

(₹ in Lakhs)

Particulars	Trade Receivables and Other current assets	
	March 31, 2020	March 31, 2019
Opening	3,065	1,997
Add: Allowances for doubtful debts	940	1,275
Less: Bad debts written off	348	207
Closing	**3,657**	**3,065**

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2020

Note 27 : Other Comprehensive Income

The disaggregation of changes to OCI by each type of reserve in equity is shown below :

For the year ended March 31, 2020

(₹ in Lakhs)

Particulars	Retained earnings	Cash flow hedging reserve	Costs of hedging reserve	Total
Remeasurement of defined benefit plans	(708)	-	-	(708)
Income tax effect	247	-	-	247
Cash flow hedging reserve	-	(165)	-	(165)
Income tax effect	-	58	-	58
Costs of hedging reserve	-	-	46	46
Income tax effect	-	-	(16)	(16)
Total	**(461)**	**(107)**	**30**	**(538)**

For the year ended March 31, 2019

(₹ in Lakhs)

Particulars	Retained earnings	Cash flow hedging reserve	Costs of hedging reserve	Total
Remeasurement of defined benefit plans	(6)	-	-	(6)
Income tax effect	3	-	-	3
Cash flow hedging reserve	-	(122)	-	(122)
Income tax effect	-	43	-	43
Costs of hedging reserve	-	-	(318)	(318)
Income tax effect	-	-	111	111
Total	**(3)**	**(79)**	**(207)**	**(289)**

Note 28 : Earnings per share (EPS)

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

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

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2020

Note 28 : Earnings per share (EPS) (Contd..)

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

Particulars	March 31, 2020	March 31, 2019
Profit attributable to equity holders (₹ in Lakhs)	**11,897**	**10,840**
Weighted average number of equity shares for basic and diluted EPS (Lakhs)	**736.72**	**736.72**
Earnings per share		
Basic EPS	16.15	14.71
Diluted EPS	16.15	14.71

Note 29 : Distribution made and proposed

(₹ in Lakhs)

Particulars	March 31, 2020	March 31, 2019
Dividend on equity shares declared and paid :		
Final dividend for the year ended on March 31, 2019 and March 31, 2018 : ₹ 1.20 per share	881	881
Dividend distribution tax on final dividend	180	180
	1,061	**1,061**
Proposed dividends on Equity shares :		
Dividend proposed for the year ended on March 31, 2020: Nil per share (March 31, 2019: ₹ 1.20 per share)	-	881
Dividend distribution tax on proposed dividend	-	180
	-	**1,061**

Note 30 : Capital management

For the purpose of the Company's capital management, capital includes issued equity capital, securities premium and all other equity reserves. The primary objective of the Company's capital management is to maximize the shareholder value.

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

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2020

Note 30 : Capital management (Contd..)

(₹ in Lakhs)

Particulars	March 31, 2020	March 31, 2019
Borrowings including current maturity of long term borrowing (refer note 15A)	11,443	7,454
Interest accrued but not due on borrowings and others (refer note 15C)	53	32
Sub-Total	**11,496**	**7,486**
Less: Cash and cash equivalents (note 10B)	(1,525)	(5,565)
Less: Other bank balances (note 10C)	(2,006)	(2,168)
Net Debt	**7,965**	**(247)**
Equity share capital & other equity	1,51,683	1,41,369
Total capital	**1,51,683**	**1,41,369**
Capital and net debt	**1,59,648**	**1,41,122**
Gearing ratio	**4.99%**	**Nil**

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2020 and March 31, 2019.

Note 31 : Employee Benefits

A. Define Benefit Plan: Gratuity

(₹ in Lakhs)

Particulars	March 31, 2020	March 31, 2019
Gratuity plan	986	121
Total	**986**	**121**
Current	**986**	**121**

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of services gets a gratuity on separation at 15 days salary (last drawn salary) for each completed year of service. The Company has formed a Gratuity Trust to which contribution is made based on actuarial valuation done by independent valuer.

The gratuity plan is governed by the Payment of Gratuity Act, 1972. The Company has purchased an insurance policy through its' Gratuity Trust, which is a year-on-year cash accumulation plan in which the interest rate is declared on yearly basis and is guaranteed for a period of one year. The insurance company, as part of the policy rules, makes payment of all gratuity outgoes happening during the year (subject to sufficiency of funds under the policy). The policy, thus, mitigates the liquidity risk. However, being a cash accumulation plan, the duration of assets is shorter compared to the duration of liabilities. Thus, the Company is exposed to movement in interest rate (in particular, the significant fall in interest rates, which should result in a increase in liability without corresponding increase in the asset).

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2020

Note 31 : Employee Benefits (Contd..)

The following tables summarise the components of net benefit expense recognised in the statement of profit or loss and the funded status and amounts recognised in the balance sheet for the respective plans:

Gratuity Plan

Changes in the defined benefit obligation and fair value of plan assets as at March 31, 2020 :

(₹ in Lakhs)

Particulars	March 31, 2020	March 31, 2019
Opening balance	1,121	1,140
Liability acquisition from IESPL	-	5
Current service cost	148	103
Interest expense or cost	87	91
Re-measurement (or actuarial) (gain) / loss arising from:		
- change in demographic assumptions	(1)	-
- change in financial assumptions	124	21
- experience variance (i.e. actual experience vs assumptions)	311	(6)
Benefits paid	(186)	(233)
Total	**1,604**	**1,121**

Fair value of plan assets

(₹ in Lakhs)

Particulars	March 31, 2020	March 31, 2019
Opening balance	1,000	1,057
Investment income	78	84
Employer's contribution	-	83
Benefits paid	(186)	(233)
Return on plan assets, excluding amount recognised in net interest expenses	(274)	9
Total	**618**	**1,000**

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

(₹ in Lakhs)

Particulars	Defined gratuity Plan	
	March 31, 2020	March 31, 2019
Investment in Funds managed by Trust	100%	100%

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2020

Note 31 : Employee Benefits (Contd..)

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

(₹ in Lakhs)

Particulars	March 31, 2020	March 31, 2019
Discount rate	6.85%	7.75%
Salary growth rate	5%	5%
Withdrawal rate		
Up to 30 years	3%	3%
31 - 44 years	2%	2%
Above 44 years	1%	1%

A quantitative sensitivity analysis for significant assumption is as shown below:

(₹ in Lakhs)

Particulars	March 31, 2020	March 31, 2019
Defined benefit obligation (base)	1,604	1,121

(₹ in Lakhs)

Particulars	March 31, 2020		March 31, 2019	
	Decrease	Increase	Decrease	Increase
Discount rate (-/+ 1%)	157	(138)	93	(81)
Salary growth rate (-/+ 1%)	(141)	158	(84)	95
Attrition rate (-/+ 50%)	(10)	9	(8)	9

The sensitivity analysis above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

The following payments are expected contributions to the defined benefit plan in future years:

(₹ in Lakhs)

Particulars	March 31, 2020	March 31, 2019
Within the next one year (next annual reporting period)	87	69
More than one year and upto five years	371	323
More than five years and upto ten years	1,351	1,023
More than ten years	1,501	881
Total expected payments	**3,310**	**2,296**

Average duration of the defined benefit plan obligation

(₹ in Lakhs)

Particulars	March 31, 2020	March 31, 2019
Weighted average duration	9 years	8 years

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2020

Note 31 : Employee Benefits (Contd..)

B. Defined Contribution Plan

(₹ in Lakhs)

Particulars	March 31, 2020	March 31, 2019
Contribution to Provident and Other funds		
Charged to Statement of Profit and Loss	504	403

C. Leave Encashment (unfunded)

The Company recognises the leave encashment expenses in the Statement of Profit and Loss based on actuarial valuation.

The expenses recognised in the Statement of Profit and loss and the leave encashment liability at the beginning and at the end of the year :

(₹ in Lakhs)

Particulars	March 31, 2020	March 31, 2019
Liability at the beginning of the year	87	136
Paid during the year	(14)	(34)
Provided during the year	24	(15)
Liability at the end of the year	**97**	**87**

Note 32 : Share-based payments

In accordance with the Securities and Exchange Board of India (Share Based Employee benefits) Regulations, 2014 and Ind AS 102 Share-based Payment, the scheme detailed below is managed and administered, compensation benefits in respect of the scheme is assessed and accounted by the company . To have an understanding of the scheme, relevant disclosures are given below.

I. The Hindustan Times Limited and HT Media Limited (the immediate Parent Company) has given loan to “HT Group company’s – Employee Stock Option Trust” which in turn has purchased Equity Shares of ₹ 10/- each of the Company for the purpose of granting Options under the ‘HT Group company’s –Employee Stock Option Rules’ (“HT ESOP”), to eligible employees of the group.

A. Details of Options granted as on March 31, 2020 are given below:

Type of Arrangement	Date of Grant	Number of options granted	Fair Value on the date of Grant (₹)	Vesting conditions	Weighted average remaining contractual life (in years)	Method of Settlement
Employee stock option	September 15, 2007	1,93,782	16.07	¼ of the shares vest each year over a period of four years starting from one year after the date of grant	1.46	Equity

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2020

Note 32 : Share-based payments (Contd..)

A. Details of Options granted as on March 31, 2020 are given below: (Contd..)

Type of Arrangement	Date of Grant	Number of options granted	Fair Value on the date of Grant (₹)	Vesting conditions	Weighted average remaining contractual life (in years)	Method of Settlement
Employee stock option	May 20, 2009	11,936	14.39	¼ of the shares vest each year over a period of four years starting from one year after the date of grant	3.14	Equity
Employee stock option	February 4, 2010	1,50,729	87.01	50% on the date of grant and 25% vest each year over a period of 2 years starting from the date of grant	3.14	Equity
Employee stock option	March 8, 2010	17,510	56.38	¼ of the shares vest each year over a period of four years starting from one year after the date of grant	3.94	Equity
Employee stock option	April 1, 2010	4,545	53.87	¼ of the shares vest each year over a period of four years starting from one year after the date of grant	4.01	Equity
Employee stock option	October 25, 2019	2,20,376	34.80	¼ of the shares vest each year over a period of four years starting from one year after the date of grant	13.58	Equity

Weighted average fair value of the options outstanding is ₹ 35.72 per option (previous year ₹ 56.38 per option).

B. Summary of activity under the plans is given below :

Particulars	March 31, 2020		March 31, 2019	
	Number of options	Weighted Average Exercise Price(₹)	Number of options	Weighted Average Exercise Price(₹)
Outstanding at the beginning of the year	9,810	59.99	9,810	59.99
Granted during the year	2,20,376	72.20	-	-
Forfeited during the year	-	-	-	-
Exercised during the year	-	-	-	-
Expired during the year	-	-	-	-

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2020

Note 32 : Share-based payments (Contd..)

B. Summary of activity under the plans is given below : (Contd..)

Particulars	March 31, 2020 Number of options	March 31, 2020 Weighted Average Exercise Price(₹)	March 31, 2019 Number of options	March 31, 2019 Weighted Average Exercise Price(₹)
Outstanding at the end of the period	2,30,186	71.68	9,810	59.99
Exercisable at the end of the period	9,810	59.99	9,810	59.99
Weighted average remaining contractual life (in years)	13.17		4.94	
Weighted Average fair value option granted	34.8		-	

C. The details of exercise price for stock options outstanding at the end of the year ended March 31, 2020 are:

A stock option gives an employee, the right to purchase equity shares of the Company at a fixed price within a specific period of time. The details of exercise price for stock options outstanding at the end of the year are as under:

(₹ in Lakhs)

Particulars	Range of exercise prices	Number of options outstanding	Weighted average remaining contractual life of options (in years)	Weighted average exercise price (₹)
2019-20	₹ 1.35 to ₹ 72.20	2,30,186	13.17	71.68
2018-19	₹ 1.35 to ₹ 60	9,810	4.94	59.99

Options granted are exercisable for a maximum period of 14 years after the scheduled vesting date as per the Scheme.

The Company has availed exemption under Ind AS 101 in respect of Share-based payments that had been vested before the transition date. The Company has elected to avail this exemption and accordingly, vested options as on transition date have been measured at intrinsic value .

The employee compensation cost (accounting charge for the year) calculated using the fair value* of stock options is ₹ 17 Lakhs (March 31, 2019: NIL)

The employee compensation cost (accounting charge for the year) calculated using the intrinsic value of stock options is NIL (March 31, 2019: NIL)

*Fair value is calculated as per the Black Scholes Options Pricing Model.

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2020

Note 32 : Share-based payments (Contd..)

C. The details of exercise price for stock options outstanding at the end of the year ended March 31, 2020 are: (Contd..)

Assumptions used in Black Scholes Options Pricing Model are as follows :

Particulars	March 31, 2019
Risk free interest rate	6.85%
Expected life	8.25 Years
Expected volatility**	32.85%
Dividend yield	0.93%
Price of the underlining share in market at the time of option grant (₹)	72.20
Exercise price (₹)	72.20
Fair value (₹)	34.80

** Volatility is a measure of the amount by which a price has fluctuated or is expected to fluctuate during a period. The measure of volatility used in the Black-Scholes option-pricing model is the annualized standard deviation of the continuously compounded rates of return on the stock over a period of time.

II. The fellow subsidiary, Firefly e-Ventures Limited has given Employee Stock Options (ESOPs) to employees of Hindustan Media Ventures Limited (HMVL).

A. Details of these plans are given below:

Employee Stock Options

A stock option gives an employee, the right to purchase equity shares of Firefly e-Ventures Limited at a fixed price within a specific period of time. The grant price (or strike price) for options granted during the financial year 2009-10 shall be ₹ 10 each per option.

B. Details of stock options granted during the current year and earlier year are as given below:

Type of arrangement	Date of grant	Options granted (nos.)	Fair value on the grant date (₹)	Vesting conditions	Weighted average remaining contractual life in years (in years)	Method of Settlement
Employee stock options	October 16, 2009	2,24,700	4.82	Starts from the date of listing of Firefly e-Ventures Limited as per the following vesting schedule 25% 12 months from the date of grant * 25% 24 months from the date of grant * 25% 36 months from the date of grant * 25% 48 months from the date of grant *	3.55	Equity

* Since period of 48 months is already lapsed, all options will be vested at the date of listing of Firefly e-Ventures Limited.

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2020

Note 32 : Share-based payments (Contd..)

C. Summary of activity under the plan for the year ended March 31, 2020 and March 31, 2019 are given below:

Particulars	March 31, 2020		March 31, 2019	
	Number of options	Weighted-average exercise price (₹)	Number of options	Weighted-average exercise price (₹)
Outstanding at the beginning of the year	2,24,700	10	2,24,700	10
Granted during the year	-	-	-	-
Forfeited during the year	-	-	-	-
Exercised during the year	-	-	-	-
Expired during the year	-	-	-	-
Outstanding at the end of the year	2,24,700	10	2,24,700	10
Weighted average remaining contractual life (in years)	3.55		4.55	

Weighted average fair value of the options outstanding is ₹ 4.82 per option. Since no options have been exercised during the period, thus weighted average share price has not been disclosed.

The Company has availed exemption under Ind AS 101 in respect of Share-based payments that had been vested before the transition date. The Company has elected to avail this exemption and accordingly, vested options as on transition date have been measured at intrinsic value .

The employee compensation cost (accounting charge for the year) calculated using the intrinsic value of stock options is NIL (March 31, 2019: NIL).

III. The Holding Company, HT Media Limited has given Employee Stock Options (ESOPs) to employees of Hindustan Media Ventures Limited (HMVL).

A. Details of these plans are given below:

Employee stock options

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

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2020

Note 32 : Share-based payments (Contd..)

B. Details of stock options granted during the current year and earlier year are as given below:

Type of arrangement	Date of grant	Options granted (nos.)	Fair value on the grant date (₹)	Vesting conditions	Weighted average remaining contractual life in years (in years)
Employee stock options (Method of settlement- equity)	Oct 24, 2019	3,39,888	9.04	Starts from the date of listing of HT Media Limited as per the following vesting schedule 75% 12 months from the date of grant 25% 24 months from the date of grant	10.34

C. Summary of activity under the plan for the year ended March 31, 2020 are given below.

Particulars	March 31, 2020	
	Number of options	Weighted-average exercise price (₹)
Outstanding at the beginning of the year	-	-
Granted during the year	3,39,888	19.80
Forfeited during the year	-	-
Exercised during the year	-	-
Expired during the year	-	-
Outstanding at the end of the year	3,39,888	19.80
Weighted average remaining contractual life (in years)	10.34	
Weighted average fair value of options granted during the year	9.04	

Weighted average fair value of the options outstanding is ₹ 9.04 per option.

The employee compensation cost (accounting charge for the year) calculated using the fair value * of stock options is ₹ 12 lakhs.

*Fair value is calculated as per the Black Scholes Options Pricing Model.

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2020

Note 32 : Share-based payments (Contd..)

C. Summary of activity under the plan for the year ended March 31, 2020 are given below (Contd..)

Assumptions used in Black Scholes Options Pricing Model are as follows :

Particulars	
Risk free interest Rate	6.64%
Expected life	6.225 Years
Expected volatility**	37.29%
Dividend yield	1.01%
Price of the underlining share in market at the time of option grant (₹)	19.80
Exercise price (₹)	19.80
Fair value (₹)	9.04

** Volatility is a measure of the amount by which a price has fluctuated or is expected to fluctuate during a period. The measure of volatility used in the Black-Scholes option-pricing model is the annualized standard deviation of the continuously compounded rates of return on the stock over a period of time.

Note 33 : Commitments and contingencies

(a) Commitments

(₹ in Lakhs)

Particulars	March 31, 2020	March 31, 2019
Capital commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of capital advances)	3,967	522

(b) Contingent Liabilities

A. Claims against the company not acknowledged as debts

(₹ in Lakhs)

Particulars	March 31, 2020	March 31, 2019
a) The Company has filed a petition before the Hon'ble Patna High Court against an initial claim for additional contribution of ₹ 73 Lakhs 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 ₹ 13 Lakhs to ESIC. The Hon'ble High Court had initially stayed the matter and on July 18, 2012 disposed off the Petition with the Order of "No Coercive Step shall be taken against HMVL" with direction to move for ESI Court. Matter is still pending in Lower Court. There is no further progress in the matter during the year.	73	73
b) The Company has filed a petition before the Hon'ble Patna High Court against the demand of ₹ 10 Lakhs (including interest) for short payment of ESI dues pertaining to the years from 2001 to 2005. The Hon'ble High Court had initially stayed the matter and on July 18, 2012 disposed off the Petition with the Order of "No Coercive Step shall be taken against HMVL" with direction to move for ESI Court. Matter is still pending in Lower Court. There is no further progress in the matter during the year.	10	10

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2020

Note 33 : Commitments and contingencies

(b) Contingent Liabilities (Contd..)

A. Claims against the company not acknowledged as debts (Contd..)

B. During the current year and as in the previous financial year, the management has received several claims substantially from employees in UP, Jharkhand and Bihar who are either retired or separated from the Company regarding the benefits of Majithia Wage Board recommendations. However, all such claims/ recovery order(s) issued by ALC/ DLC office are generally either stayed by the respective Hon'ble High Court(s) or are pending before ALC/ DLC.

Based on management assessment and current status of the above matter, the management is confident that no provision is required in the financial statements as on March 31, 2020.

C. Income- tax authorities have raised additional demands for ₹ 669 Lakhs (Previous Year: ₹ 293 Lakhs) for various financial years. The tax demand are mainly on account of disallowances of expenses claimed by the Company under the Income Tax Act. The company is contesting the demands before the appropriate appellate authorities and the management believes that Company's tax positions are likely to be upheld by such authorities. No tax expenses have been accrued in the financial statements for these tax demands.

Note 34 : Related party transactions

i) List of Related Parties and Relationships:-

Particulars	
Name of related parties where control exists whether transactions have occurred or not.	HT Media Limited (Holding Company or Parent Company) The Hindustan Times Limited # Earthstone Holding (Two) Private Limited## (Ultimate controlling party is the Promoter Group)
Subsidiary (with whom transactions have occurred during the year)	HT Noida (Company) Limited (w.e.f. February 11, 2020)
Joint Venture (with whom transactions have occurred during the year)	HT Content Studio LLP (w.e.f. August 21, 2019)
Fellow Subsidiaries (with whom transactions have occurred during the year)	Next Radio Limited (w.e.f. April 15,2019) HT Mobile Solutions Limited HT Learning Centers Limited HT Overseas Pte. Ltd. India Education Services Private Limited (w.e.f. July 18,2017) Digicontent Limited HT Digital Streams Limited

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2020

Note 34 : Related party transactions (Contd..)

i) List of Related Parties and Relationships:- (Contd..)

Particulars	
Entities which are post employment benefit plans (with whom transactions have occurred during the year)	HMVL Editorial Employees Gratuity Fund HMVL Non Editorial & Other Employees Gratuity Fund
Key Management Personnel	Mrs. Shobhana Bhartia (Chairperson & Non-executive Director) Mr. Priyavrat Bhartia (Non-executive Director, ceased to be Managing Director w.e.f July 17, 2018) Mr. Shamit Bhartia (Managing Director) Mr. Praveen Someshwar (appointed as Managing Director w.e.f. August 01, 2018) Mr. Ashwani Windlass (Non-Executive Independent Director) Mr. Piyush G Mankad (ceased to be Non-Executive Independent Director w.e.f April 1, 2019) Ms. Savitri Kunadi (Non-Executive Independent Director w.e.f May 9, 2019) Mr. Shardul S. Shroff (ceased to be Non-Executive Independent Director w.e.f April 1, 2019) Dr. Mukesh Aghi (Non-Executive Independent Director) Mr. Ajay Relan (Non-Executive Independent Director) Mr Tridib Barat (appointed as Whole Time Director w.e.f May 24, 2018 and ceased to be Whole Time Director w.e.f. August 09, 2018) Mr. Benoy Roychowdhury (ceased to be Whole time Director w.e.f May 24, 2018)
Relatives of Key Management Personnel (with whom transactions have occurred during the year)	Mrs. Tripti Someshwar (Relative of Mr. Praveen Someshwar)

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

Earthstone Holding (Two) Private Limited (formerly known as Earthstone Holding (Two) Limited) is the holding Company of The Hindustan Times Limited .

ii) Transactions with related parties

Refer Note 34 A

iii) Terms and conditions of transactions with related parties

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash (other than Inter-Corporate Deposits) . There have been no guarantees provided or received for any related party receivables or payables.

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2020

Note 34A Transactions during the year with related parties (refer note A)

(₹ in Lakhs)

Particulars	Holding Company		Subsidiary		Joint Venture		Fellow Subsidiaries		Key Managerial Personnel(KMP) Refer Note B		Relatives of Key Management Personnel (KMP's)		Entities which are post employment benefit plans		Total	
	Mar-20	Mar-19	Mar-20	Mar-19	Mar-20	Mar-19	Mar-20	Mar-19*	Mar-20	Mar-19	Mar-20	Mar-19	Mar-20	Mar-19	Mar-20	Mar-19
REVENUE TRANSACTIONS																
INCOME																
Jobwork revenue	390	314	-	-	-	-	-	-	-	-	-	-	-	-	390	314
Sale of advertisement space in publication	309	165	-	-	-	-	75	354	-	-	-	-	-	-	384	519
Sale of newspaper for circulation	2,073	2,193	-	-	-	-	-	-	-	-	-	-	-	-	2,073	2,193
Infrastructure support services (seats) given	24	33	-	-	-	-	792	653	-	-	-	-	-	-	816	686
Media marketing commission & collection charges received	80	88	-	-	-	-	-	-	-	-	-	-	-	-	80	88
Rent received	29	29	-	-	-	-	-	-	-	-	-	-	-	-	29	29
Interest on inter corporate loan	-	-	-	-	-	-	377	-	-	-	-	-	-	-	377	-
Share of revenue on joint sale	627	235	-	-	-	-	-	-	-	-	-	-	-	-	627	235
Purchase of stores & spares material	5	14	-	-	-	-	-	-	-	-	-	-	-	-	5	14
Printing / service charges paid	2,356	1,453	-	-	-	-	-	-	-	-	-	-	-	-	2,356	1,453
Share of revenue given on joint sales / revenue sharing	4	-	-	-	-	-	9	-	-	-	-	-	-	-	13	-
Advertisement expenses	81	833	-	-	-	-	83	27	-	-	-	-	-	-	164	860
Purchase of newspaper for circulation	288	304	-	-	-	-	-	-	-	-	-	-	-	-	288	304
Infrastructure support services (seats) taken	107	121	-	-	-	-	-	-	-	-	-	-	-	-	107	121
Media marketing commission & collection charges paid	567	325	-	-	-	-	-	-	-	-	-	-	-	-	567	325
Rent and maintenance charges*	1,466	133	-	-	-	-	-	-	-	-	-	-	-	-	1,466	133
Remuneration paid to key managerial personnel	-	-	-	-	-	-	-	-	971	1,014	-	-	-	-	971	1,014
Non executive director's sitting fee and commission	-	-	-	-	-	-	-	-	72	62	-	-	-	-	72	62

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2020

Note 34A Transactions during the year with related parties (refer note A) (Contd..)

(₹ in Lakhs)

Particulars	Holding Company		Subsidiary		Joint Venture		Fellow Subsidiaries		Key Managerial Personnel(KMP) Refer Note B		Relatives of Key Management Personnel (KMP's)		Entities which are post employment benefit plans		Total	
	Mar-20	Mar-19	Mar-20	Mar-19	Mar-20	Mar-19	Mar-20	Mar-19*	Mar-20	Mar-19	Mar-20	Mar-19	Mar-20	Mar-19	Mar-20	Mar-19
Fee for newsprint procurement support services	-	-	-	-	-	-	3	5	-	-	-	-	-	-	3	5
News content procurement fees	-	-	-	-	-	-	6,935	7,419	-	-	-	-	-	-	6,935	7,419
Payment of car lease	-	-	-	-	-	-	-	-	-	-	20	9	-	-	20	9
OTHERS																
Reimbursement of expenses incurred on behalf of the company by parties	232	104	-	-	-	-	-	1	-	-	-	-	-	-	232	105
Reimbursement of expenses incurred on behalf of the party by company	30	19	-	-	-	-	-	-	-	-	-	-	-	-	30	19
Inter corporate deposit given by the company	-	-	-	-	-	-	6,050	-	-	-	-	-	-	-	6,050	-
Purchase of property, plant and equipment & intangible assets by company	26	57	-	-	-	-	-	-	-	-	-	-	-	-	26	57
Sale of property, plant and equipment by company	11	3	-	-	-	-	-	-	-	-	-	-	-	-	11	3
Material on loan taken and subsequently given back	-	10	-	-	-	-	-	-	-	-	-	-	-	-	-	10
Security deposit paid	279	127	-	-	-	-	-	-	-	-	-	-	-	-	279	127
Receipt of security deposit given	-	20	-	-	-	-	-	-	-	-	-	-	-	-	-	20
Security deposit received	60	210	-	-	-	-	-	-	-	-	-	-	-	-	60	210
Contribution to gratuity trust	-	-	-	-	-	-	-	-	-	-	-	-	-	83	-	83
Dividend paid	654	654	-	-	-	-	-	-	-	-	-	-	-	-	654	654
Investment made in shares			5	-	324	-	-	-	-	-	-	-	-	-	329	-
BALANCE OUTSTANDING																
Investment in shares/ investment in form of capital contribution	-	-	5	-	324	-	-	-	-	-	-	-	-	-	329	-
Trade and other receivables	1,823	1,063	-	-	-	-	54	116	-	-	-	-	-	-	1,877	1,179
Trade payables	368	692	-	-	-	-	444	638	-	-	2	-	-	-	814	1,330

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2020

Note 34A Transactions during the year with related parties (refer note A) (Contd..)

(₹ in Lakhs)

Particulars	Holding Company		Subsidiary		Joint Venture		Fellow Subsidiaries		Key Managerial Personnel(KMP) Refer Note B		Relatives of Key Management Personnel (KMP's)		Entities which are post employment benefit plans		Total	
	Mar-20	Mar-19	Mar-20	Mar-19	Mar-20	Mar-19	Mar-20	Mar-19*	Mar-20	Mar-19	Mar-20	Mar-19	Mar-20	Mar-19	Mar-20	Mar-19
Inter corporate deposit & interest accrued on it	-	-	-	-	-	-	6,389	-	-	-	-	-	-	-	6,389	-
Security deposits paid by the Company	1,446	237	-	-	-	-	-	-	-	-	-	-	-	-	1,446	237
Security deposits received by the Company	575	635	-	-	-	-	-	-	-	-	-	-	-	-	575	635

"* Pursuant to the scheme of demerger of B2C business of India Education Private Limited (IESPL, a fellow subsidiary company), as more elaborated in Note 42, the Business to Consumer (B2C) Education business of IESPL along with its related assets and liabilities have been transferred to the Company. The Scheme has been given effect in accordance with Appendix C ""Business combinations of entities under common control"" of Ind AS 103 (Business Combinations) i.e. at the beginning of the comparative period (April 1, 2018 being the Acquisition Date). Consequently, the numbers related to the comparative period (i.e., FY 2018-19) presented above have been restated accordingly.

Note A:-The transactions above do not include gst, service tax, vat etc.

Note B - 'Key Management Personnel and Relatives of Promoters who are under the employment of the Company are entitled to post-employment benefits and other long term employee benefits recognised as per Ind-AS 19 - 'Employee Benefits' in the financial statements. As these employee benefits are lump sum amounts provided on the basis of actuarial valuation, the same is not included above. Accordingly, the above mentioned payment is in the nature of short term employee benefits.

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2020

Note 35 : Segment information

The Company is engaged mainly into the business of printing and publishing of newspaper & periodicals and there are no other reportable segments as per Ind AS 108 on Operating Segments. The management of the Company monitors the operating results of the aforesaid business for the purpose of making decisions about resource allocation and performance assessment.

Geographical revenue is allocated based on the location of the customers. The Company sells its products mostly within India with insignificant export income and does not have any operations in economic environments with different risks and returns and hence, it has been considered as to be operating in a single geographical location.

Information about major customers:

No single customer represents 10% or more of the Company's total revenue during the year ended March 31, 2020 and March 31, 2019.

Note 36 : Hedging activities and derivatives

Derivatives not designated as hedging instruments

The company uses foreign exchange forward contracts, to manage its foreign currency exposures other than ECB Loan. These contracts are not designated as cash flow hedges and are entered into for periods consistent with underlying transactions exposure.

Derivatives designated as hedging instruments

"The Company has taken USD 100 lakhs ECB Loan with floating rate of interest. The Company has taken Call Spread option to mitigate foreign currency risk in relation to repayment of principal amount of USD 100 lakhs and Interest Rate Swap (Floating to Fixed) to mitigate interest rate risk. The Company designates (Cash Flow Hedge):

- Intrinsic value of call spread option to hedge foreign currency risk for repayment of principal amount in relation to ECB Loan availed in USD.
- Interest Rate Swap (floating to fixed) to hedge interest rate risk in respect of floating rate of interest in relation to ECB Loan

For year ended March 31, 2020

Disclosure of effects of hedge accounting on financial position:

Type of hedge and risks	Nominal value (Notional amount being used to calculate payments made on hedge instrument)	Carrying amount of hedging instrument		Line item in balance sheet that includes hedging instrument	Maturity	Hedge ratio	Average strike rate of hedging instrument
		Assets ₹ in Lakhs	Liabilities ₹ in Lakhs				
Cash flow hedge							
Foreign exchange risk							
Foreign currency options	USD 87.5 Lakhs	619	-	Financial Asset at FVOCI refer note 6D)	May 31, 2018 to May 31, 2023	1:1	71.50

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2020

Note 36 : Hedging activities and derivatives (Contd..)

For year ended March 31, 2020 (Contd..)

Disclosure of effects of hedge accounting on financial position: (Contd..)

Type of hedge and risks	Nominal value (Notional amount being used to calculate payments made on hedge instrument)	Carrying amount of hedging instrument Assets ₹ in Lakhs	Carrying amount of hedging instrument Liabilities ₹ in Lakhs	Line item in balance sheet that includes hedging instrument	Maturity	Hedge ratio	Average strike rate of hedging instrument
							Fixed Interest rate
Interest rate risk							
Interest rate swap	USD 87.5 Lakhs	-	287	Financial Liability at FVTPL (refer note 15C)	May 31, 2018 to May 31, 2023	1:1	3.66%

Type of hedge and risks	Changes in fair value of hedging instrument recognised in OCI	Hedge ineffectiveness recognised in profit or (loss)	Line item in statement of profit and loss that includes recognised hedge ineffectiveness	Amount reclassified from cash flow hedging reserve to profit or loss	Line item affected in statement of profit and loss because of the reclassification	Cost of Hedging recognised in OCI	Amount reclassified from cost of hedging reserve to profit or loss	Line item affected in statement of profit and loss because of the reclassification
Cash flow hedge								
Foreign exchange risk								
Foreign currency options	449	90	Foreign Exchange Loss	449	Foreign Exchange Loss	126	171	Finance Cost
Interest rate risk								
Interest rate swap	165							

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2020

Note 36 : Hedging activities and derivatives (Contd..)

For year ended March 31, 2019

Disclosure of effects of hedge accounting on financial position:

Type of hedge and risks	Nominal value (Notional amount being used to calculate payments made on hedge instrument)	Carrying amount of hedging instrument		Line item in balance sheet that includes hedging instrument	Maturity	Hedge ratio	Average strike rate of hedging instrument
		Assets ₹ in Lakhs	Liabilities ₹ in Lakhs				
Cash flow hedge							
Foreign exchange risk							
Foreign currency options	USD 100 Lakhs	170	-	Financial Asset at FVOCI (refer note 6D)	May 31, 2018 to May 31, 2023	1:1	68.30
							Fixed Interest rate
Interest rate risk							
Interest rate swap	USD 100 Lakhs	-	122	Financial Liability at FVTPL (refer note 15C)	May 31, 2018 to May 31, 2023	1:1	3.66%

Type of hedge and risks	Changes in fair value of hedging instrument recognised in OCI	Hedge ineffectiveness recognised in profit or (loss)	Line item in statement of profit and loss that includes recognised hedge ineffectiveness	Amount reclassified from cash flow hedging reserve to profit or loss	Line item affected in statement of profit and loss because of the reclassification	Cost of Hedging recognised in OCI	Amount reclassified from cost of hedging reserve to profit or loss	Line item affected in statement of profit and loss because of the reclassification
Cash flow hedge								
Foreign exchange risk								
Foreign currency options	170	-	Foreign Exchange Loss	170	Foreign Exchange Loss	464	146	Finance Cost
Interest rate risk								
Interest rate swap	122							

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2020

Note 36 : Hedging activities and derivatives (Contd..)

For year ended March 31, 2019 (Contd..)

Movements in cash flow hedging reserve :

(₹ in Lakhs)

Risk category	Foreign currency risk	Interest rate risk	Total
Derivative instruments	**Foreign currency options**	**Interest rate swaps**	
Cash flow hedging reserve			
As at April 1, 2018	-	-	-
Add: Changes in intrinsic value of foreign currency options	170	-	170
Add: Changes in fair value of interest rate swaps	-	(122)	(122)
Less: Amounts reclassified to profit or loss	(170)	-	(170)
As at March 31, 2019 (before tax)	-	(122)	(122)
Less: Deferred tax relating to FY 18-19		(43)	(43)
As at March 31, 2019 (after tax)	**-**	**(79)**	**(79)**
Add: Changes in intrinsic value of foreign currency options	449	-	449
Add: Changes in fair value of interest rate swaps	-	(165)	(165)
Less: Amounts reclassified to profit or loss	(449)	-	(449)
As at March 31, 2020 (before tax)	-	(244)	(244)
Less: Deferred tax relating to FY 19-20	-	(58)	(58)
As at March 31, 2020 (after tax)	**-**	**(186)**	**(186)**

Movements in costs of hedging reserve :

(₹ in Lakhs)

Particulars	Foreign currency risk
	Foreign currency options
Costs of hedging reserve	
As at April 1, 2018	**-**
Add: Deferred costs of hedging-transaction related- Deferred time value of foreign currency option contracts	(464)
Add: Amount reclassified from cost of hedging reserve to profit or loss	146
As at March 31, 2019 (before tax)	(318)
Less: Deferred tax relating to FY 18-19	(111)
As at March 31, 2019 (after tax)	**(207)**
Add: Deferred costs of hedging-transaction related- Deferred time value of foreign currency option contracts	(126)
Add: Amount reclassified from cost of hedging reserve to profit or loss	171

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2020

Note 36 : Hedging activities and derivatives (Contd..)

For year ended March 31, 2019 (Contd..)

Movements in costs of hedging reserve :

(₹ in Lakhs)

Particulars	Foreign currency risk Foreign currency options
As at March 31, 2020 (before tax)	(162)
Less: Deferred tax relating to FY 19-20	16
As at March 31, 2020 (after tax)	**(178)**

Hedge Effectiveness

"Hedge effectiveness is determined at the inception of the hedge relationship, and through periodic prospective effectiveness assessments to ensure that an economic relationship exists between the hedged item and hedging instrument.

The Company enters into hedge relationships where the critical terms of the hedging instrument match exactly with the terms of the hedged item. The Company performs a qualitative assessment of effectiveness. As all critical terms matched during the year, the economic relationship was 100% effective.

Since the USD as on March 31 , 2020 has gone above the upper limit defined in the range of Call Spread for certain installments of loan payable in future, the USD fluctuation has impacted income statement.

Note 37 : Fair values

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments:

(₹ in Lakhs)

Particulars	Carrying value		Fair value		Fair Value measurement hierarchy level
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	
Financial assets measured at Amortised Cost					
Investment in Bonds (refer note 6B)	-	194	-	210	Level 1
Loans (refer note 6C)	7,708	683	7,708	683	Level 2
Margin money (held as security in form of fixed deposit) [refer note 6D]	21	-	21	-	Level 2
Financial assets measured at fair value through other comprehensive income					
Forex derivative contract (designated as hedge) (refer note 6D)	619	170	619	170	Level 2
Financial assets measured at fair value through profit and loss					
Investment in equity instruments (refer note 6B)	1,871	1,485*	1,871	1,485*	Level 3

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2020

Note 37 : Fair values (Contd..)

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments:

(₹ in Lakhs)

Particulars	Carrying value		Fair value		Fair Value measurement hierarchy level
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	
Investment in convertible redeemable preference shares (refer note 6B)	1,320	-	1,320	-	Level 3
Investment in mutual funds including current portion (refer note 6B)	1,15,033	1,05,393	1,15,033	1,05,393	Level 1
Financial Liabilities measured at Amortised Cost					
ECB Loan from Bank including current portion (refer note 15A)	6,611	6,915	6,611	6,915	Level 2
Liability-premium call option including current portion (refer note 15C)	288	430	288	430	Level 2
Financial Liabilities measured at fair value through profit and loss					
Derivative liability-IRS (refer note 15C)	287	122	287	122	Level 2

The management assessed that fair value of trade receivables, cash and cash equivalents, other bank balances, other current non-derivative financial assets, short- term borrowings, trade payables and other current non- derivative financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments. The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

- The fair values of Long term interest-bearing borrowings and loans are determined by using Discounted Cash Flow(DCF) method using discount rate that reflects the issuer's borrowing rate as at the end of the reporting period. The own non performance risk was assessed to be insignificant.

- The fair values of the investment in unquoted equity shares have been estimated using a Discounted cash Flow (DCF) model and/or comparable investment price such as last round of funding made in the investee Company. The valuation requires management to make certain assumptions about the model Inputs, including forecast cash flows, discount rate, credit risk and volatility. The probabilities of the various estimates within the Range can be reasonably assessed and are used in management's estimate of fair value for these unquoted investments.

- The Company has investment in quoted mutual funds being valued at Net Asset value.

- Fixed bank deposits with more than 12 months maturity has been derived basis the interest accrued on fixed deposits upto the balance sheet date.

- The Company invests in quoted equity shares valued at closing price of stock on recognized stock exchange.

- The Company enters into derivative financial instruments such as foreign exchange forward contracts, call option spreads, interest rate swaps etc. being valued using valuation techniques, which employs the use of market observable inputs. The company uses Mark to Market valuation provided by Bank for valuation of these derivative contracts.

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2020

Note 37 : Fair values (Contd..)

- The loans given and investment in bonds are evaluated by the company based on parameters such as interest rate, risk factors, risk characteristics and individual credit-worthiness of the counterparty. Based on this evaluation, allowances are taken into account for the expected losses.

The significant unobservable inputs used in the fair value measurement categorised within Level 3 of the fair value hierarchy together with a quantitative sensitivity analysis as at March 31, 2020 and March 31, 2019 are as shown below:

Description of significant unobservable inputs to valuation as at March 31, 2020:

Particulars	Valuation technique	Significant unobservable inputs	Range (weighted average)	Increase to fair value (₹ lakhs)	Decrease to fair value (₹ in Lakhs)
Investment in equity instruments at Level 3	Option Pricing Model	EV/Revenue multiple (+/- 5%)	15X	192	(182)
		Volatility (+/- 5%)	41%	268	269
		Environment risk (+/- 5%)	5%	(71)	71
		Discount for lack of marketability (+/- 5%)	10%	(75)	75

* In relation to previous year ended March 31, 2019, the sensitivity analysis disclosures in relation to equity instruments classified at FVTPL is not been disclosed since the management believes that there is no movement in the fair value on the reporting date.

Reconciliation of fair value measurement of investment in equity instruments measured at FVTPL (Level III) :

(₹ in Lakhs)

Particulars	Total
As at April 1, 2018	-
Purchases	1,485
Impact of fair value movement	-
Transfers	-
As at March 31, 2019	**1,485**
Purchases	1,840
Impact of fair value movement	(134)
Transfers	-
As at March 31, 2020	**3,191**

There were no significant changes in the classification and no significant movements between the fair value hierarchy classifications of assets and liabilities during FY 2019-20 and FY 2018-19.

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2020

Note 38: Financial risk management objectives and policies

The company's principal financial liabilities, other than derivatives, comprise loans and borrowings and trade & other payables. The main purpose of these financial liabilities is to finance the company's operations and to support its operations. The company's principal financial assets, other than derivatives comprise investments, loans given, trade and other receivables and cash and cash equivalents that derive directly from its operations. The company also enters into foreign exchange derivative transactions.

The company is exposed to market risk, credit risk and liquidity risk. The company's senior management oversees the mitigation of these risks. The company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the company's policies and risk objectives. All derivative activities for risk management purposes are carried out by specialist teams that have the appropriate skills, experience and supervision. It is the company's policy that no trading in foreign exchange derivatives for speculative purposes will be undertaken. The policies for managing each of these risks, which are summarised below:-

1) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and equity price risk. Financial instruments affected by market risk include loans and borrowings, deposits and derivative financial instruments.

The sensitivity analysis in the following sections relate to the position as at March 31, 2020 and March 31, 2019.

The analysis exclude the impact of movements in market variables on: the carrying values of gratuity and other post-employment obligations and provisions.

The sensitivity of the relevant profit and loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at March 31, 2020 and March 31, 2019.

(i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The companies exposure to the risk of changes in market interest rates relates primarily to the ECB Borrowings with floating interest rates.

The Company manages interest rate risk by taking interest rate swap (floating to fixed). Refer note 36 for details.

The Sensitivity Analysis for impact on OCI in relation to interest rate swap-

(₹ in Lakhs)

Particulars	March 31, 2019		March 31, 2019	
Interest rate swap	10%	-10%	16	(16)

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2020

Note 38: Financial risk management objectives and policies (Contd..)

1) Market risk (Contd..)

(ii) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The company's exposure to the risk of changes in foreign exchange rates relates primarily to the company's operating activities (when revenue or expense is denominated in a foreign currency), investments & borrowing in foreign currency etc.

The company manages its foreign currency risk by hedging foreign currency transactions with forward covers and option contracts. These transactions generally relate to purchase of imported newsprint & borrowings in foreign currency.

When a derivative is entered into for the purpose of being a hedge, the company negotiates the terms of those derivatives to match the terms of the underlying exposure.

Foreign currency sensitivity- Unhedged Foreign Currency Exposure

The following tables demonstrate the sensitivity to a reasonably possible change in exchange rates, with all other variables held constant. The impact on the company's profit before tax is due to changes in the fair value of monetary assets and liabilities.

Particulars	Outstanding Balances (Foreign Currency lakhs)		Change in Foreign Currency rate		Effect on profit before tax (₹ in Lakhs)	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
Change in USD rate						
Trade payables	19	6	+/(-) 1%	+/(-) 1%	14	4
Buyer's credit	49	8	+/(-) 1%	+/(-) 1%	37	5
Interest payable	1	-	+/(-) 1%	+/(-) 1%	1	-

(iii) Equity price risk

The company's listed and non-listed equity securities are susceptible to market price risk arising from uncertainties about future values of the investment securities. The Company manages the equity price risk through diversification and by placing limits on individual and total equity instruments. Reports on the equity portfolio are submitted to the company's senior management on a regular basis. The company's Investment Committee approves all equity investment decisions (refer note 37).

2) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2020

Note 38: Financial risk management objectives and policies (Contd..)

2) Credit risk (Contd..)

Trade receivables and Other Financial Assets at amortised cost

An impairment analysis is performed at each reporting date on an individual basis for major clients. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in note 10A and 6D.

The Company evaluates the concentration of risk with respect to trade receivables and contract assets as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets.

Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the company's policy. Investments of surplus funds are made as per guidelines and within limits approved by Board of Directors. Board of Directors/ Management reviews and update guidelines, time to time as per requirement. The guidelines are set to minimize the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

Liquidity risk

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

"The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of Bank loans & liquid MF Investments.

59% of the Company's borrowings will mature in less than one year at March 31, 2020 (March 31, 2019: 19%) based on the carrying value of borrowings reflected in the financial statements.

The Company assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Company has access to a sufficient variety of sources of funding i.e. investments / Bank limits for Borrowing/ cash accrual from Operation and debt maturing within 12 months can be paid/ rolled over with existing lenders.

The Company has positive working capital position and positive Net Assets position as on March 31, 2020. Accordingly, no liquidity risk is perceived. The Company has available undrawn borrowing facilities of ₹ 16,500 lakhs as at March 31, 2020 (March 31, 2019: ₹ 53,663 lakhs).

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

(₹ in Lakhs)

Particulars	With in 1 year	More than 1 years	Total
As at March 31, 2020			
Borrowings (refer note 15A)	4,832	4,722	9,554
Lease liabilities (refer note 15D)	1,038	1,136	2,174
Trade and other payables (refer note 15B)	8,518	-	8,518
Other financial liabilities (refer note 15C)	14,640	352	14,992
As at March 31, 2019			
Borrowings (refer note 15A)	539	6,051	6,590
Trade and other payables (refer note 15B)	10,815	-	10,815
Other financial liabilities (refer note 15C)	11,311	263	11,574

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2020

Note 38: Financial risk management objectives and policies (Contd..)

2) Credit risk (Contd..)

Collateral

The Company has pledged part of its investment in mutual funds in order to fulfill the collateral requirements for borrowing. At March 31, 2020 and March 31, 2019, the invested values of the investment in mutual funds pledged were ₹ 17,914 lakhs fair value [Original cost: ₹ 15,303 lakhs] and ₹ 16,673 lakhs fair value [Original Cost :₹ 14,900 lakhs] respectively. The counterparties have an obligation to return the securities to the company and the company has an obligation to repay the borrowing to the counterparties upon maturity/ due date / mutual agreement. There are no other significant terms and conditions associated with the use of collateral securities except pledge given against outstanding bank facilities (details are provided in borrowing note, refer note 15 A).

Note 39 : Standards issued but not yet effective

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2020.

Note 40: Based on the information available with the Company, Details of dues to Micro and Small Enterprises as defined under the MSMED Act, 2006

(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Principal Amount	111	43
Interest due thereon at the end of the accounting year	0	2
The amount of interest paid by the buyer in terms of Section 16, of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
The amount of interest due and payable for the year for delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006.	-	-
The amount of interest accrued and remaining unpaid at the end of the accounting year	0	2
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under Section 23 of MSMED Act, 2006.	-	-

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2020

Note 41 : Details of CSR Expenditure

Pursuant to the applicability of CSR (Corporate Social Responsibility) provisions of the Companies Act, 2013 the Company has made the requisite expenditure towards CSR as per details below :

(a) Gross amount required to be spent by the Company during the year is ₹ 400 lakhs (previous year ₹ 490 lakhs).

(b) Details of amount spent during the year ended March 31, 2020:

CSR Project or activity identified	Amount spent/ contributed on the projects or programs (₹ in Lakhs)	Amount spent : Direct or through implementing agency
Integrated and Transformational Village Development -Rural (year FY 2018-19 ₹ 4 Lakhs)	39	Direct contribution**
Healthy Hindustan - Preventive Health Camps	183	Direct contribution**
Healthy Uttarakhand - Preventive Health Camps	30	Through Manorama Devi Birla Charitable Trust*
Hindustan Olympiad-Scholarship Based on Merit	37	Direct contribution**
Educational & skill Development	32	Through HT Foundation for change (HTFFC)*
Kanyadhan Yojna	27	Direct contribution**
Swch Ghat Abhiyan	10	Direct contribution**
Kabaddi League (year FY 2018-19 ₹ 65 Lakhs)	82	Direct contribution**
Village pond adoption (year FY 2018-19 ₹ 4 Lakhs)	4	Direct contribution**
Preventive care & disaster management including relief, rehabilitation and reconstruction activities	12	Direct contribution**
Total	**456**	

The shortfall in amount spent in year ended March 31, 2019 amounting to ₹ 73 lakhs was related to the development of the Kund in the Integrated and transformational village development project , Kabaddi League and Village pond adoption. The project was completed in year ended March 31, 2020. The shortfall for the year ended March 31, 2020 is ₹ 18 lakhs .

* Included in Donations/ Contribution expenses

** Included in Advertisement and sales promotion expenses

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2020

Note 41 : Details of CSR Expenditure (Contd..)

(c) Details of amount spent during the year ended March 31, 2019:

CSR Project or activity identified	Amount spent/ contributed on the projects or programs (₹ in Lakhs)	Amount spent : Direct or through implementing agency
Integrated and Transformational Village Development -Rural	71	Direct contribution**
Healthy Hindustan - Preventive Health Camps	185	Direct contribution**
Hindustan Olympiad-Scholarship Based on Merit	40	Direct contribution**
Educational & skill Development	20	Through HT Foundation for change (HTFFC)*
Healthy Uttarakhand	38	Through Manorama Devi Birla Charitable Trust*
Kanyadhan Yojna	25	Direct contribution**
Swach Ghat Abhiyan	12	Direct contribution**
Village Pond Adoption	26	Direct contribution**
Krishna Kund (year FY 2017-18)	130	Direct contribution**
Total	**547**	

The shortfall in amount spent in year ended March 31, 2018 amounting to ₹ 130 lakhs was related to the development of the Kund in the Integrated and transformational village development project. The project was completed in year ended March 31, 2019. The shortfall for the year ended March 31, 2019 is ₹ 73 lakhs .

* Included in Donations/ Contribution expenses

** Included in Advertisement and sales promotion expenses

Note 42 :

Pursuant to a Scheme of Arrangement u/s 230 and 232 of the Companies Act, 2013 between Hindustan Media Ventures Limited [Resulting Company] and a fellow subsidiary company viz. India Education Services Private Limited (IESPL) [Demerged Company], and their respective shareholders (Scheme), sanctioned by Hon'ble National Company Law Tribunal, Kolkata Bench and New Delhi Bench vide their respective orders dated August 5, 2019 (amended vide order dated August 28, 2019) (certified copy received on November 08, 2019) and October 22, 2019 (certified copy received on November 11, 2019) respectively, the Business to Consumer (B2C) Education business of Demerged Company along with its related assets and liabilities have been transferred to Resulting Company.

Certified copy of the orders sanctioning the Scheme have been filed with Registrar of Companies (RoC), Delhi and Bihar on November 19, 2019. Accordingly, the Scheme has been given effect in accordance with Appendix C ""Business combinations of entities under common control"" of Ind AS 103 (Business Combinations) i.e. at the beginning of the comparative period (April 1, 2018 being the Acquisition Date). Consequently, the numbers related to the comparative period (i.e., FY 2018-19) have been restated accordingly.

Pursuant to the Scheme, the Resulting Company has allotted its 2,77,778 equity shares of ₹ 10 each to the shareholders of Demerged Company on December 5, 2019 in the proportion of 10 equity shares of ₹ 10 each fully paid up of the Resulting Company for every 72 equity shares of ₹ 10 each fully paid up of the Demerged Company.

Till the date of issue and allotment of aforesaid shares (paid-up value ₹ 27,77,780), they have been accounted for in share suspense account. The same have been considered for calculation of earnings per shares and paid up share capital for the periods reported

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2020

Note 42 : (Contd..)

above subsequent to Acquisition Date.

In terms of the Scheme, effective from April 1, 2018 :

a) The assets and liabilities of the B2C Education business of IESPL have been transferred to the Company as the same book value appearing in the books of IESPL on April 1, 2018.

b) Share suspense account has been credited with the aggregate face value of the new equity shares to be issued to the shareholders of IESPL (consideration); and

c) The difference between assets and liabilities over the consideration is accounted for as Capital reserve.

The details of the assets and liabilities acquired in terms of the Scheme (as on April 1, 2018) are as follows:

Particulars	Total
Non-current Assets	
(a) Property, plant and equipment	109
(b) Capital work-in-progress	27
(c) Intangible assets	7
(d) Financial assets	
(i) Loans	57
Total Non- current assets	**200**
Current Assets	
(a) Financial assets	
(i) Trade receivables	9
(ii) Other financial assets	296
(b) Other current assets	761
Total Current Assets	**1,066**
Total Assets(A)	**1,266**
Non- Current Liabilities	
(a) Financial liabilities	
(i) Borrowings	1,000
Total Non- Current Liabilities	**1,000**
Current liabilities	
(a) Financial liabilities	
(i) Trade Payables	1,390
(ii) Other financial liabilities	58
(b) Provisions	7
(c) Other current liabilities	103
Total Current Liabilities	**1,558**
Total Liabilities(B)	**2,558**

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2020

Note 42 : (Contd..)

Particulars	Total
Net assets/(liabilities) acquired by the Company (A-B)	**(1,292)**
Less: Purchase Consideration (issued ten (10) shares of seventy two (72) shares held by India Education Services Private Limited Shareholders	**28**
Capital Reserve (The difference of ""Purchase Consideration"" over net assets of Business to consumers segment of India Education Services Private Limited)	**(1,320)**

d) Revenue and expenses relatable to B2C Education business of India Education Services Private Limited, for the period beginning with April 1, 2018 upto March 31, 2019, were transferred to the Company by India Education Services Private Limited and recorded by the Company. The details are as follows:

Particulars	Total
Income	
Revenue from operations	144
Other Income	108
Total Income (I)	**252**
Expenses	
Employee benefits expense	67
Finance costs	213
Depreciation and amortization expense	46
Other expenses	555
Total expenses (II)	**881**
Profit before tax (I-II)	**(629)**

Note 43: Leases

Leases as Lessee

The Company has taken various residential, office and godown premises under lease arrangements.

i) **The details of the right-of-use asset held by the Company is as follows:**

(₹ in Lakhs)

Particulars	Leasehold Land	Leasehold Vehicle	Buildings	Total
Balance at April 1, 2019	**3,686**	**-**	**326**	**4,012**
Reclassification from prepaid rent	-	-	16	16
Depreciation charge for the year	(46)	(3)	(830)	(878)
Additions to right-of-use assets	-	50	2,860	2,910
Derecognition of right-of-use assets	(98)	-	-	(98)
Balance at March 31, 2020	**3,543**	**47**	**2,372**	**5,962**

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2020

Note 43: Leases (Contd..)

Leases as Lessee (Contd..)

ii) Set out below are the carrying amounts of lease liabilities and the movements during the period:

(₹ in Lakhs)

Particulars	Amount ₹ in Lakhs
Balance at April 1, 2019	**326**
Additions	2,733
Accretion of interest	140
Payments- Principal	(885)
Payments- Interest	(140)
Balance at March 31, 2020	**2,174**
Current	**1,038**
Non- Current	**1,136**

The maturity analysis of lease liabilities are disclosed in note 38.

iii) Amounts recognised in profit or loss:

Particulars	₹ in Lakhs
Interest on lease liabilities	140
Depreciation expense of right-of-use assets	878
Expenses relating to short-term leases	730

iv) Amounts recognised in statement of cash flows:

Particulars	₹ in Lakhs
Total cash outflow for leases	(885)

Leases as lessor

i) Operating lease

The Company has entered into operating leases on its investment property.

Rental income recognised by the Company during 2019-20 is ₹ 25 Lakhs (previous year Nil).

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2020

Note 43: Leases (Contd..)

Leases as lessor (Contd..)

i) Operating lease (Contd..)

The following table sets out a maturity analysis of lease payments, showing the undiscounted lease payments to be received after the reporting date-

(₹ in Lakhs)

Particulars	₹ in Lakhs
Less than one year	27
One to two years	-
Two to three years	-
Three to four years	-
Four to five years	-
More than five years	-
Total	**27**

Note 44 : Disclosure required under section 186(4) of the Companies Act, 2013

Included in loans and advances and loan to subsidiary the particulars of which are disclosed in below as required by Sec 186(4) of Companies Act 2013:

(₹ in Lakhs)

Particulars	Rate of Interest	Due Date	Secured/ Unsecured	Purpose of Loan	March 31, 2020	March 31, 2019
Next Radio Limited (fellow subsidiary)	10% p.a. compounded annually	36 months from the date of disbursement	Unsecured	To meet the business requirements/ repayment of existing bank loans and/or for general corporate purposes	6,050	-

Note 45 : Capitalized Expenditure

During the previous year, the company has capitalized the following expenses of revenue nature to the cost of property, plant and equipment/capital work in progress (CWIP). Consequently, expenses disclosed under the respective notes are net of amounts capitalized by the company.

(₹ in Lakhs)

Particulars	March 31, 2020	March 31, 2019
Raw material consumption	-	11
Travelling and conveyance	-	31
Miscellaneous expenses	-	15
Total	**-**	**57**

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2020

Note 46 : Management has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amount of property, plant and equipment, intangible assets, investment properties, inventories, receivables, other financial and non-financial assets of the Company. In developing the assumptions relating to the possible future uncertainties because of this pandemic, the Company, as at the date of adoption of these standalone financial statements has used internal and external sources of information. The Company has performed sensitivity analysis on the assumptions used, to the extent applicable and based on current factors estimated that the carrying amount of above mentioned assets as at March 31, 2020 will be recovered. Given the uncertainties associated with nature, condition and duration of COVID-19, the impact assessment on the Company's financial statements will be continuously made and provided for as required.

Note 47 : Previous year figures have been regrouped and reclassified wherever necessary to conform to the current year classification.

In terms of our report of even date attached

For B S R and Associates
Chartered Accountants
(Firm Registration Number: 128901W)

Rajesh Arora
Partner
Membership No. 076124

Place: Gurugram
Date: June 24, 2020

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

Tridib Barat
Company Secretary

Sandeep Gulati
Chief Financial Officer

Samudra Bhattacharya
Chief Executive Officer

Praveen Someshwar
Managing Director
(DIN: 01802656)

Shobhana Bhartia
Chairperson
(DIN: 00020648)

Place: New Delhi
Date: June 24, 2020

CONSOLIDATED FINANCIAL STATEMENTS

INDEPENDENT AUDITOR'S REPORT

To the Members of
Hindustan Media Ventures Limited

Report on the Audit of Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Hindustan Media Ventures Limited (hereinafter referred to as the 'Holding Company") and its subsidiary (Holding Company and its subsidiary together referred to as "the Group") and its joint venture, which comprise the consolidated balance sheet as at March 31, 2020 and the consolidated statement of profit and loss (including other comprehensive income), consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group and its joint venture as at March 31, 2020 of its consolidated profit and other comprehensive income, consolidated changes in equity and consolidated cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group and its joint venture in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence obtained by us, is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

Key Audit Matter

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

Description of Key Audit Matter

Impairment testing of property, plant and equipment See note 3 to the consolidated financial statement

The key audit matter	How the matter was addressed in our audit
The Holding Company is engaged in printing and publishing of newspapers and periodicals through various plants operated in India. The gross carrying value of property, plant and equipment amounts to ₹ 25,767 lakhs as at March 31, 2020.	Our audit procedures included: - Assessed Holding Company's identification of CGU with reference to the guidance in the applicable accounting standards; - Tested design, implementation and operating effectiveness of key controls over the impairment assessment process. - The Holding Company's assessment included computation of VIU. We obtained and assessed the

The key audit matter	How the matter was addressed in our audit
The Holding Company performs annual assessment of the property, plant and equipment at cash generating unit (CGU) level, to identify indicators of impairment, if any. The recoverable amount of the cash generating unit ('CGU') based on value in use ('VIU'), has been derived using discounted cash flow model. The model uses several key assumptions. The economic slowdown owing to the Covid-19 pandemic and other economic factors may impact the key assumptions taken while computing VIU. Considering the inherent uncertainty, complexity and judgment involved and the significance of the value of the assets, impairment assessment of above mentioned assets has been considered as a key audit matter.	VIU as determined by the Holding Company as under: - Assessed the method of determining VIU and key assumptions used therein through historical information, budgets / projections, and other relevant information. - Challenged the key assumptions contained including growth assumptions, discount rates and implications of prevailing market environment and Covid 19. - Assessed the sensitivity of the outcome of impairment assessment to changes in key assumptions.

Other Information

The Holding Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Holding Company's annual report, but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's and Board of Directors' Responsibilities for the Consolidated Financial Statements

The Holding Company's Management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated state of affairs, consolidated profit and other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group including its joint venture in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. The respective Management and Board of Directors of the companies included in the Group and of its joint venture are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each company and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Management and Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Management and Board of Directors of the companies included in the Group and of its joint venture are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its joint venture is responsible for overseeing the financial reporting process of each company.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on the internal financial controls with reference to the consolidated financial statements and the operating effectiveness of such controls based on our audit.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.

- Conclude on the appropriateness of Management and Board of Directors use of the going concern basis of accounting in preparation of consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its joint venture to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of such entities or business activities within the Group and its joint venture to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the consolidated financial statements of which we are the independent auditors. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in para (a) of the section titled 'Other Matters' in this audit report.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

We communicate with those charged with governance of the Holding Company of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

(a) The financial statements of subsidiary company, whose financial statements reflect total assets of ₹ 5 lakhs as at March 31, 2020 total revenues of Nil and net cash flows amounting to ₹ 5 lakhs for the year ended on that date, as considered in the consolidated financial statements, have not been audited either by us or by other auditors. The unaudited financial statements have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of said subsidiary, and our report in terms of sub-sections (3) of Section 143 of the Act in so far as it relates to the aforesaid subsidiary, is based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the Management, these financial statements are not material to the Group.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matter with respect to our reliance on the financial statements certified by the Management.

(b) The consolidated financial statements include financial statements of HT Content Studio LLP which became a joint venture of the Holding Company w.e.f. August 21, 2019 and above mentioned subsidiary which was incorporated on February 11, 2020. Accordingly, the corresponding figures for the year April 1, 2018 to March 31, 2019, as presented in these consolidated financial statements are based on previously issued standalone financial statements of the Company that were audited by the predecessor auditor who expressed an unmodified opinion on those standalone financial statements dated May 9, 2019.

The above corresponding figures for the year April 1, 2018 to March 31, 2019, have also been re-presented to give effect to the merger of Business to Consumer ('B2C') business of India Education Services Private Limited ('IESPL'), fellow subsidiary of the Company. The B2C business of IESPL was merged with the Company pursuant to the order of National Company Law Tribunal and the merger has been given effect from the beginning of the preceding period in the consolidated financial statements as the merger is a common control transaction. The B2C business of IESPL is audited by the auditors of IESPL whose unmodified report dated June 2, 2020 has been furnished to us by management and our report in so far as it relates to the amounts and disclosures included in respect of B2C business of IESPL is based solely on the reporting of the auditor of IESPL.

Our opinion is not modified in respect of the above matter.

Report on Other Legal and Regulatory Requirements

A. As required by Section 143(3) of the Act, we report, to the extent applicable, that:

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the report of the other auditor.

c) The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under section 133 of the Act.

e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2020 taken on record by the Board of Directors of the Holding Company, none of the directors of the Holding Company is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164(2) of the Act.

f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" .

B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The consolidated financial statements disclose the impact of pending litigations as at March 31, 2020 on the consolidated financial position of the Group and its joint venture. Refer Note 33 to the consolidated financial statements.

ii. The Group and its joint venture did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Group.

iv. The disclosures in the consolidated financial statements regarding holdings as well as dealings in specified bank notes during the period from November 8, 2016 to December 30, 2016 have not been made in the financial statements since they do not pertain to the financial year ended March 31, 2020.

C. With respect to the matter to be included in the Auditor's report under section 197(16):

In our opinion and according to the information and explanations given to us, the remuneration paid during the current year by the Holding Company to its directors is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director by the Holding Company is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

For **B S R and Associates**
Chartered Accountants
Firm's Registration No.- 128901W

Rajesh Arora
Partner
Membership No. 076124
UDIN: 20076124AAAABN8772

Place: Gurugram
Date: June 24, 2020

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

ON THE CONSOLIDATED FINANCIAL STATEMENTS OF HINDUSTAN MEDIA VENTURES LIMITED FOR THE YEAR ENDED MARCH 31, 2020

Report on the internal financial controls with reference to the aforesaid consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013

(Referred to in paragraph A(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2020 we have audited the internal financial controls with reference to consolidated financial statements of Hindustan Media Ventures Limited (hereinafter referred to as "the Holding Company") and such company incorporated in India under the Companies Act, 2013 which is its subsidiary company as of that date.

In our opinion, the Holding Company has, in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls were operating effectively as at March 31, 2020 based on the internal financial controls with reference to consolidated financial statements criteria established by such companies considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's Responsibility for Internal Financial Controls

The respective Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on the criteria established by the respective Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (hereinafter referred to as "the Act").

Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to consolidated financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements were established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements.

Meaning of Internal Financial controls with Reference to Consolidated Financial Statements

A company's internal financial controls with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial controls with Reference to consolidated Financial Statements

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

For **B S R and Associates**
Chartered Accountants
Firm's Registration No.- 128901W

Rajesh Arora
Partner
Membership No. 076124
UDIN: 20076124AAAABN8772

Place: Gurugram
Date: June 24, 2020

CONSOLIDATED BALANCE SHEET

AS AT MARCH 31, 2020

(₹ in Lakhs)

Particulars	Notes	As at March 31, 2020	As at March 31, 2019 Restated (Refer Note 42)
I ASSETS			
1) Non-current assets			
(a) Property, plant and equipment	3	16,041	20,039
(b) Capital work in progress	3	1,019	1,152
(c) Right - of - use assets	43	5,962	-
(d) Investment property	4	4,161	3,227
(e) Intangible assets	5	6,791	6,827
(f) Investment in joint venture (accounted for using equity method)	6A	57	-
(g) Financial assets			
(i) Investments	6B	87,381	56,852
(ii) Loans	6C	7,708	683
(iii) Other financial assets	6D	463	-
(h) Income tax assets (net)	7	1,268	1,357
(i) Other non-current assets	8	310	491
Total non- current assets		**1,31,161**	**90,628**
2) Current assets			
(a) Inventories	9	4,651	4,443
(b) Financial assets			
(i) Investments	6A	30,843	50,220
(ii) Trade receivables	10A	16,785	16,672
(iii) Cash and cash equivalents	10B	1,530	5,565
(iv) Bank balances other than (iii) above	10C	2,006	2,168
(v) Other financial assets	6D	1,694	310
(c) Other current assets	11	3,469	3,271
Total current assets		**60,978**	**82,649**
Total Assets		**1,92,139**	**1,73,277**
II EQUITY AND LIABILITIES			
1) Equity			
(a) Equity share capital	12	7,367	7,339
(b) Share Suspense account (refer note 42)	12	-	28
(c) Other equity	13	1,44,049	1,34,002
Total equity		**1,51,416**	**1,41,369**
2) Liabilities			
Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	15A	4,722	6,051
(ii) Lease liabilities	15D	1,136	-
(iii) Other financial liabilities	15C	352	263
(b) Contract liabilities	15E	1	-
(c) Deferred tax liabilities (net)	14	1,814	127
Total non- current liabilities		**8,025**	**6,441**
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	15A	4,832	539
(ii) Lease liabilities	15D	1,038	-
(iii) Trade payables	15B		
a) total outstanding dues of micro enterprises and small enterprises		111	43
b) total outstanding dues of creditors other than of micro enterprises and small enterprises		8,407	10,772
(iv) Other financial liabilities	15C	14,640	11,311
(b) Contract liabilities	15E	1,503	1,427
(c) Provisions	16	1,083	208
(d) Income tax liabilities (net)	17	222	401
(e) Other current liabilities	18	862	766
Total current liabilities		**32,698**	**25,467**
Total liabilities		**40,723**	**31,908**
Total Equity and liabilities		**1,92,139**	**1,73,277**
Summary of significant accounting policies	2		

See accompanying notes to the consolidated financial statements.

In terms of our report of even date attached

For B S R and Associates
Chartered Accountants
(Firm Registration Number: 128901W)

Rajesh Arora
Partner
Membership No. 076124

Place: Gurugram
Date: June 24, 2020

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

Tridib Barat
Company Secretary

Sandeep Gulati
Chief Financial Officer

Samudra Bhattacharya
Chief Executive Officer

Praveen Someshwar
Managing Director
(DIN: 01802656)

Shobhana Bhartia
Chairperson
(DIN: 00020648)

Place: New Delhi
Date: June 24, 2020

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED MARCH 31, 2020

(₹ in Lakhs)

	Particulars	Notes	Year ended March 31, 2020	Year ended March 31, 2019 Restated (refer note 42)
I	**Income**			
	a) Revenue from operations	19	79,578	86,726
	b) Other Income	20	10,877	8,872
	Total Income		**90,455**	**95,598**
II	**Expenses**			
	a) Cost of materials consumed	21	28,248	40,234
	b) Changes in inventories of finished goods, stock-in -trade and work-in-progress	22	(77)	(14)
	c) Employee benefits expense	23	12,555	11,165
	d) Finance costs	24	949	1,759
	e) Depreciation and amortization expense	25	3,066	2,122
	f) Other expenses	26	28,929	30,733
	Total expenses		**73,670**	**85,999**
III	**Profit before share of joint venture and tax(I-II)**		**16,785**	**9,599**
IV	**Earnings before finance costs, tax, depreciation and amortization (EBITDA) [III+II(d+e)]**		**20,800**	**13,480**
V	**Tax expense**			
	Current tax	14	2,912	1,065
	[Adjustment of tax charge/ (credit) related to earlier periods-NIL {previous year ₹ (1,279 lakhs)}]			
	Deferred tax charge/(credit)	14	1,976	(2,306)
	[Adjustment of tax charge/ (credit) related to earlier periods-NIL {previous year ₹ (2,769) lakhs}]			
	Total tax expense/ (credit)		**4,888**	**(1,241)**
VI	**Profit for the year after tax before share of joint venture (III-V)**		**11,897**	**10,840**
VII	**Share of loss of joint venture (net of tax, accounted for using equity method)**		**(267)**	**-**
VIII	**Profit for the year (VI+VII)**		**11,630**	**10,840**
IX	**Other Comprehensive Income**	27		
	Items that will not to be reclassified subsequently to profit or loss			
	Remeasurement of defined benefit plans		(708)	(6)
	Income tax effect		247	3
	Items that will be reclassified subsequently to profit or loss			
	Cash flow hedging reserve		(165)	(122)
	Income tax effect		58	43
	Costs of hedging reserve		46	(318)
	Income tax effect		(16)	111
	Other comprehensive income for the year (net of tax)		**(538)**	**(289)**
X	**Total Comprehensive Income for the year (net of tax) (VI+VII)**		**11,092**	**10,551**
IX	**Earnings per share (₹)**			
	Basic (face value of shares ₹ 10/-)	28	15.79	14.71
	Diluted (face value of shares ₹10/-)	28	15.79	14.71
	Summary of significant accounting policies	2		

See accompanying notes to the consolidated financial statements.

In terms of our report of even date attached

For B S R and Associates
Chartered Accountants
(Firm Registration Number: 128901W)

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

Rajesh Arora
Partner
Membership No. 076124

Tridib Barat
Company Secretary

Sandeep Gulati
Chief Financial Officer

Samudra Bhattacharya
Chief Executive Officer

Praveen Someshwar
Managing Director
(DIN: 01802656)

Shobhana Bhartia
Chairperson
(DIN: 00020648)

Place: Gurugram
Date: June 24, 2020

Place: New Delhi
Date: June 24, 2020

CONSOLIDATED STATEMENT OF CASH FLOW

FOR THE YEAR ENDED MARCH 31, 2020

(₹ in Lakhs)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019 Restated (refer note 42)
Cash flows from operating activities		
Profit before tax :	16,785	9,599
Adjustments for:		
Depreciation and amortization expense	3,066	2,122
Loss on sale of investment properties (including impairment)	53	220
Loss on disposal of property, plant and equipment (including impairment)	23	26
Unrealized foreign exchange loss	808	143
Unclaimed balances/liabilities written back (net)	(187)	(114)
Finance income from investment and other interest received	(9,619)	(7,592)
Fair value of investment through profit and loss (including (profit)/ loss on sale of investments)	125	(124)
Interest cost on debts and borrowings	919	1,715
Impairment for doubtful debts	940	1,275
Employee stock option expenses	18	-
Cash flows from operating activities before changes in following assets and liabilities	**12,931**	**7,270**
Changes in operating assets and liabilities		
(Increase) in trade receivables	(1,053)	(4,165)
(Increase)/decrease in inventories	(208)	416
(Increase) in current and non-current financial assets and other current and non-current assets	(2,754)	(656)
Increase in current and non-current financial liabilities and other current and non-current liabilities & provision	177	6,122
Cash generated from operations	**9,093**	**8,987**
Income taxes paid (net of refunds)	(3,002)	(3,332)
Net cash from operating activities (A)	**6,091**	**5,655**
Cash flows from investing activities		
Payment for purchase of property, plant and equipment & intangible assets	(1,376)	(5,845)
Proceeds from sale of property, plant and equipment & intangible assets	138	94
Investment made in joint venture	(324)	-
Purchase of investments	(89,755)	(54,780)
Sale/ Redemption of investments	78,602	58,037
Inter-corporate deposits (given)	(6,050)	-
Purchase of investment properties	(1,681)	(2,829)
Proceeds from sale of investment properties	650	-
Finance income from investment and other interest received	9,134	8,796
Proceeds/(payment) of margin money deposits (net)	141	(2,143)
Net cash (used in)/ from investing activities (B)	**(10,521)**	**1,330**

CONSOLIDATED STATEMENT OF CASH FLOW

FOR THE YEAR ENDED MARCH 31, 2020

(₹ in Lakhs)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019 Restated (refer note 42)
Cash flows from financing activities		
Dividend paid on equity shares	(881)	(881)
Tax on equity dividend paid	(180)	(180)
Repayment of lease liabilities (refer note 43)	(885)	-
Interest paid on debts and borrowings	(898)	(1,797)
Proceeds from borrowings	15,768	81,072
Repayment of borrowings	(13,671)	(85,248)
Net cash (used in) financing activities (C)	**(747)**	**(7,034)**
Net Decrease in cash and cash equivalents (A + B + C)	**(5,177)**	**(49)**
Cash and cash equivalents at the beginning of the year	5,565	5,614
Cash and cash equivalents at the end of the year	**388**	**5,565**

Components of cash and cash equivalents as at end of the year

(₹ in Lakhs)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019 Restated (refer note 42)
Cash and cheques on hand	1,053	3,767
With Scheduled banks - on current accounts	477	1,779
With Scheduled banks - on deposit accounts	-	19
Total cash and cash equivalents	**1,530**	**5,565**
Less: Bank overdraft	1,142	-
Cash and cash equivalents as per Cash Flow Statement	**388**	**5,565**

Refer note 15A for debt reconciliation disclosure

See accompanying notes to the consolidated financial statements.

In terms of our report of even date attached

For B S R and Associates
Chartered Accountants
(Firm Registration Number: 128901W)

Rajesh Arora
Partner
Membership No. 076124

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

Tridib Barat
Company Secretary

Sandeep Gulati
Chief Financial Officer

Samudra Bhattacharya
Chief Executive Officer

Praveen Someshwar
Managing Director
(DIN: 01802656)

Shobhana Bhartia
Chairperson
(DIN: 00020648)

Place: Gurugram
Date: June 24, 2020

Place: New Delhi
Date: June 24, 2020

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED MARCH 31, 2020

A. Equity Share Capital (refer note 12)

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

(₹ in Lakhs)

Particulars	No of shares	₹ Lakhs
Balance as at April 1, 2018	7,33,93,770	7,339
Changes in share capital during the year	-	-
Balance as at March 31, 2019	**7,33,93,770**	**7,339**
Changes in share capital during the year	2,77,778	28
Balance as at March 31, 2020	**7,36,71,548**	**7,367**

B. Other Equity attributable to equity holders (refer note 13)

(₹ in Lakhs)

Particulars	Reserve & Surplus						Other Comprehensive Income		Total
	Capital reserve	Capital redemption reserve	Securities premium	General Reserve	Share-based payments reserve	Retained earnings	Cash flow hedging reserve* (refer note 36)	Costs of hedging reserve (refer note 36)	
Balance as at April 1, 2018	**7,965**	**1**	**24,239**	**688**	**-**	**92,939**	**-**	**-**	**1,25,832**
Adjustment for IESPL Scheme	(1,320)	-	-	-	-	-	-	-	(1,320)
Profit for the year	-	-	-	-	-	10,840	-	-	10,840
Other comprehensive income	-	-	-	-	-	(3)	(79)	(207)	(289)
Dividend paid	-	-	-	-	-	(881)	-	-	(881)
Dividend distribution tax	-	-	-	-	-	(180)	-	-	(180)
Balance as at March 31, 2019	**6,645**	**1**	**24,239**	**688**	**-**	**1,02,715**	**(79)**	**(207)**	**1,34,002**
Profit for the year	-	-	-	-	-	11,630	-	-	11,630
Other comprehensive income	-	-	-	-	-	(461)	(107)	29	(539)
Share-based payments	-	-	-	-	17	-	-	-	17
Dividend paid	-	-	-	-	-	(881)	-	-	(881)
Dividend distribution tax	-	-	-	-	-	(180)	-	-	(180)
Balance as at March 31, 2020	**6,645**	**1**	**24,239**	**688**	**17**	**1,12,823**	**(186)**	**(178)**	**1,44,049**

* The effective portion of gains and loss on hedging instruments in a cash flow hedge

See accompanying notes to the consolidated financial statements.

In terms of our report of even date attached

For B S R and Associates
Chartered Accountants
(Firm Registration Number: 128901W)

Rajesh Arora
Partner
Membership No. 076124

Place: Gurugram
Date: June 24, 2020

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

Tridib Barat
Company Secretary

Sandeep Gulati
Chief Financial Officer

Samudra Bhattacharya
Chief Executive Officer

Praveen Someshwar
Managing Director
(DIN: 01802656)

Shobhana Bhartia
Chairperson
(DIN: 00020648)

Place: New Delhi
Date: June 24, 2020

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2020

1. Corporate information

The Group consists of Hindustan Media Ventures Limited ("HMVL" or "the Company" or "the Parent Company") and its subsidiary and joint venture (hereinafter referred to as "the Group"). Hindustan Media Ventures Limited is a Public Limited Company domiciled in India & incorporated under the provision of the Companies Act, 1913. Its shares are listed on Bombay Stock Exchange (BSE) & National Stock Exchange (NSE).

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

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

The consolidated financial statements of the Group for the year ended March 31, 2020 are authorised for issue in accordance with a resolution of the Board of Directors on June 24, 2020.

2. Significant accounting policies

2.1 Basis of preparation

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

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

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

- Derivative financial instruments measured at fair value;
- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments)
- Defined benefit plans - plan assets measured at fair value;

The consolidated financial statements are presented in Indian Rupees (₹) and all values are rounded to nearest lakhs, which is also the Group's functional currency.

2.2 Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiary and joint venture. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights

The size of the group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed off during the year are included in the

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2020

consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that group member's financial statements in preparing the consolidated financial statements to ensure conformity with the group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company, i.e., year ended on March 31.

Consolidation procedure:

i) Subsidiary:

(a) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiary.

(b) Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.

(c) Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and property, plant and equipment are eliminated in full). Ind-AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiary to bring their accounting policies into line with the Group's accounting policies.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- Derecognises the assets (including goodwill) and liabilities of the subsidiary
- Derecognises the carrying amount of any non-controlling interests
- Derecognises the cumulative translation differences recorded in equity
- Recognises the fair value of the consideration received
- Recognises the fair value of any investment retained
- Recognises any surplus or deficit in profit or loss
- Reclassifies the parent's share of components previously recognised in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities

ii) Joint ventures:

Interests in joint ventures are accounted for using the equity method, after initially being recognised at cost in the consolidated balance sheet.discontinued operations in the statement of profit and loss.

2.3 Summary of significant accounting policies

a) Business combinations and goodwill

Business combinations are accounted for using the acquisition method, other than common control transactions. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2020

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their acquisition date fair values. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable. However, the following assets and liabilities acquired in a business combination are measured at the basis indicated below:

- Deferred tax assets or liabilities, and the assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with Ind-AS 12 Income Tax and Ind-AS 19 Employee Benefits respectively.
- Liabilities or equity instruments related to share based payment arrangements of the acquiree or share – based payments arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with Ind-AS 102 Share-based Payments at the acquisition date.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

If the business combination is achieved in stages, any previously held equity interest is re-measured at its acquisition date fair value and any resulting gain or loss is recognised in profit or loss or OCI, as appropriate.

Any contingent consideration to be transferred by the acquirer is recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of Ind-AS 109 Financial Instruments, is measured at fair value with changes in fair value recognised in profit or loss. If the contingent consideration is not within the scope of Ind-AS 109, it is measured in accordance with the appropriate Ind-AS. Contingent consideration that is classified as equity is not re-measured at subsequent reporting dates and subsequent its settlement is accounted for within equity.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in OCI and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognises the gain directly in equity as capital reserve, without routing the same through OCI.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

Where goodwill has been allocated to a cash-generating unit and part of the operation within that unit is disposed off, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2020

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted through goodwill during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognized at that date. These adjustments are called as measurement period adjustments. The measurement period does not exceed one year from the acquisition date.

b) Business combinations - common control transactions

Common control business combination means a business combination involving entities or businesses in which all the combining entities or businesses are ultimately controlled by the same party or parties both before and after the business combination, and that control is not transitory.

Common control business combination are accounted for using the pooling of interests method as follows:

- The assets and liabilities of the combining entities are reflected at their carrying amounts.
- No adjustments are made to reflect fair values, or recognise any new assets or liabilities. Adjustments are only made to harmonise accounting policies.
- The financial information in the financial statements in respect of prior periods is restated as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination. However, where the business combination had occurred after that date, the prior period information is restated only from that date.
- The balance of the retained earnings appearing in the financial statements of the transferor is aggregated with the corresponding balance appearing in the financial statements of the transferee or is adjusted against general reserve.
- The identity of the reserves are preserved and the reserves of the transferor become the reserves of the transferee.
- The difference, if any, between the amounts recorded as share capital issued plus any additional consideration in the form of cash or other assets and the amount of share capital of the transferor is transferred to capital reserve and is presented separately from other capital reserves

c) Investment in joint ventures

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The considerations made in determining whether significant influence or joint control are similar to those necessary to determine control over the subsidiary.

The Group's investment in its joint venture are accounted for using the equity method. Under the equity method, the investment in joint venture is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the joint venture since the acquisition date. Goodwill relating to the joint venture is included in the carrying amount of the investment and is not tested for impairment individually.

The statement of profit and loss reflects the Group's share of the results of operations of the joint venture. Any change in OCI of those investees is presented as part of the Group's OCI. In addition, when there has been a change recognised directly in the equity of the joint venture, the Group recognises its share of any changes, when applicable, in the statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and the joint venture are eliminated to the extent of the interest in the joint venture.

If an entity's share of losses of a joint venture equals or exceeds its interest in the joint venture (which includes any long term interest that, in substance, form part of the Group's net investment in the joint venture), the entity discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2020

made payments on behalf of the joint venture. If the joint venture subsequently reports profits, the entity resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

The aggregate of the Group's share of profit or loss of a joint venture is shown on the face of the statement of profit and loss.

The financial statements of the joint venture are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in its joint venture. At each reporting date, the Group determines whether there is objective evidence that the investment in the joint venture is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the joint venture and its carrying value, and then recognises the loss as 'Share of profit of a joint venture' in the statement of profit or loss.

Upon loss of joint control over the joint venture, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the joint venture upon loss of joint control and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

d) Current versus non- current classification

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

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

All other assets are classified as non-current.

A liability is current when:

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

The Group classifies all other liabilities as non-current.

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

The operating cycle is the time between publishing of advertisement and circulation of newspaper and its realisation in cash and cash equivalents. The Group has identified twelve months as its operating cycle.

e) Foreign currencies

The Group's consolidated financial statements are presented in ₹, which is also the parent company's functional currency. For each entity the Group determines the functional currency and items included in the financial statements of each entity are measured using that functional currency. The Group uses the direct method of consolidation and on disposal of a foreign operation the gain or loss that is reclassified to profit or loss reflects the amount that arises from using this method.

Transactions and Balances

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

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

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2020

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

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

Exchange differences pertaining to long term foreign currency loans obtained or re-financed on or before March 31, 2016:

- Exchange differences on long-term foreign currency monetary items relating to acquisition of depreciable assets are adjusted to the carrying cost of the assets and depreciated over the balance life of the assets in accordance with option available under Ind-AS 101 (first time adoption).

Exchange differences pertaining to long term foreign currency loans obtained or re-financed on or after April 1, 2016:

- The exchange differences pertaining to long term foreign currency loans obtained or re-financed on or after April 1, 2016 is charged off or credited to the statement of profit & loss account under Ind-AS.

f) Fair value measurement

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

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

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

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

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

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

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

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

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly
- Level 3 — Valuation techniques for which inputs are unobservable inputs for the asset or liability

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

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

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

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

g) Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured based on the transaction price, which is the consideration, adjusted for allowances, trade discounts, volume rebates, if any, as specified in the contract with the customer. Revenue excludes taxes collected from customers. The Group has concluded that it is the principal in all of its revenue arrangements since it is the primary obligor in all the revenue arrangements as it has pricing latitude and is also exposed to inventory and credit risks.

Goods and Service Tax (GST) is not received by the Group on its own account. Rather, it is tax collected on behalf of the government. Accordingly, it is excluded from revenue.

Contract asset and unbilled receivables

Contract asset represents the Group's right to consideration in exchange for services that the Group has transferred to a customer when that right is conditioned on something other than the passage of time.

When there is unconditional right to receive cash, and only passage of time is required to do invoicing, the same is presented as unbilled receivable.

Contract liability

A contract liability is recognised if a payment is received or a payment is due (whichever is earlier) from a customer before the Group transfers the related goods or services. Contract liabilities are recognised as revenue when the Group performs under the contract (i.e., transfers control of the related goods or services to the customer).

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

Advertisements

Revenue is recognized as and when advertisement is published/ displayed and when it is "probable" that the Group will collect the consideration it is entitled to in exchange for the services it transfers to the customer.

Revenue from advertisement is measured based on the transaction price, which is the consideration, adjusted for allowances, trade discounts and volume rebates.

Education

Revenue is recognized when persuasive evidence of an arrangement exists, services have been rendered or delivery has occurred, fee or price to the customer is fixed or determinable and collectability is reasonably assured

- Tuition and educational services encompasses all educational delivery modalities (i.e online, on-campus etc.) and
- Revenue is recognized (Tuition fee including registration fee, net of discounts) over the period of instruction as services are delivered to students, which may vary depending on the program structure. Following situations may arise-
  - Regular Students: Revenue is recognized over the period of instruction for the program.
  - Students on Break: Revenue is deferred till the time student joins back and revenue is recognized once the student's period of instructions starts again.
  - Drop out students: Revenue is recognized to the extent instructions are delivered and payment is received.
- Students are billed separately for each program, resulting in the recording of a receivable from the student and deferred revenue in the amount of the billing.

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- The Group generally recognizes revenue evenly over the period of instruction (e.g. five weeks for a five-week course) as services are delivered to the student.
- For students who enrolls at Group's programs on risk free basis (100% scholarship, Ambassador program, Trials), the Group does not recognize revenue for that program until students decide to continue beyond the risk free period, which is when the fees become fixed and determinable.
- The Group reassesses collectability throughout the period revenue is recognized when there are changes in facts or circumstances that indicate collectability is no longer reasonably assured security deposit collected from students are refundable post completion of the program and are not recognized as revenue.

Sale of News & Publications, Waste Paper and Scrap

Revenue from the sale of goods is recognised when the control is transferred to the buyer, usually on delivery of the goods. Revenue from the sale of goods is measured based on the transaction price, which is the consideration, adjusted for returns, allowances, trade discounts and volume rebates.

For contracts with a significant financing component, an entity adjusts the promised consideration to reflect the time value of money.

Management also extends a right to return to its customers which it believes is a form of variable consideration. Revenue recognition is limited to amounts for which it is highly probable" a significant reversal will not occur (i.e. it is highly probable the goods will not be returned). A refund liability is established for the expected amount of refunds and credits to be issued to customers.

Printing Job Work

Revenue from printing job work is recognized on the stage of completion of job work as per terms of the agreement. Revenue from job work is measured based on the transaction price, which is the consideration, adjusted for allowances, trade discounts and volume rebates, if any.

Interest income

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

Dividends

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

h) Government grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

When the Group receives grants for purchase of property, plant and equipment, the asset and the grant are recorded at fair value amounts and released to statement of profit and loss over the expected useful life of the asset.

i) Taxes

Current income tax

Tax expense comprises current and deferred tax.

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

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

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised is correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Appendix C to Ind AS 12, Income Taxes dealing with accounting for uncertainty over income tax treatments is applicable from accounting periods beginning on or after April 1, 2019. It does not have any material impact on financial statements of the Group.

Deferred tax

Deferred tax is provided considering temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

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

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

Deferred tax assets and deferred tax liabilities are offset if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

MAT Credits are in the form of unused tax credits that are carried forward by the Group for a specified period of time. Accordingly, MAT Credit Entitlement are grouped with Deferred Tax Asset in the Balance Sheet. The Group reviews at each balance sheet date the reasonable certainty to recover deferred tax asset including MAT Credit Entitlement.

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

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

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

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

j) Property, plant and equipment

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

Construction in progress is stated at cost, net of accumulated impairment losses, if any. Plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if

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any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met.

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

Recognition:

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

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

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

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

Depreciation methods, estimated useful life and residual value

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

Type of asset	Useful life estimated by management (Years)
Plant and Machinery	2-21
Buildings (Factory)	10-30
Buildings (other than factory buildings)	3-60
Furniture and Fittings	2-10
IT Equipment	3-6
Office Equipment	2-5
Vehicles	8

The Group, based on technical assessment made by the management depreciates certain assets over estimated useful life which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management has estimated, supported by technical assessment, the useful life of certain plant and machinery as 16 to 21 years. These useful life are higher than those indicated in schedule II to the Companies Act, 2013. The management believes that these estimated useful life are realistic and reflect a fair approximation of the period over which the assets are likely to be used.

Property, Plant and Equipment which are added/disposed off during the year, depreciation is provided on pro-rata basis with reference to the month of addition/deletion.

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

Subsequent expenditure can be capitalised only if it is probable that future economic benefits associated with the expenditure will flow to the group.

Expenditure directly attributable to construction activity is capitalized. Other indirect costs incurred during the construction periods which are not directly attributable to construction activity are charged to Statement of Profit and Loss. Reinvested income earned during the construction period is adjusted against the total of indirect expenditure.

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

k) Investment properties

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

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

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

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

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

l) Intangible assets

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

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

On transition to Ind AS, the Group has elected to continue with the carrying value of all of its Intangible assets recognised as at 1st April 2015 measured as per the previous GAAP and use that carrying value as the deemed cost of the Intangible assets.

The useful life of intangible assets is assessed as either finite or indefinite.

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

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

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

Intangible Assets	Useful life (in years)
Software Licenses	1 - 6
Brand	Indefinite useful life

An intangible asset is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss.

m) Borrowing costs

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

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n) Leases

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as a lessee

The Group recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss.

The Group measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Group uses incremental borrowing rate. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Group is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. The Group recognises the amount of the re-measurement of lease liability due to modification as an adjustment to the right-of-use asset and statement of profit and loss depending upon the nature of modification. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Group recognises any remaining amount of the re-measurement in statement of profit and loss.

The Group has elected not to apply the requirements of Ind AS 116 to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognised as an expense on a straight-line basis over the lease term.

As a practical expedient a lessee (the Group) has elected, by class of underlying asset, not to separate lease components from any associated non-lease components. A lessee (the Group) accounts for the lease component and the associated non-lease components as a single lease component.

Group as a lessor

At the inception of the lease the Group classifies each of its leases as either an operating lease or a finance lease. The Group recognises lease payments received under operating leases as income on a straight- line basis over the lease term. In case of a finance lease, finance income is recognised over the lease term based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the lease.

Transition to Ind AS 116

Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has notified Ind AS 116 Leases which replaces the existing lease standard, Ind AS 17 leases and other interpretations. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. It introduces a single, on-balance sheet lease accounting model for lessees.

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The Group has adopted Ind AS 116, effective annual reporting period beginning April 1, 2019 and applied the standard to its leases, retrospectively, with the cumulative effect of initially applying the Standard, recognised on the date of initial application (April 1, 2019). Accordingly, the Group has not restated comparative information. As on April 1, 2019, the Group has recognized a right of use asset at an amount equivalent to the lease liability and consequently there is no adjustment to the opening balance of retained earnings as on April 1, 2019. On application of Ind AS 116, the nature of expenses has changed from lease rent in previous periods to depreciation cost for the right-to-use asset, and finance cost for interest accrued on lease liability.

Refer note 2(I) – Significant accounting policies – Leases in the Annual report of the Company for the year ended March 31, 2019, for the policy as per Ind AS 17.

Identification of lease:

- The Group has reassessed whether a contract is, or contains, a lease at the date of initial application.

Leases previously classified as operating leases:

- The Group has recognised a lease liability at the date of initial application for leases previously classified as an operating lease applying Ind AS 17 (other than those which does not satisfy the lease definition criteria under Ind AS 116). The Group has measured lease liability at the present value of the remaining lease payments, discounted using the Group's incremental borrowing rate at the date of initial application.

- The Group has recognised a right-of-use asset at the date of initial application for leases previously classified as an operating lease applying Ind AS 17 (other than those which does not satisfy the lease definition criteria under Ind AS 116). The Group has opted to measure right-of-use asset at an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in the balance sheet immediately before the date of initial application.

- The Group has relied on its assessment of whether leases are onerous applying Ind AS 37, Provisions, Contingent Liabilities and Contingent Assets, immediately before the date of initial application as an alternative to performing an impairment review.

- The Group has opted not to apply the above transition requirements to leases for which the lease term ends within 12 months of the date of initial application.

Leases previously classified as finance leases:

- For leases that were classified as finance leases applying Ind AS 17, the carrying amount of the right-of-use asset and the lease liability at the date of initial application is the carrying amount of the lease asset and lease liability immediately before that date measured applying Ind AS 17.

Impact on transition as on April 1, 2019:

Intangible Assets	₹ In Lakhs
Right-of-use assets – property, plant and equipment	326
Lease liabilities	326
Retained earnings	–
Operating lease commitments at March 31, 2019 as disclosed under Ind AS 17 in the Group's financial statements (A)	595
Less : Transactions in the nature of lease under Ind AS 17 but does not qualify definition of lease under Ind AS 116 (B)	156
Net Operating lease commitments (C)=(A)-(B)	439
Discounted using the incremental borrowing rate at April 1, 2019 (D)	326
Lease liabilities recognised at April 1 ,2019 (E)	326
Difference (D)- (E)	-

The weighted average incremental borrowing rate of 8% has been applied to lease liabilities recognized in the balance sheet at the date of initial application.

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o) Inventories

Inventories are valued as follows :

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

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

p) Impairment of non-financial assets

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

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

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

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

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

q) Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of

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

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

r) Employee benefits

Short term employee benefits and defined contribution plans:

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

Employee benefit in the form of provident fund is a defined contribution scheme. The Group has no obligation, other than the contribution payable to the provident fund. The Group recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

Gratuity

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

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

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

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

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

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

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

Termination Benefits

Termination benefits are payable when employment is terminated by the group before the normal retirement date. The Group recognises termination benefits at the earlier of the following dates: (a) when the group can no longer withdraw the offer of those benefits; and (b) when the Group recognises costs for a restructuring that is within the scope of Ind AS 37 and involves the payment of terminations benefits. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value.

Compensated Absences

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short term employee benefit. The Group measures the expected cost of such absences as the additional amount that it expects

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to pay as a result of the unused entitlement that has accumulated at the reporting date.

Re-measurements, comprising of actuarial gains and losses, are immediately taken to the statement of profit and loss and are not deferred. The Group presents the leave as a current liability in the balance sheet to the extent it does not have an unconditional right to defer its settlement for 12 months after the reporting date. Where Group has the unconditional legal and contractual right to defer the settlement for a period beyond 12 months, the same is presented as non- current liability.

s) Share-based payments

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

Equity-settled transactions

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

That cost is recognised, together with a corresponding increase in share-based payment (SBP) reserves in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The statement of profit and loss expense or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense. The SBP Scheme is administered through Employee Stock Option Trust.

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

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

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

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

t) Financial instruments

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

Financial assets

Initial recognition and measurement

All financial assets (Other than trade receivable which is recognised at transaction price as per Ind AS 115) are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

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FOR THE YEAR ENDED MARCH 31, 2020

Subsequent measurement

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

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

Debt instruments at amortised cost

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

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

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

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

Debt instruments at FVTPL

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

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

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss as "Finance income from debt instruments at FVTPL" under the head "Other Income".

Equity investments

All equity investments in scope of Ind-AS 109 are measured at fair value. Equity instruments which are held for trading recognised by an acquirer in a business combination to which Ind-AS 103 applies are Ind-AS classified as at FVTPL. For all other equity instruments, the Group may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

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

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

De-recognition

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

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

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through

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arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

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

Impairment of financial assets

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

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

b) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind-AS 115 (referred to as 'contractual revenue receivables' in these financial statements)

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

- Trade receivables or contract revenue receivables; and
- All lease receivables resulting from transactions within the scope of Ind- AS 116

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

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

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

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

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

As a practical expedient, the Group uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in

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the statement of profit and loss (P&L). This amount is reflected under the head 'other expenses' in the P&L. The balance sheet presentation for various financial instruments is described below:

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

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

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

Financial liabilities

Initial recognition and measurement

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

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

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

Subsequent measurement

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

Financial liabilities at fair value through profit or loss

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

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

Loans and borrowings

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

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

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

De-recognition

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

Embedded derivatives

An embedded derivative is a component of a hybrid (combined) instrument that also includes a non-derivative host contract - with the effect that some of the cash flows of the combined instrument vary in a way similar to a stand-

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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

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

Offsetting of financial instruments

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

u) Derivative financial instruments and hedge accounting

Derivative accounting

Initial recognition and subsequent measurement

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

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

Hedge Accounting

Initial recognition and subsequent measurement

The Group designates (Cash Flow Hedge):

- Intrinsic Value of Call Spread option to hedge foreign currency risk for repayment of Principal Amount in relation to External Commercial Borrowing (ECB) availed in USD.
- Interest Rate Swap (Floating to Fixed) to hedge interest rate risk in respect of Floating rate of interest in relation to ECB.

The Group documents at the inception of the hedging transaction the economic relationship between hedging instruments and hedged items including whether the hedging instrument is expected to offset changes in cash flows of hedged items. The Group documents its risk management objective and strategy for undertaking various hedge transactions at the inception of each hedge relationship.

Cash flow hedges that qualify for hedge accounting

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in the other comprehensive income in cash flow hedging reserve within equity, limited to the cumulative change in fair value of the hedged item on a present value basis from the inception of the hedge. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss, within other income or expense.

When option contracts are used to hedge foreign currency risk, the Group designates only the intrinsic value of the option contract as the hedging instrument.

Gains or losses relating to the effective portion of the change in intrinsic value of the option contracts are recognised in the cash flow hedging reserve within equity. The changes in the time value of the option contracts that relate to the hedged item ('aligned time value') are recognised within other comprehensive income in the costs of hedging reserve within equity.

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Amounts accumulated in equity are reclassified to profit or loss in the periods when the hedged item affects profit or loss. The time value of an option used to hedge represents part of the cost of the transaction.

When a hedging instrument expires, or is sold or terminated, or when a hedge no longer meets the criteria for hedge accounting, any cumulative deferred gain or loss and deferred costs of hedging in equity at that time remains in equity until the forecast transaction occurs. When the forecast transaction is no longer expected to occur, the cumulative gain or loss and deferred costs of hedging that were reported in equity are immediately reclassified to profit or loss within other income or expense.

v) Cash and cash equivalents

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

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

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

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

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

Upon distribution of non-cash assets, any difference between the carrying amount of the liability and the carrying amount of the assets distributed is recognised in the statement of profit and loss.

x) Contingent liabilities

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

y) Measurement of EBITDA

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

z) Earnings per share

Basic earnings per share

Basic earnings per share are calculated by dividing:

- the profit attributable to owners of the parent company
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year.

Diluted earnings per share

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

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

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

2.3. Significant accounting judgements, estimates & assumptions

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

1) The areas involving critical estimates are as below:

Property, Plant and Equipment

The Group, based on technical assessment and management estimate, depreciates certain assets over estimated useful lives which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management has estimated, supported by technical assessment, the useful lives of certain plant and machinery as 16 to 21 years. These useful lives are higher than those indicated in schedule II. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

Defined benefit plans

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

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

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

Further details about gratuity obligations are given in Note 31.

2) The areas involving critical Judgement are as below:

Intangible asset – "Hindi Hindustan" Brand

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

Contingent Liability and commitments

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

Fair value measurements

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

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Changes in assumptions about these factors could affect the reported fair value of financial instruments. See Note 38 for further disclosures.

Taxes

Uncertainties exist with respect to the interpretation of complex tax regulations, changes in tax laws, and the amount and timing of future taxable income. Given the wide range of business relationships and the long-term nature and complexity of existing contractual agreements, differences arising between the actual results and the assumptions made, or future changes to such assumptions, could necessitate future adjustments to tax income and expense already recorded. The Group establishes provisions, based on reasonable estimates. The amount of such provisions is based on various factors, such as experience of previous tax assessments and differing interpretations of tax regulations by the taxable entity and the responsible tax authority. Such differences of interpretation may arise on a wide variety of issues depending on the conditions prevailing in the respective domicile of the Companies.

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

Further details on taxes are disclosed in Note 14.

Volume discounts and pricing incentives

The Group accounts for volume discounts and pricing incentives to customers as a reduction of revenue based on the rateable allocation of the discounts/ incentives amount to each of the underlying revenue transaction that results in progress by the customer towards earning the discount/ incentive. Also, when the level of discount varies with increases in levels of revenue transactions, the Group recognizes the liability based on its estimate of the customer's future purchases. If it is probable that the criteria for the discount will not be met, or if the amount thereof cannot be estimated reliably, then discount is not recognized until the payment is probable and the amount can be estimated reliably. The Group recognizes changes in the estimated amount of obligations for discounts in the period in which the change occurs.

Impairment of financial assets

The impairment provisions for financial assets are based on assumptions about risk of default and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

Impairment of non- financial assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or CGU's fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent markets transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded subsidiaries or other available fair value indicators.

Share Based Payment

The Group measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs

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to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them. The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in Note 32.

Determining the lease term of contracts with renewal and termination options – as lessee

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Group applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate.

The periods covered by termination options are included as part of the lease term only when they are reasonably certain not to be exercised.

For further details about leases, refer to accounting policy on leases and Note 43.

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Note 3 : Property, Plant and Equipment and Capital Work-in-Progress

(₹ in Lakhs)

Particulars	Land Freehold (refer note II)	Land Leasehold	Buildings (refer note II)	Improvement to Leasehold Premises	Plant and Machinery (refer note II)	Office Equipment (refer note II)	Furniture & Fixture (refer note II)	Vehicles	Total
Cost or Valuation									
As at April 1, 2018	**981**	**1,240**	**4,276**	**1,013**	**13,199**	**361**	**450**	**35**	**21,555**
Acquisition from IESPL (refer note 42)	-	-	-	-	56	11	42	-	109
Additions	-	2,535	650	76	3,163	107	27	-	6,558
Disposals/ adjustments	-	-	-	43	144	47	54	35	323
As at March 31, 2019	**981**	**3,775**	**4,926**	**1,046**	**16,274**	**432**	**465**	**-**	**27,899**
Additions	-	-	1,040	1	733	52	7	-	1,833
Less : Reclassification to right - of - use assets	-	3,775	-	-	-	-	-	-	3,775
Less : Disposals/adjustments	-	-	1	69	101	19	-	-	190
As at March 31, 2020	**981**	**-**	**5,965**	**978**	**16,906**	**465**	**472**	**-**	**25,767**
Accumulated Depreciation/ Impairment									
As at April 1, 2018	**-**	**45**	**660**	**541**	**4,419**	**222**	**74**	**6**	**5,967**
Depreciation charge for the year	-	44	241	157	1,494	77	70	1	2,084
Impairment	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	23	104	38	19	7	191
As at March 31, 2019	**-**	**89**	**901**	**675**	**5,809**	**261**	**125**	**-**	**7,860**
Depreciation charge for the year	-	-	266	104	1,618	71	49	-	2,108
Impairment (refer note III below)	-	-	-	-	11	-	-	-	11
Less : Reclassification to right - of - use assets	-	89	-	-	-	-	-	-	89
Less: Disposals	-	-	1	67	77	19	-		164
As at March 31, 2020	**-**	**-**	**1,166**	**712**	**7,361**	**313**	**174**	**-**	**9,726**
Net Block									
As at March 31, 2020	**981**	**-**	**4,799**	**266**	**9,545**	**152**	**298**	**-**	**16,041**
As at March 31, 2019	**981**	**3,686**	**4,025**	**371**	**10,465**	**171**	**340**	**-**	**20,039**

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Note 3 : Property, Plant and Equipment and Capital Work-in-Progress (Contd..)

(₹ in Lakhs)

Particulars	March 31, 2020	March 31, 2019
Property, plant and equipment	16,041	20,039
Capital work in progress	1,019	1,152
Total	**17,060**	**21,191**

I. Capital work in progress (CWIP)

The capital work in progress as at March 31, 2020 and March 31, 2019 comprises mainly expenditure for Buildings & Plant and Machinery.

The Company accounts for capitalization of property, plant and equipment to the extent applicable through capital work in progress and therefore the movement in capital work-in-progress is the difference between closing and opening balance of capital work-in-progress as adjusted in additions to property, plant and equipment.

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

(₹ in Lakhs)

Particulars	March 31, 2020					March 31, 2019		
	Plant and Machinery	Freehold Land	Buildings	Office Equipment	Furniture & Fixture	Plant and Machinery	Freehold Land	Buildings
Gross block	2,965	296	1,412	20	1	1,194	296	808
Accumulated depreciation	1,223	-	217	8	0	358	-	134
Net block	**1,742**	**296**	**1,195**	**12**	**1**	**836**	**296**	**674**
Depreciation for the year	240	-	54	4	0	100	-	36

For further disclosures on assets given under operating lease, refer note 43.

III. Additional information for which impairment loss/reversal of impairment has been recognized are as under:

1) Nature of asset :Plant and machinery

2) Amount of Impairment : 11 lakhs (previous year: Nil)

3) Reason of Impairment : On account of physical damage

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FOR THE YEAR ENDED MARCH 31, 2020

Note 4 : Investment Property

(₹ in Lakhs)

Particulars	Amount
Cost	
As at April 1, 2018	**618**
Additions	2,829
Disposals	-
As at March 31, 2019	**3,447**
Additions	2,592
Moved to property plant and equipment (capital work-in-progress)	(911)
Disposals	(838)
As at March 31, 2020	**4,290**
Accumulated Depreciation and impairment	
As at April 1, 2018	**-**
Depreciation	-
Impairment (refer note I below)	220
As at March 31, 2019	**220**
Depreciation	44
Impairment (refer note I below)	18
Disposals	(153)
As at March 31, 2020	**129**
Net Block	
As at March 31, 2020	**4,161**
As at March 31, 2019	**3,227**

Information regarding income and expenditure of investment property (excluding profit/ (loss) on sale of investment and impairment of properties)

(₹ in Lakhs)

Particulars	March 31, 2020	March 31, 2019
Rental income derived from investment properties	25	-
Direct operating expenses (including repairs and maintenance) generating rental income	3	-
Direct operating expenses (including repairs and maintenance) that did not generate rental income	5	-
Profit arising from investment properties before depreciation and indirect expenses	**17**	**-**
Less - Depreciation	44	-
Loss arising from investment properties before indirect expenses	**(27)**	**-**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2020

Note 4 : Investment Property (Contd..)

Note I : Additional information for which impairment loss has been recognized are as under:

1) Nature of asset: Investment Property

2) Amount of Impairment: ₹ 18 lakhs (previous year: ₹ 220 lakhs)

3) Reason for impairment: Fair value being recoverable amount was determined for disclosure requirement. The same was compared with the carrying amount.

The management has determined that the investment properties consist of two classes of assets — residential and commercial— based on the nature, characteristics and risks of each property.

As at March 31, 2020 and March 31, 2019, the fair values of the properties are ₹ 4,585 Lakhs and ₹ 3,390 Lakhs respectively. These valuations are based on valuations performed by an accredited independent valuer who is an specialist in valuing these types of investment properties. A valuation model in accordance with Ind AS 113 has been applied.

The Company has no restrictions on the realisability of its investment properties and there exist contractual obligations of ₹ 2,433 lakhs (March 31, 2019: ₹ 83 lakhs) to purchase the investment property whereas there are no contractual obligation to develop investment property or for repairs and enhancements.

Estimation of Fair Value

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

Note 5 : Intangible Assets

(₹ in Lakhs)

Particulars	Website Development	Software Licenses	Brand #	Total (Intangible Assets)
Cost or Valuation				
As at April 1, 2018	**2**	**276**	**6,696**	**6,974**
Acquisition from IESPL (refer note 42)	-	7	-	7
Additions	-	70	-	70
Disposals/ adjustments	-	35	-	35
As at March 31, 2019	**2**	**318**	**6,696**	**7,016**
Additions	-	-	-	-
Disposals/ adjustments	-	-	-	-
As at March 31, 2020	**2**	**318**	**6,696**	**7,016**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2020

Note 5 : Intangible Assets (Contd..)

(₹ in Lakhs)

Particulars	Website Development	Software Licenses	Brand #	Total (Intangible Assets)
Accumulated Amortization/ Impairment				
As at April 1, 2018	**2**	**150**	**-**	**152**
Charge for the year	-	38	-	38
Disposals	-	1	-	1
As at March 31, 2019	**2**	**187**	**-**	**189**
Charge for the year	-	36	-	36
Disposals	-	-	-	-
As at March 31, 2020	**2**	**223**	**-**	**225**
Net Block				
As at March 31, 2020	**-**	**95**	**6,696**	**6,791**
As at March 31, 2019	**-**	**131**	**6,696**	**6,827**

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

For the purposes of impairment testing of Brand with indefinite life, the recoverable amount of Brand is based on its fair value. The fair value has been determined as per Royalty Relief method. The fair value is being compared with the Carrying amount of Brand as stated above. No impairment has been observed. Discount rate (14% to 17%) and Royalty rate (4%) are the key assumptions considered in determining fair value. It is Level III valuation. There has been no change in the valuation technique.

Note 6A : Investment in joint venture (accounted for using equity method)

(₹ in Lakhs)

Particulars	March 31, 2020	March 31, 2019
Unquoted		
HT Content Studio LLP (99.99% profit sharing ratio)(in form of capital contribution) (refer note 41)	57	-
Total	**57**	**-**

As on March 31, 2020, the Company has invested ₹ 324 Lakhs in HT Content Studio LLP. The Company has accounted for net asset/ liability in the entity as per equity method of accounting.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2020

Note 6B : Financial Assets- Investments

(₹ in Lakhs)

Particulars	March 31, 2020	March 31, 2019
I. Investment at fair value through profit and loss		
Unquoted		
Investment in equity instruments	1,871	1,485
Investment in optionally convertible redeemable preference shares	1,320	-
Quoted		
Investment in mutual funds*	1,15,033	1,05,393
Total I	**1,18,224**	**1,06,878**
II. Investment at amortised cost		
Quoted		
Investment in bonds	-	194
Total II	**-**	**194**
Total Investments (I+II)	**1,18,224**	**1,07,072**
Non - current	87,381	56,852
Current	30,843	50,220
Aggregate book value of quoted investments	1,15,033	1,05,587
Aggregate market value of quoted investments	1,15,033	1,05,603
Aggregate book value of unquoted investments	3,191	1,485

* ₹ 17,914 Lakhs (Fair value) of mutual fund (original cost: ₹ 15,303 Lakhs) are pledged in favour of banks against overdraft and ECB facility in F.Y. 19-20 (F.Y 18-19 - fair value : ₹ 16,673 Lakhs & original cost :₹ 14,900 Lakhs).

Note 6C :Financial assets- Loans

(₹ in Lakhs)

Particulars	March 31, 2020	March 31, 2019
At amortised cost		
Inter-corporate deposits (refer note 34A & 44)	6,050	-
Security deposit #	1,658	683
Total loans	**7,708**	**683**
Non - current	7,708	683

Includes security deposit paid to related parties ₹ 1,446 Lakhs (previous year March 31, 2019: ₹ 237 Lakhs) (refer note 34A)

(₹ in Lakhs)

Particulars	March 31, 2020	March 31, 2019
Secured, considered good	-	-
Unsecured, considered good	7,708	683
Unsecured, considered doubtful	-	-
	7,708	**683**
Allowances for bad and doubtful loans	-	-
Total Loans	**7,708**	**683**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2020

Note 6D :Other Financial Assets

(₹ in Lakhs)

Particulars	March 31, 2020	March 31, 2019
I. Derivatives at Fair Value through other comprehensive income		
- Forex derivative contract	619	170
Total I	**619**	**170**

Derivative instruments at fair value through other comprehensive income reflect the positive change in fair value of those foreign exchange option contracts that are designated in hedge relationships. (refer note 36)

Particulars	March 31, 2020	March 31, 2019
II. Other financial assets at amortised cost		
Balance with banks :		
- Margin money (held as security in form of fixed deposit)	21	-
Interest accrued on inter corporate deposits and others	391	30
Other receivables #	1,126	110
Total II	**1,538**	**140**
Total other financial assets (I) +(II)	**2,157**	**310**
Non - current	463	-
Current	1,694	310

Includes receivable from related parties ₹ 1,126 Lakhs (previous year March 31, 2019: ₹ 88 Lakhs)

Loans and receivables are non-derivative financial assets which generate a fixed or variable interest income for the Group. The carrying value may be affected by changes in the credit risk of the counterparties.

Note 6E :Break up of financial assets carried at amortised cost

(₹ in Lakhs)

Particulars	March 31, 2020	March 31, 2019
Investments in Bonds (note 6B)	-	194
Trade receivables (note 10A)	16,785	16,672
Cash and cash equivalents (note 10B)	1,530	5,565
Other bank balances (note 10 C)	2,006	2,168
Loans (note 6C)	7,708	683
Other financial assets (note 6D)	1,538	140
Total financial assets carried at amortised cost	**29,567**	**25,422**

Note 7: Income tax assets (net)

(₹ in Lakhs)

Particulars	March 31, 2020	March 31, 2019
Income tax assets (net)	1,268	1,357
Non- current	**1,268**	**1,357**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2020

Note 8 : Other non- current assets

(₹ in Lakhs)

Particulars	March 31, 2020	March 31, 2019
Capital advance	178	286
Advances other than capital advances		
Prepaid expenses	132	146
Deferred premium call spread	-	59
Total	**310**	**491**

#Includes prepaid expenses pertaining to related parties ₹ 132 Lakhs (previous year March 31, 2019: ₹ 146 Lakhs) (refer note 34A)

Note 9 : Inventories

(₹ in Lakhs)

Particulars	March 31, 2020	March 31, 2019
Raw materials {includes stock in transit of ₹ 907 Lakhs (March 31, 2019:₹ 413 Lakhs)}	3,633	3,432
Work- in- progress	44	20
Stores and spares	884	954
Scrap and waste papers	90	37
Total	**4,651**	**4,443**

Note 10 A : Trade receivables

(₹ in Lakhs)

Particulars	March 31, 2020	March 31, 2019
Trade receivables	16,290	15,944
Receivables from related parties (refer note 34A)	495	728
Total	**16,785**	**16,672**

(₹ in Lakhs)

Particulars	March 31, 2020	March 31, 2019
Secured, considered good	1,351	1,045
Unsecured, considered good	15,434	15,627
Unsecured, considered doubtful	3,550	2,965
	20,335	**19,637**
Loss allowance for bad & doubtful debts	(3,550)	(2,965)
Total	**16,785**	**16,672**

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

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2020

Note 10 B : Cash and cash equivalents

(₹ in Lakhs)

Particulars	March 31, 2020	March 31, 2019
Balance with banks :		
- On current accounts	477	1,779
- Deposits with original maturity of three months or less than three months	-	19
Cheques in hand	910	3,550
Cash on hand	143	217
Total	**1,530**	**5,565**

Note 10 C: Bank balances other than (10B) above

(₹ in Lakhs)

Particulars	March 31, 2020	March 31, 2019
- Deposits with original maturity of more than three months*	2,000	2,161
- Unclaimed dividend account#	6	7
Total	**2,006**	**2,168**

* Represents deposit receipts pledged with banks against overdraft facility for ₹ 2,000 lakhs (previous year - Nil)

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

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

(₹ in Lakhs)

Particulars	March 31, 2020	March 31, 2019
Balance with banks :		
- On current accounts	477	1,779
- Deposits with original maturity of three months or less than three months	-	19
Cheques in hand	910	3,550
Cash on hand	143	217
	1,530	**5,565**
Less - Bank overdraft (refer note 15A)	1,142	-
	388	**5,565**

Note 11 : Other current assets

(₹ in Lakhs)

Particulars	March 31, 2020	March 31, 2019
Prepaid expenses	225	642
Advances given (net)	577	494
Deferred premium call spread	-	37
Balance with government authorities	2,667	2,098
Total	**3,469**	**3,271**

Includes prepaid expenses pertaining to related parties ₹ 124 Lakhs (previous year March 31, 2019: ₹ 217 Lakhs) (refer note 34A)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2020

Note 12 : Share capital

Authorised share capital

Particulars	No. of shares	Amount (₹ Lakhs)
At April 1, 2018	**8,70,00,000**	**8,700**
Increase during the year	-	-
At March 31, 2019	**8,70,00,000**	**8,700**
Increase during the year	-	-
At March 31, 2020	**8,70,00,000**	**8,700**

Terms/ rights attached to equity shares

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

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

Share suspense account

Particulars	No. of shares	Amount (₹ Lakhs)
At April 1, 2018 (refer note 42)	**2,77,778**	**28**
Changes during the year	-	-
At March 31, 2019	**2,77,778**	**28**
Changes during the year	(2,77,778)	-28
At March 31, 2020	**-**	**-**

Issued, subscribed and paid-up share capital

Equity shares of ₹ 10 each issued, subscribed and fully paid-up	No. of shares	Amount (₹ Lakhs)
At April 1, 2018	**7,33,93,770**	**7,339**
Changes during the year	-	-
At March 31, 2019	**7,33,93,770**	**7,339**
Changes during the year	2,77,778	28
At March 31, 2020	**7,36,71,548**	**7,367**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2020

Note 12 : Share capital (Contd..)

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

(₹ in Lakhs)

Particulars	March 31, 2020		March 31, 2019	
	No. of shares	Amount (₹ Lakhs)	No. of shares	Amount (₹ Lakhs)
Shares outstanding at the beginning of the year	7,33,93,770	7,339	7,33,93,770	7,339
Shares Issued during the year	2,77,778	28	-	-
Shares outstanding at the end of the year	**7,36,71,548**	**7,367**	**7,33,93,770**	**7,339**

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

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

(₹ in Lakhs)

Particulars	March 31, 2020	March 31, 2019
HT Media Limited, the holding company		
54,808,457 (previous year 54,533,458) equity shares of ₹ 10 each fully paid	5,481	5,453

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

Particulars	March 31, 2020		March 31, 2019	
	No. of shares	% holding	No. of shares	% holding
Equity shares of ₹ 10 each fully paid				
HT Media Limited, the holding company	5,48,08,457	74.40%	5,45,33,458	74.30%
Kotak Mahindra (International) Limited	42,36,000	5.75%	42,79,952	5.83%

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

Shares reserved for issue under options

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

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2020

Note 13 : Other equity

(₹ in Lakhs)

Particulars	March 31, 2020	March 31, 2019
Securities premium	24,239	24,239
Capital redemption reserve	1	1
Capital reserve	6,645	6,645
General reserve	688	688
Retained earnings	1,12,823	1,02,715
Cash flow hedging reserve (refer note 36)	(186)	(79)
Costs of hedging reserve (refer note 36)	(178)	(207)
Share-based payments reserve (refer note 32)	17	-
Total	**1,44,049**	**1,34,002**

Securities premium

Particulars	Amount (₹ in Lakhs)
At April 1, 2018	**24,239**
Changes during the year	-
At March 31, 2019	**24,239**
Changes during the year	-
At March 31, 2020	**24,239**

Securities premium is used to record the premium on issue of shares. The reserve can be utilised only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013.

Capital redemption reserve

Particulars	Amount (₹ Lakhs)
At April 1, 2018	**1**
Changes during the year	-
At March 31, 2019	**1**
Changes during the year	-
At March 31, 2020	**1**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2020

Note 13 : Other equity (Contd..)

Capital reserve

Particulars	Amount (₹ Lakhs)
At April 1, 2018 *	**7,965**
Adjustment for IESPL Scheme (refer note 42)	(1,320)
At March 31, 2019	**6,645**
Changes during the year	-
At March 31, 2020	**6,645**

*Origination of ₹ 238 Lakhs is in relation to common control acquisition and of ₹ 7,727 Lakhs is in relation to demerger of business.

General reserve

Particulars	Amount (₹ Lakhs)
At April 1, 2018	**688**
Changes during the year	-
At March 31, 2019	**688**
Changes during the year	-
At March 31, 2020	**688**

Retained earnings

(₹ in Lakhs)

Particulars	March 31, 2020	March 31, 2019
Opening balance	1,02,715	92,939
Net profit for the year	11,630	10,840
Items of other comprehensive income (OCI) recognised directly in retained earnings		
- Remeasurement of defined benefit plans, net of tax	(461)	(3)
Less: Final dividend paid for March 2019: ₹ 1.2 per share (March 2018: ₹ 1.2 per share)	881	881
Less: Tax on dividend	180	180
Closing Balance	**1,12,823**	**1,02,715**

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

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2020

Note 13 : Other equity (Contd..)

Cash flow hedging reserve * (refer note 36)

Particulars	Amount (₹ Lakhs)
At April 1, 2018	**-**
Changes in intrinsic value of foreign currency options	170
Changes in fair value of interest rate swaps	(122)
Tax impact	43
Amounts reclassified to profit or loss	(170)
At March 31, 2019	**(79)**
Changes in intrinsic value of foreign currency options	449
Changes in fair value of interest rate swaps	(165)
Tax impact	58
Amounts reclassified to profit or loss	(449)
At March 31, 2020	**(186)**

*The effective portion of gains and loss on hedging instruments in a cash flow hedge

Costs of hedging reserve

Particulars	Amount (₹ Lakhs)
At April 1, 2018	**-**
Deferred costs of hedging-transaction related- deferred time value of foreign currency option contracts	(464)
Amount reclassified from cost of hedging reserve to profit or loss	146
Tax impact	111
At March 31, 2019	**(207)**
Deferred costs of hedging-transaction related- deferred time value of foreign currency option contracts	(126)
Amount reclassified from cost of hedging reserve to profit or loss	171
Tax impact	(16)
At March 31, 2020	**(178)**

Share-based payments reserve (refer note 32)

Particulars	Amount (₹ Lakhs)
At April 1, 2018	**-**
Changes during the year	-
At March 31, 2019	**-**
Changes during the year	17
At March 31, 2020	**17**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2020

Note 14 : Income Tax

The major components of income tax expense for the year ended March 31, 2020 and March 31, 2019 are :

Statement of profit and loss :

Profit and loss section

(₹ in Lakhs)

Particulars	March 31, 2020	March 31, 2019
Current income tax :		
Current income tax charge	2,912	2,344
Adjustments in respect of current income tax of previous years	-	(1,279)
Deferred tax :		
Relating to origination and reversal of temporary differences	1,976	463
Adjustments in respect of deferred tax of previous years	-	(2,769)
Income tax expense reported in the statement of profit and loss	**4,888**	**(1,241)**

OCI section :

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

(₹ in Lakhs)

Particulars	March 31, 2020	March 31, 2019
Income tax charge/(credit) on cash flow hedging reserve	(58)	(43)
Income tax charge/(credit) on costs of hedging reserve	16	(111)
Income tax charge/(credit) on remeasurement of defined benefit plans	(247)	(3)
Income tax charged to OCI	**(289)**	**(157)**

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for March 31, 2020 and March 31, 2019:

(₹ in Lakhs)

Particulars	March 31, 2020	March 31, 2019
Accounting profit before income tax	16,785	9,599
At India's statutory income tax rate of 34.944 % (March 31, 2019: 34.944 %)	5,866	3,354
Non-Taxable Income for tax purposes:		
Income from investments	(1,221)	(872)
Non-deductible expenses for tax purposes:		
Other non-deductible expenses	140	109
Adjustments in respect of current income tax of previous years	-	(1,279)
Adjustments in respect of deferred income tax of previous years	-	(2,769)
Adjustments in respect of change in tax rate	(17)	6
Income taxable at lower rate	(368)	(414)
Difference in tax base and book base of investments/ investment property	488	624
At the effective income tax rate	**4,888**	**(1,241)**
Income tax expense reported in the Statement of Profit and Loss	**4,888**	**(1,241)**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2020

Note 14 : Income Tax (Contd..)

Deferred tax relates to the following:

(₹ in Lakhs)

Particulars	March 31, 2020	March 31, 2019	Movement during the year
Deferred tax liabilities			
Differences in depreciation in block of property, plant and equipment as per tax books and financial books	2,174	2,702	(528)
Difference between tax base and book base on Investments/Investment property	2,310	1,822	488
Gross deferred tax liabilities	**4,484**	**4,524**	**(40)**
Deferred tax assets			
Effect of expenditure debited to the Statement of Profit and Loss in the current year/earlier years but allowed for tax purposes in following years	631	470	161
Unutilized MAT Credit*	1,240	2,856	(1,616)
Allowance for doubtful debts and advances	799	1,071	(272)
Gross deferred tax assets	**2,670**	**4,397**	**(1,727)**
Deferred tax liabilities (net)	**1,814**	**127**	**1,687**

* Considering the future projections, there is a reasonable certainty to recover MAT Credit Entitlement.

Reconciliation of deferred tax liabilities (net):

(₹ in Lakhs)

Particulars	March 31, 2020	March 31, 2019
Opening balance as of April 1	**127**	**2,591**
Tax expense/(income) during the period recognised in Statement of Profit and Loss	1,687	(2,464)
Closing balance as at March 31	**1,814**	**127**

During the year ended March 31, 2020 and March 31, 2019, the Group has paid dividend to its shareholders. This has resulted in payment of dividend distribution tax to the taxation authorities. The Group believes that dividend distribution tax represents additional payment to taxation authority on behalf of the shareholders. Hence dividend distribution tax paid is charged to equity.

Note 15 A : Borrowings

(₹ in Lakhs)

Particulars	Effective Interest Rate %	Maturity	March 31, 2020	March 31, 2019
Non-current borrowings				
From banks				
Secured				
ECB from banks	Refer note I	Refer note I	4,722	6,051
			4,722	**6,051**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2020

Note 15 A : Borrowings (Contd..)

(₹ in Lakhs)

Particulars	Effective Interest Rate %	Maturity	March 31, 2020	March 31, 2019
Current borrowings				
From banks				
Secured				
ECB from banks	Refer note I	Refer note I	1,889	864
Cash credit/ overdraft from bank	Refer note II	Refer note II	1,142	-
Unsecured				
Buyer's credit from bank	Refer note III	Refer note III	3,690	539
			6,721	**1,403**
Less : Amount clubbed under "other current financial liabilities" (Current maturities of long term borrowing)			1,889	864
Net current borrowings			**4,832**	**539**
Aggregate secured loans			7,753	6,915
Aggregate unsecured loans			3,690	539

Note I - External Commercial Borrowing from Bank (secured)

External commercial borrowing of USD 100 Lakhs from bank carries interest @USD 3 months Libor + 0.65% spread p.a. The loan is repayable in 8 semi annual equal installments of USD 12.50 Lakhs starting from November 29, 2019. The loan is secured by pledge of debt mutual funds investment of Group. Refer note 36 for further details.

Note II- Cash Credit/ Overdraft from Bank (Secured)

Outstanding Cash Credit/ Overdraft from Bank was drawn @ Mibor + 170 bps p.a./ 6.83% p.a. and payable on demand. The loan is secured by pledge on Mutual funds units/ Lien on Fixed Deposits.

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

Outstanding Buyer's Credit loan from Bank was drawn in various tranches from August 01, 2019 till March 27, 2020 @ average Interest Rate of 2.87% p.a. (Applicable LIBOR+Margin from time to time/ Fixed rate) and are due for repayment respective due dates starting from April 27, 2020 till December 16, 2020.

For investments pledged in order to fulfill the collateral requirements for borrowings, refer note 38.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2020

Note 15 A : Borrowings (Contd..)

Debt Reconciliation:

(₹ in Lakhs)

Particulars	Current borrowings (including current portion of Long-term borrowings but excluding bank overdraft classified as part of cash and cash equivalent)	Non current borrowings	Total
As at April 1,2018	**11,487**	**-**	**11,487**
Cash flows:			
-Proceeds from short term borrowings	74,327	-	74,327
-Proceeds from non current borrowings	-	6,745	6,745
-Repayment of short term borrowings	(85,248)	-	(85,248)
Non-cash movements:			
-Foreign exchange adjustments	(27)	170	143
- Re-classification of long-term borrowing	864	(864)	-
As at March 31,2019	**1,403**	**6,051**	**7,454**
Cash flows:			
-Proceeds from short term borrowings	15,768	-	15,768
-Repayment of short term borrowings	(13,671)	-	(13,671)
Non-Cash movements:			
-Foreign exchange adjustments	190	560	750
- Re-classification of long-term borrowing	1,889	(1,889)	-
As at March 31, 2020	**5,579**	**4,722**	**10,301**

Note 15 B : Trade payables

(₹ in Lakhs)

Particulars	March 31, 2020	March 31, 2019
Trade payables		
- total outstanding due of micro enterprises and small enterprises	111	43
- total outstanding dues of creditors other than of micro enterprises and small enterprises"	7,593	9,442
- total outstanding due to related parties (refer note 34A)	814	1,330
Total	**8,518**	**10,815**
Current	**8,518**	**10,815**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2020

Note 15 C : Other financial liabilities

(₹ in Lakhs)

Particulars	March 31, 2020	March 31, 2019
Other financial liabilities at amortized cost		
Current maturity of long term loans	1,889	864
Book overdraft	58	-
Sundry deposits*	9,498	8,284
Interest accrued but not due on borrowings and others	53	32
Unclaimed dividend #	6	7
Liability-premium call option	288	430
Employee related payables	2,475	1,640
Others	438	195
Other financial liabilities at fair value through profit and loss		
Derivatives designated as hedges		
Derivative liability-IRS (refer note 36)	287	122
Total other financial liabilities	**14,992**	**11,574**
Non-current	**352**	**263**
Current	**14,640**	**11,311**

* Includes security deposits pertaining to related parties ₹ 575 Lakhs (previous year March 31, 2019: ₹ 375 Lakhs) (refer note 34A)

# Amount payable to Investor Education and Protection Fund	Nil	Nil

Break up of financial liabilities carried at amortized cost

(₹ in Lakhs)

Particulars	Note No	March 31, 2020	March 31, 2019
Borrowings (current)	15A	4,832	539
Borrowings (non- current)	15A	4,722	6,051
Trade payables	15B	8,518	10,815
Current maturity of long term loans	15C	1,889	864
Book overdraft	15C	58	-
Sundry deposits	15C	9,498	8,284
Interest accrued but not due on borrowings and others	15C	53	32
Unclaimed dividend	15C	6	7
Liability-premium call option	15C	288	430
Employee related payables	15C	2,475	1,640
Others	15C	438	195
Total financial liabilities carried at amortised cost		**32,777**	**28,857**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2020

Note 15 D : Lease liabilities

(₹ in Lakhs)

Particulars	March 31, 2020	March 31, 2019
Unsecured		
Lease liabilities (refer note 43)	2,174	-
Total	**2,174**	**-**
Current	**1,038**	**-**
Non- current	**1,136**	**-**

Note 15 E : Contract liabilities

(₹ in Lakhs)

Particulars	March 31, 2020	March 31, 2019
Advances from customers	803	672
Deferred revenue	701	755
Total	**1,504**	**1,427**
Current	**1,503**	**1,427**
Non- current	**1**	**-**

Amount of revenue recognised during FY 2019-2020 from contract liabilities at the beginning of the year is ₹ 924 lakhs.

Amount accrued during FY 2019-2020 amounts to ₹ 1,001 lakhs.

Note 16 : Provisions

(₹ in Lakhs)

Particulars	March 31, 2020	March 31, 2019
Provision for employee benefits (refer note 31)		
Provision for leave benefits	97	87
Provision for gratuity	986	121
Total	**1,083**	**208**
Current	**1,083**	**208**

Note 17 : Income tax liabilities (net)

(₹ in Lakhs)

Particulars	March 31, 2020	March 31, 2019
Income tax liability (net)	222	401
Total	**222**	**401**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2020

Note 18 : Other current liabilities

(₹ in Lakhs)

Particulars	March 31, 2020	March 31, 2019
Advances from customers	3	2
Customer credit balances	510	529
Statutory dues	349	235
Total	**862**	**766**

Note 19 : Revenue from operations

Revenue from contracts with customers

(₹ in Lakhs)

Particulars	March 31, 2020	March 31, 2019
Sale of products		
- Sale of newspaper and publications	19,972	20,599
Sale of services		
- Advertisement revenue	58,161	64,159
- Job work revenue and commission income	411	439
- Tuition and educational service	1	143
Other operating revenues		
- Sale of scrap, waste papers and old publication	867	1,297
- Forfeiture of security deposits	76	-
- Others	90	89
Total	**79,578**	**86,726**

Reconciliation of revenue recognised with the contracted price is as follows:

(₹ in Lakhs)

Particulars	March 31, 2020	March 31, 2019
Contract price	81,622	88,778
Adjustments to the contract price	(2,044)	(2,052)
Revenue recognised	**79,578**	**86,726**

The adjustments made to the contract price comprises of volume discounts, returns, credits, etc under the head Revenue from Operations.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2020

Note 20 : Other Income

(₹ in Lakhs)

Particulars	March 31, 2020	March 31, 2019
Interest income on EIR basis		
- Bank deposits	186	256
- Loan to fellow subsidiary	377	-
- Others	48	89
Other non - operating income		
Unclaimed balances/liabilities written back (net)	187	114
Rental income	969	775
Finance income from debt instruments at FVTPL*	8,972	7,244
Profit on sale of investments	9	124
Unwinding of discount on security deposit	36	3
Income from government grant**	-	142
Miscellaneous income	93	125
Total	**10,877**	**8,872**

*Gain on account of fair value movement (refer note 2.2 (t) Debt instruments at FVTPL)

**includes NIL (Previous year: ₹ 142 Lakhs) towards Electricity duty exemption

Note 21 : Cost of materials consumed

(₹ in Lakhs)

Particulars	March 31, 2020	March 31, 2019
Consumption of raw material		
Inventory at the beginning of the year	3,432	3,946
Add: Purchase during the year	28,585	39,951
Less : Sale of damaged newsprint	136	231
	31,881	**43,666**
Less: Inventory at the end of the year	3,633	3,432
Total	**28,248**	**40,234**

Note 22 : Changes in inventories

(₹ in Lakhs)

Particulars	March 31, 2020	March 31, 2019
Inventory at the beginning of the year		
- Finished goods	-	3
- Work -in- progress	20	2
- Scrap and waste papers	37	38

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2020

Note 22 : Changes in inventories (Contd..)

(₹ in Lakhs)

Particulars	March 31, 2020	March 31, 2019
Inventory at the end of the year		
- Work -in- progress	44	20
- Scrap and waste papers	90	37
Changes in inventories		
- Finished goods	-	3
- Work -in- progress	(24)	(18)
- Scrap and waste papers	(53)	1
Total	**(77)**	**(14)**

Note 23 : Employee benefits expense

(₹ in Lakhs)

Particulars	March 31, 2020	March 31, 2019
Salaries, wages and bonus	11,685	10,444
Contribution to provident and other funds (refer note 31)	504	403
Employee stock option scheme (refer note 32)	18	-
Gratuity expense (refer note 31)	157	110
Workmen and staff welfare expenses	191	208
Total	**12,555**	**11,165**

Note 24 : Finance costs

(₹ in Lakhs)

Particulars	March 31, 2020	March 31, 2019
Interest on debts and borrowings	722	1,587
Interest on lease liabilities	140	-
Exchange difference regarded as an adjustment to borrowing costs	57	128
Bank charges	30	44
Total	**949**	**1,759**

Note 25 : Depreciation and amortization expense

(₹ in Lakhs)

Particulars	March 31, 2020	March 31, 2019
Depreciation of tangible assets (note 3)	2,108	2,084
Depreciation expense of right-of-use assets (note 43)	878	-
Amortization of intangible assets (note 5)	36	38
Depreciation on investment properties (note 4)	44	-
Total	**3,066**	**2,122**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2020

Note 26 : Other expenses

(₹ in Lakhs)

Particulars	March 31, 2020	March 31, 2019
Consumption of stores and spares	2,113	2,546
Printing and service charges	4,421	3,643
News service and dispatches	438	429
News content sourcing fees	7,113	7,594
Service charges on advertisemen revenue	809	602
Power and fuel	1,170	1,428
Advertising and sales promotion	3,672	4,460
Freight and forwarding charges	1,249	1,274
Rent (refer note 43)	730	1,039
Rates and taxes	62	56
Insurance	159	222
Repairs and maintenance:		
- Plant and machinery	574	635
-Building	62	110
-Others	11	54
Travelling and conveyance	1,643	1,527
Communication costs	239	281
Legal and professional fees	1,662	1,624
Payment to auditors (refer note I)	53	52
Director's sitting fees	37	12
Foreign exchange differences (net)	317	183
Allowances for bad and doubtful debts (includes bad debts written off) (refer note II)	940	1,275
Loss on sale of property, plant and equipment (includes impairment of property, plant and equipment)	23	26
Fair value loss on investments through profit and loss	134	-
Loss on sale of investment properties	35	-
Impairment of investment properties	18	220
Donations/ contributions	62	58
Miscellaneous expenses	1,183	1,383
Total	**28,929**	**30,733**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2020

Note 26 : Other expenses (Contd..)

Note I : Payment to auditors

(₹ in Lakhs)

Particulars	March 31, 2020	March 31, 2019
As auditor :		
- Audit fee	24	24
- Limited review	17	16
- Tax audit fee	3	3
- Certification fees	4	4
- Reimbursement of expenses	5	5
Total	**53**	**52**

Note II : Movement of allowances for bad and doubtful debts

(₹ in Lakhs)

Particulars	Trade Receivables and Other current assets	
	March 31, 2020	March 31, 2019
Opening	3,065	1,997
Add: Allowances for doubtful debts	940	1,275
Less: Bad debts written off	348	207
Closing	**3,657**	**3,065**

Note 27 : Other comprehensive income

The disaggregation of changes to OCI by each type of reserve in equity is shown below :

For the year ended March 31, 2020

(₹ in Lakhs)

Particulars	Retained earnings	Cash flow hedging reserve	Costs of hedging reserve	Total
Remeasurement of defined benefit plans	(708)	-	-	(708)
Income tax effect	247	-	-	247
Cash flow hedging reserve	-	(165)	-	(165)
Income tax effect	-	58	-	58
Costs of hedging reserve	-	-	46	46
Income tax effect	-	-	(16)	(16)
Total	**(461)**	**(107)**	**30**	**(538)**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2020

Note 27 : Other comprehensive income (Contd..)

For the year ended March 31, 2019

(₹ in Lakhs)

Particulars	Retained earnings	Cash flow hedging reserve	Costs of hedging reserve	Total
Remeasurement of defined benefit plans	(6)	-	-	(6)
Income tax effect	3	-	-	3
Cash flow hedging reserve	-	(122)	-	(122)
Income tax effect	-	43	-	43
Costs of hedging reserve	-	-	(318)	(318)
Income tax effect	-	-	111	111
Total	**(3)**	**(79)**	**(207)**	**(289)**

Note 28 : Earnings per share (EPS)

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

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

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

(₹ in Lakhs)

Particulars	March 31, 2020	March 31, 2019
Profit attributable to equity holders (₹ Lakhs)	**11,630**	**10,840**
Weighted average number of equity shares for basic and diluted EPS (Lakhs)	**736.72**	**736.72**
Earnings per share		
Basic EPS	15.79	14.71
Diluted EPS	15.79	14.71

Note 29 : Distribution made and proposed

(₹ in Lakhs)

Particulars	March 31, 2020	March 31, 2019
Dividend on equity shares declared and paid :		
Final dividend for the year ended on March 31, 2019 and March 31, 2018 : ₹ 1.20 per share	881	881
Dividend distribution tax on final dividend	180	180
	1,061	**1,061**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2020

Note 29 : Distribution made and proposed (Contd..)

(₹ in Lakhs)

Particulars	March 31, 2020	March 31, 2019
Proposed dividends on Equity shares :		
Dividend proposed for the year ended on March 31, 2020: ₹ Nil per share (March 31, 2019: ₹ 1.20 per share)	-	881
Dividend distribution tax on proposed dividend	-	180
	-	**1,061**

Note 30 : Capital management

For the purpose of the Group's capital management, capital includes issued equity capital, securities premium and all other equity reserves. The primary objective of the Group's capital management is to maximize the shareholder value.

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

(₹ in Lakhs)

Particulars	March 31, 2020	March 31, 2019
Borrowings including current maturity of long term borrowing (refer note 15A)	11,443	7,454
Interest accrued but not due on borrowings and others (refer note 15C)	53	32
Sub-Total	**11,496**	**7,486**
Less: Cash and cash equivalents (note 10B)	(1,530)	(5,565)
Less: Other bank balances (note 10C)	(2,006)	(2,168)
Net Debt	**7,960**	**(247)**
Equity share capital & other equity	1,51,416	1,41,369
Total capital	**1,51,416**	**1,41,369**
Capital and net debt	**1,59,376**	**1,41,122**
Gearing ratio	**4.99%**	**Nil**

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2020 and March 31, 2019.

Note 31 : Employee Benefits

A. Define Benefit Plan: Gratuity

(₹ in Lakhs)

Particulars	March 31, 2020	March 31, 2019
Gratuity plan	986	121
Total	**986**	**121**
Current	**986**	**121**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2020

Note 31 : Employee Benefits (Contd..)

The Group has a defined benefit gratuity plan. Every employee who has completed five years or more of services gets a gratuity on separation at 15 days salary (last drawn salary) for each completed year of service. Hindustan Media Ventures Limited has formed a Gratuity Trust to which contribution is made based on actuarial valuation done by independent valuer.

The gratuity plan is governed by the Payment of Gratuity Act, 1972. The Group has purchased an insurance policy through its' Gratuity Trust, which is a year-on-year cash accumulation plan in which the interest rate is declared on yearly basis and is guaranteed for a period of one year. The insurance company, as part of the policy rules, makes payment of all gratuity outgoes happening during the year (subject to sufficiency of funds under the policy). The policy, thus, mitigates the liquidity risk. However, being a cash accumulation plan, the duration of assets is shorter compared to the duration of liabilities. Thus, the Group is exposed to movement in interest rate (in particular, the significant fall in interest rates, which should result in a increase in liability without corresponding increase in the asset).

The following tables summarise the components of net benefit expense recognised in the statement of profit or loss and the funded status and amounts recognised in the balance sheet for the respective plans:

Gratuity Plan

Changes in the defined benefit obligation and fair value of plan assets as at March 31, 2020 :

Present value of Obligation

(₹ in Lakhs)

Particulars	March 31, 2020	March 31, 2019
Opening balance	1,121	1,140
Liability acquisition from IESPL		5
Current service cost	148	103
Interest expense or cost	87	91
Re-measurement (or actuarial) (gain) / loss arising from:		
- change in demographic assumptions	(1)	-
- change in financial assumptions	124	21
- experience variance (i.e. actual experience vs assumptions)	311	(6)
Benefits paid	(186)	(233)
Total	**1,604**	**1,121**

Fair value of plan assets

(₹ in Lakhs)

Particulars	March 31, 2020	March 31, 2019
Opening balance	1,000	1,057
Investment income	78	84
Employer's contribution	-	83
Benefits paid	(186)	(233)
Return on plan assets, excluding amount recognised in net interest expenses	(274)	9
Total	**618**	**1,000**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2020

Note 31 : Employee Benefits (Contd..)

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

(₹ in Lakhs)

Particulars	Defined gratuity Plan	
	March 31, 2020	March 31, 2019
Investment in Funds managed by Trust	100%	100%

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

(₹ in Lakhs)

Particulars	March 31, 2020	March 31, 2019
Discount rate	6.85%	7.75%
Salary growth rate	5%	5%
Withdrawal rate		
Up to 30 years	3%	3%
31 - 44 years	2%	2%
Above 44 years	1%	1%

A quantitative sensitivity analysis for significant assumption is as shown below:

(₹ in Lakhs)

Particulars	March 31, 2020	March 31, 2019
Defined benefit obligation (base)	1,604	1,121

(₹ in Lakhs)

Particulars	March 31, 2020		March 31, 2019	
Assumptions	Decrease	Increase	Decrease	Increase
Discount rate (-/+ 1%)	157	(138)	93	(81)
Salary growth rate (-/+ 1%)	(141)	158	(84)	95
Attrition rate (-/+ 50%)	(10)	9	(8)	9

The sensitivity analysis above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2020

Note 31 : Employee Benefits (Contd..)

The following payments are expected contributions to the defined benefit plan in future years:

(₹ in Lakhs)

Particulars	March 31, 2020	March 31, 2019
Within the next one year (next annual reporting period)	87	69
More than one year and upto five years	371	323
More than five years and upto ten years	1,351	1,023
More than ten years	1,501	881
Total expected payments	**3,310**	**2,296**

Average duration of the defined benefit plan obligation

Particulars	March 31, 2020	March 31, 2019
Weighted average duration	9 years	8 years

B. Defined Contribution Plan

(₹ in Lakhs)

Particulars	March 31, 2020	March 31, 2019
Contribution to provident and other funds		
Charged to Statement of Profit and Loss	504	403

C. Leave Encashment (unfunded)

The Group recognises the leave encashment expenses in the Statement of Profit and Loss based on actuarial valuation.

The expenses recognised in the Statement of Profit and Loss and the leave encashment liability at the beginning and at the end of the year :

(₹ in Lakhs)

Particulars	March 31, 2020	March 31, 2019
Liability at the beginning of the year	87	136
Paid during the year	(14)	(34)
Provided during the year	24	(15)
Liability at the end of the year	**97**	**87**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2020

Note 32 : Share-based payments

In accordance with the Securities and Exchange Board of India (Share Based Employee benefits) Regulations, 2014 and Ind AS 102 Share-based Payment, the scheme detailed below is managed and administered, compensation benefits in respect of the scheme is assessed and accounted by the company . To have an understanding of the scheme, relevant disclosures are given below.

I. The Hindustan Times Limited and HT Media Limited (the immediate Parent Company) has given loan to "HT Group company's – Employee Stock Option Trust" which in turn has purchased Equity Shares of ₹ 10/- each of the Company for the purpose of granting Options under the 'HT Group company's –Employee Stock Option Rules' ("HT ESOP"), to eligible employees of the group.

A. Details of Options granted as on March 31, 2020 are given below:

Type of Arrangement	Date of Grant	Number of options granted	Fair Value on the date of Grant (₹)	Vesting conditions	Weighted average remaining contractual life (in years)	Method of Settlement
Employee stock option	September 15, 2007	1,93,782	16.07	¼ of the shares vest each year over a period of four years starting from one year after the date of grant	1.46	Equity
Employee stock option	May 20, 2009	11,936	14.39	¼ of the shares vest each year over a period of four years starting from one year after the date of grant	3.14	Equity
Employee stock option	February 4, 2010	1,50,729	87.01	50% on the date of grant and 25% vest each year over a period of 2 years starting from the date of grant	3.14	Equity
Employee stock option	March 8, 2010	17,510	56.38	¼ of the shares vest each year over a period of four years starting from one year after the date of grant	3.94	Equity
Employee stock option	April 1, 2010	4,545	53.87	¼ of the shares vest each year over a period of four years starting from one year after the date of grant	4.01	Equity
Employee stock option	October 25, 2019	2,20,376	34.80	¼ of the shares vest each year over a period of four years starting from one year after the date of grant	13.58	Equity

Weighted average fair value of the options outstanding is ₹ 35.72 per option (previous year ₹ 56.38 per option).

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2020

Note 32 : Share-based payments (contd..)

B. Summary of activity under the plans is given below :

(₹ in Lakhs)

Particulars	March 31, 2020		March 31, 2019	
Assumptions	Number of options	Weighted Average Exercise Price (₹)	Number of options	Weighted Average Exercise Price (₹)
Outstanding at the beginning of the year	9,810	59.99	9,810	59.99
Granted during the year	2,20,376	72.20	-	-
Forfeited during the year	-	-	-	-
Exercised during the year	-	-	-	-
Expired during the year	-	-	-	-
Outstanding at the end of the period	2,30,186	71.68	9,810	59.99
Exercisable at the end of the period	9,810	59.99	9,810	59.99
Weighted average remaining contractual life (in years)	13.17		4.94	
Weighted average fair value option granted	34.8		-	

C. The details of exercise price for stock options outstanding at the end of the year ended March 31, 2020 are:

A stock option gives an employee, the right to purchase equity shares of the Company at a fixed price within a specific period of time. The details of exercise price for stock options outstanding at the end of the year are as under:

Particulars	Range of exercise prices	Number of options outstanding	Weighted average remaining contractual life of options (in years)	Weighted average exercise price (₹)
2019-20	₹ 1.35 to ₹ 72.20	2,30,186	13.17	71.68
2018-19	₹ 1.35 to ₹ 60	9,810	4.94	59.99

Options granted are exercisable for a maximum period of 14 years after the scheduled vesting date as per the Scheme.

The Company has availed exemption under Ind AS 101 in respect of Share-based payments that had been vested before the transition date. The Company has elected to avail this exemption and accordingly, vested options as on transition date have been measured at intrinsic value .

The employee compensation cost (accounting charge for the year) calculated using the fair value* of stock options is ₹17 Lakhs (March 31, 2019: NIL)

The employee compensation cost (accounting charge for the year) calculated using the intrinsic value of stock options is NIL (March 31, 2019: NIL)

*Fair value is calculated as per the Black Scholes Options Pricing Model.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2020

Note 32 : Share-based payments (contd..)

Assumptions used in Black Scholes Options Pricing Model are as follows :

(₹ in Lakhs)

Particulars	
Risk free interest rate	6.85%
Expected life	8.25 Years
Expected volatility**	32.85%
Dividend yield	0.93%
Price of the underlining share in market at the time of option grant (₹)	72.20
Exercise price (₹)	72.20
Fair value (₹)	34.80

** Volatility is a measure of the amount by which a price has fluctuated or is expected to fluctuate during a period. The measure of volatility used in the Black-Scholes option-pricing model is the annualized standard deviation of the continuously compounded rates of return on the stock over a period of time.

II. The fellow subsidiary, Firefly e-Ventures Limited has given Employee Stock Options (ESOPs) to employees of Hindustan Media Ventures Limited (HMVL).

A. Details of these plans are given below:

Employee Stock Options

A stock option gives an employee, the right to purchase equity shares of Firefly e-Ventures Limited at a fixed price within a specific period of time. The grant price (or strike price) for options granted during the financial year 2009-10 shall be ₹ 10 each per option.

B. Details of stock options granted during the current year and earlier year are as given below:

Type of Arrangement	Date of Grant	Number of options granted	Fair Value on the date of Grant (₹)	Vesting conditions	Weighted average remaining contractual life (in years)	Method of Settlement
Employee stock options	October 16, 2009	2,24,700	4.82	Starts from the date of listing of Firefly e-Ventures Limited as per the following vesting schedule 25% 12 months from the date of grant * 25% 24 months from the date of grant * 25% 36 months from the date of grant * 25% 48 months from the date of grant *	3.55	Equity

* Since period of 48 months is already lapsed, all options will be vested at the date of listing of Firefly e-Ventures Limited.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2020

Note 32 : Share-based payments (contd..)

C. Summary of activity under the plan for the year ended March 31, 2020 and March 31, 2019 are given below:

	March 31, 2020		March 31, 2019	
	Number of options	Weighted Average Exercise Price (₹)	Number of options	Weighted Average Exercise Price (₹)
Outstanding at the beginning of the year	2,24,700	10	2,24,700	10
Options related to employees shifted from Firefly to HTML	-	-	-	-
Granted during the year	-	-	-	-
Forfeited during the year	-	-	-	-
Exercised during the year	-	-	-	-
Expired during the year	-	-	-	-
Outstanding at the end of the year	2,24,700	10	2,24,700	10
Weighted average remaining contractual life (in years)	3.55		4.55	

Weighted average fair value of the options outstanding is ₹ 4.82 per option. Since no options have been exercised during the period, thus weighted average share price has not been disclosed.

The Company has availed exemption under Ind AS 101 in respect of Share-based payments that had been vested before the transition date. The Company has elected to avail this exemption and accordingly, vested options as on transition date have been measured at intrinsic value .

The employee compensation cost (accounting charge for the year) calculated using the intrinsic value of stock options is NIL (March 31, 2019: NIL).

III. The Holding Company, HT Media Limited has given Employee Stock Options (ESOPs) to employees of Hindustan Media Ventures Limited (HMVL).

A. Details of these plans are given below:

Employee stock options

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

B. Details of stock options granted during the current year and earlier year are as given below:

Type of arrangement	Date of grant	Options granted (nos.)	Fair value on the grant date (₹)	Vesting conditions*	Weighted average remaining contractual life in years as at March 31, 2020 (in years)
Employee stock ptions (Method of settlement-equity)	Oct 24, 2019	3,39,888	9.04	Starts from the date of listing of HT Media Limited as per the following vesting schedule 75% 12 months from the date of grant 25% 24 months from the date of grant	10.34

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2020

Note 32 : Share-based payments (contd..)

C. Summary of activity under the plan for the year ended March 31, 2020 are given below.

Particulars	March 31, 2020	
Assumptions	Number of options	Weighted Average Exercise Price (₹)
Outstanding at the beginning of the year	-	-
Granted during the year	3,39,888	19.80
Forfeited during the year	-	-
Exercised during the year	-	-
Expired during the year	-	-
Outstanding at the end of the year	3,39,888	19.80
Weighted average remaining contractual life (in years)	10.34	
Weighted average fair value of options granted during the year (₹)	9.04	

Weighted average fair value of the options outstanding is ₹ 9.04 per option.

The employee compensation cost (accounting charge for the year) calculated using the fair value * of stock options is ₹ 12 lakhs.

*Fair value is calculated as per the Black Scholes Options Pricing Model.

Assumptions used in Black Scholes Options Pricing Model are as follows :

Particulars	
Risk free interest rate	6.64%
Expected life	6.225 Years
Expected volatility**	37.29%
Dividend yield	1.01%
Price of the underlining share in market at the time of option grant (₹)	19.80
Exercise price (₹)	19.80
Fair value (₹)	9.04

**Volatility is a measure of the amount by which a price has fluctuated or is expected to fluctuate during a period. The measure of volatility used in the Black-Scholes option-pricing model is the annualized standard deviation of the continuously compounded rates of return on the stock over a period of time.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2020

Note 33 : Commitments and contingencies

(a) Commitments

(₹ in Lakhs)

Particulars	March 31, 2020	March 31, 2019
Capital commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of capital advances)	3,967	522

(b) Contingent liabilities

A. Claims against the company not acknowledged as debts

(₹ in Lakhs)

Particulars	March 31, 2020	March 31, 2019
a) The Company has filed a petition before the Hon'ble Patna High Court against an initial claim for additional contribution of ₹ 73 Lakhs 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 ₹ 13 Lakhs to ESIC. The Hon'ble High Court had initially stayed the matter and on July 18, 2012 disposed off the Petition with the Order of "No Coercive Step shall be taken against HMVL" with direction to move for ESI Court. Matter is still pending in Lower Court. There is no further progress in the matter during the year.	73	73
b) The Company has filed a petition before the Hon'ble Patna High Court against the demand of ₹ 10 Lakhs (including interest) for short payment of ESI dues pertaining to the years from 2001 to 2005. The Hon'ble High Court had initially stayed the matter and on July 18, 2012 disposed off the Petition with the Order of "No Coercive Step shall be taken against HMVL" with direction to move for ESI Court. Matter is still pending in Lower Court. There is no further progress in the matter during the year.	10	10

B. During the current year and as in the previous financial year, the management has received several claims substantially from employees in UP, Jharkhand and Bihar who are either retired or separated from the Company regarding the benefits of Majithia Wage Board recommendations. However, all such claims/ recovery order(s) issued by ALC/ DLC office are generally either stayed by the respective Hon'ble High Court(s) or are pending before ALC/ DLC.

Based on management assessment and current status of the above matter, the management is confident that no provision is required in the financial statements as on March 31, 2020.

C. Income- tax authorities have raised additional demands for ₹ 669 Lakhs (previous year: ₹ 293 Lakhs) for various financial years. The tax demand are mainly on account of disallowances of expenses claimed by the Company under the Income Tax Act. The company is contesting the demands before the appropriate appellate authorities and the management believes that Company's tax positions are likely to be upheld by such authorities. No tax expenses have been accrued in the financial statements for these tax demands.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2020

Note 34 : Related party transactions

i) List of related parties and relationships:-

Name of related parties where control exists whether transactions have occurred or not.	HT Media Limited (Holding Company or Parent Company)
	The Hindustan Times Limited #
	Earthstone Holding (Two) Private Limited## (Ultimate controlling party is the Promoter Group)
Joint Venture (with whom transactions have occurred during the year)	HT Content Studio LLP (w.e.f. August 21, 2019)
Fellow Subsidiaries (with whom transactions have occurred during the year)	Next Radio Limited (w.e.f. April 15,2019)
	HT Mobile Solutions Limited
	HT Learning Centers Limited
	HT Overseas Pte. Ltd.
	India Education Services Private Limited (w.e.f. July 18,2017)
	Digicontent Limited
	HT Digital Streams Limited
Entities which are post employment benefit plans (with whom transactions have occurred during the year)	HMVL Editorial Employees Gratuity Fund
	HMVL Non Editorial & Other Employees Gratuity Fund
Key Management Personnel	Mrs. Shobhana Bhartia (Chairperson & Non-executive Director)
	Mr. Priyavrat Bhartia (Non-executive Director, ceased to be Managing Director w.e.f July 17, 2018)
	Mr. Shamit Bhartia (Managing Director)
	Mr. Praveen Someshwar (appointed as Managing Director w.e.f. August 01, 2018)
	Mr. Ashwani Windlass (Non-Executive Independent Director)
	Mr. Piyush G Mankad (ceased to be Non-Executive Independent Director w.e.f April 1, 2019)
	Ms. Savitri Kunadi (Non-Executive Independent Director w.e.f May 9, 2019)
	Mr. Shardul S. Shroff (ceased to be Non-Executive Independent Director w.e.f April 1, 2019)
	Dr. Mukesh Aghi (Non-Executive Independent Director)
	Mr. Ajay Relan (Non-Executive Independent Director)
	Mr Tridib Barat (appointed as Whole Time Director w.e.f May 24, 2018 and ceased to be Whole Time Director w.e.f. August 09, 2018)
	Mr. Benoy Roychowdhury (ceased to be Whole time Director w.e.f May 24, 2018)
Relatives of Key Management Personnel (with whom transactions have occurred during the year)	Mrs. Tripti Someshwar (Relative of Mr. Praveen Someshwar)

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

Earthstone Holding (Two) Private Limited (formerly known as Earthstone Holding (Two) Limited) is the holding Company of The Hindustan Times Limited .

ii) Transactions with related parties

Refer Note 34 A

iii) Terms and conditions of transactions with related parties

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash (other than Inter-Corporate Deposits) . There have been no guarantees provided or received for any related party receivables or payables.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2020

Note 34A TRANSACTIONS DURING THE YEAR WITH RELATED PARTIES (refer note A)

(₹ in Lakhs)

Particulars	Holding Company		Joint Venture		Fellow Subsidiaries		Key Managerial Personnel(KMP) Refer Note B		Relatives of Key Management Personnel (KMP's)		Entities which are post employment benefit plans		Total	
	Mar-20	Mar-19	Mar-20	Mar-19	Mar-20	Mar-19	Mar-20	Mar-19	Mar-20	Mar-19	Mar-20	Mar-19	Mar-20	Mar-19
REVENUE TRANSACTIONS														
INCOME														
Jobwork revenue	390	314	-	-	-	-	-	-	-	-	-	-	390	314
Sale of advertisement space in publication	309	165	-	-	75	354	-	-	-	-	-	-	384	519
Sale of newspaper for circulation	2,073	2,193	-	-	-	-	-	-	-	-	-	-	2,073	2,193
Infrastructure support services (seats) given	24	33	-	-	792	653	-	-	-	-	-	-	816	686
Media marketing commission & collection charges received	80	88	-	-	-	-	-	-	-	-	-	-	80	88
Rent received	29	29	-	-	-	-	-	-	-	-	-	-	29	29
Interest on inter corporate loan	-	-	-	-	377	-	-	-	-	-	-	-	377	-
Share of revenue on joint sale	627	235	-	-	-	-	-	-	-	-	-	-	627	235
EXPENSE														
Purchase of stores & spares material	5	14	-	-	-	-	-	-	-	-	-	-	5	14
Printing / service charges paid	2,356	1,453	-	-	-	-	-	-	-	-	-	-	2,356	1,453
Share of revenue given on joint sales / revenue sharing	4	-	-	-	9	-	-	-	-	-	-	-	13	-
Advertisement expenses	81	833	-	-	83	27	-	-	-	-	-	-	164	860
Purchase of newspaper for circulation	288	304	-	-	-	-	-	-	-	-	-	-	288	304
Infrastructure support services (seats) taken	107	121	-	-	-	-	-	-	-	-	-	-	107	121

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2020

Note 34A TRANSACTIONS DURING THE YEAR WITH RELATED PARTIES (refer note A) (Contd..)

(₹ in Lakhs)

Particulars	Holding Company		Joint Venture		Fellow Subsidiaries		Key Managerial Personnel(KMP) Refer Note B		Relatives of Key Management Personnel (KMP's)		Entities which are post employment benefit plans		Total	
	Mar-20	Mar-19	Mar-20	Mar-19	Mar-20	Mar-19	Mar-20	Mar-19	Mar-20	Mar-19	Mar-20	Mar-19	Mar-20	Mar-19
Media marketing commission & collection charges paid	567	325	-	-	-	-	-	-	-	-	-	-	567	325
Rent and maintenance charges*	1,466	133	-	-	-	-	-	-	-	-	-	-	1,466	133
Remuneration paid to key managerial personnel	-	-	-	-	-	-	971	1,014	-	-	-	-	971	1,014
Non executive director's sitting fee and commission	-	-	-	-	-	-	72	62	-	-	-	-	72	62
Fee for newsprint procurement support services	-	-	-	-	3	5	-	-	-	-	-	-	3	5
News content procurement fees	-	-	-	-	6,935	7,419	-	-	-	-	-	-	6,935	7,419
Payment of car lease	-	-	-	-	-	-	-	-	20	9	-	-	20	9
OTHERS														
Reimbursement of expenses incurred on behalf of the company by parties	232	104	-	-	-	1	-	-	-	-	-	-	232	105
Reimbursement of expenses incurred on behalf of the party by company	30	19	-	-	-	-	-	-	-	-	-	-	30	19
Inter corporate deposit given by the company	-	-	-	-	6,050	-	-	-	-	-	-	-	6,050	-
Purchase of property, plant and equipment & intangible assets by company	26	57	-	-	-	-	-	-	-	-	-	-	26	57
Sale of property, plant and equipment by company	11	3	-	-	-	-	-	-	-	-	-	-	11	3

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2020

Note 34A TRANSACTIONS DURING THE YEAR WITH RELATED PARTIES (Refer Note A) (Contd..)

(₹ in Lakhs)

Particulars	Holding Company		Joint Venture		Fellow Subsidiaries		Key Managerial Personnel(KMP) Refer Note B		Relatives of Key Management Personnel (KMP's)		Entities which are post employment benefit plans		Total	
	Mar-20	Mar-19	Mar-20	Mar-19	Mar-20	Mar-19	Mar-20	Mar-19	Mar-20	Mar-19	Mar-20	Mar-19	Mar-20	Mar-19
Material on loan taken and subsequently given back	-	10	-	-	-	-	-	-	-	-	-	-	-	10
Security deposit paid	279	127	-	-	-	-	-	-	-	-	-	-	279	127
Receipt of security deposit given	-	20	-	-	-	-	-	-	-	-	-	-	-	20
Security deposit received	60	210	-	-	-	-	-	-	-	-	-	-	60	210
Contribution to gratuity trust	-	-	-	-	-	-	-	-	-	-	-	83	-	83
Dividend paid	654	654	-	-	-	-	-	-	-	-	-	-	654	654
Investment made in shares	-	-	324	-	-	-	-	-	-	-	-	-	324	-
BALANCE OUTSTANDING														
Investment in shares/ investment in form of capital contribution	-	-	324	-	-	-	-	-	-	-	-	-	324	-
Trade and other receivables	1,823	1,063	-	-	54	116	-	-	-	-	-	-	1,877	1,179
Trade payables	368	692	-	-	444	638	-	-	2	-	-	-	814	1,330
Inter corporate deposit & interest accrued on it	-	-	-	-	6,389	-	-	-	-	-	-	-	6,389	-
Security deposits paid by the company	1,446	237	-	-	-	-	-	-	-	-	-	-	1,446	237
Security deposits received by the company	575	635	-	-	-	-	-	-	-	-	-	-	575	635

* Pursuant to the scheme of demerger of B2C business of India Education Private Limited (IESPL, a fellow subsidiary company), as more elaborated in Note 42, the Business to Consumer (B2C) Education business of IESPL along with its related assets and liabilities have been transferred to the Company. The Scheme has been given effect in accordance with Appendix C ""Business combinations of entities under common control of Ind AS 103 (Business Combinations) i.e. at the beginning of the comparative period (April 1, 2018 being the Acquisition Date). Consequently, the numbers related to the comparative period (i.e., FY 2018-19) presented above have been restated accordingly.

Note A:-The transactions above do not include gst, service tax, vat etc.

Note B - Key Management Personnel and Relatives of Promoters who are under the employment of the Group are entitled to post-employment benefits and other long term employee benefits recognised as per Ind-AS 19 - 'Employee Benefits' in the financial statements. As these employee benefits are lump sum amounts provided on the basis of actuarial valuation, the same is not included above. Accordingly, the above mentioned payment is in the nature of short term employee benefits.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2020

Note 35 : Segment information

The Group is engaged mainly into the business of printing and publishing of newspaper & periodicals and there are no other reportable segments as per Ind AS 108 on Operating Segments. The management of the Group monitors the operating results of the aforesaid business for the purpose of making decisions about resource allocation and performance assessment.

Geographical revenue is allocated based on the location of the customers. The Group sells its products mostly within India with insignificant export income and does not have any operations in economic environments with different risks and returns and hence, it has been considered as to be operating in a single geographical location.

Information about major customers:

No single customer represents 10% or more of the Group's total revenue during the year ended March 31, 2020 and March 31, 2019.

Note 36 : Hedging activities and derivatives

Derivatives not designated as hedging instruments

The Group uses foreign exchange forward contracts, to manage its foreign currency exposures other than ECB Loan. These contracts are not designated as cash flow hedges and are entered into for periods consistent with underlying transactions exposure.

Derivatives designated as hedging instruments

The Group has taken USD 100 lakhs ECB Loan with floating rate of interest. The Group has taken Call Spread option to mitigate foreign currency risk in relation to repayment of principal amount of USD 100 lakhs and Interest Rate Swap (Floating to Fixed) to mitigate interest rate risk. The Group designates (Cash Flow Hedge):

- Intrinsic value of call spread option to hedge foreign currency risk for repayment of principal amount in relation to ECB Loan availed in USD.
- Interest Rate Swap (floating to fixed) to hedge interest rate risk in respect of floating rate of interest in relation to ECB Loan.

For year ended March 31, 2020

Disclosure of effects of hedge accounting on financial position:

Type of hedge and risks	Nominal value (Notional amount being used to calculate payments made on hedge instrument)	Carrying amount of hedging instrument		Line item in balance sheet that includes hedging instrument	Maturity	Hedge ratio	Average strike rate of hedging instrument
		Assets in ₹ Lakhs	Liabilities in ₹ Lakhs				
Cash flow hedge							
Foreign exchange risk							
Foreign currency options	USD 87.5 Lakhs	619	-	Financial Asset at FVOCI (refer note 6D)	May 31, 2018 to May 31, 2023	1:1	71.50

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2020

Note 36 : Hedging activities and derivatives (Contd..)

Disclosure of effects of hedge accounting on financial position: (Contd..)

Type of hedge and risks	Nominal value (Notional amount being used to calculate payments made on hedge instrument)	Carrying amount of hedging instrument		Line item in balance sheet that includes hedging instrument	Maturity	Hedge ratio	Average strike rate of hedging instrument
		Assets in ₹ Lakhs	Liabilities in ₹ Lakhs				
Interest rate risk							Fixed Interest rate
Interest rate swap	USD 87.5 Lakhs		287	Financial Liability at FVTPL (refer note 15C)	May 31, 2018 to May 31, 2023	1:1	3.66%

(₹ in Lakhs)

Type of hedge and risks	Changes in fair value of hedging instrument recognised in OCI	Hedge ineffectiveness recognised in profit or (loss)	Line item in statement of profit and loss that includes recognised hedge ineffectiveness	Amount reclassified from cash flow hedging reserve to profit or loss	Line item affected in statement of profit and loss because of the reclassification	Cost of Hedging recognised in OCI	Amount reclassified from cost of hedging reserve to profit or loss	Line item affected in statement of profit and loss because of the reclassification
Cash flow hedge								
Foreign exchange risk								
Foreign currency options	449	90	Foreign Exchange Loss	449	Foreign Exchange Loss	126	171	Finance Cost
Interest rate risk								
Interest rate swap	165							

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2020

Note 36 : Hedging activities and derivatives (Contd..)

For year ended March 31, 2019

Disclosure of effects of hedge accounting on financial position:

Type of hedge and risks	Nominal value (Notional amount being used to calculate payments made on hedge instrument)	Carrying amount of hedging instrument		Line item in balance sheet that includes hedging instrument	Maturity	Hedge ratio	Average strike rate of hedging instrument
		Assets in ₹ Lakhs	Liabilities in ₹ Lakhs				
Cash flow hedge							
Foreign exchange risk							
Foreign currency options	USD 100 Lakhs	170	-	Financial Asset at FVOCI (refer note 6D)	May 31, 2018 to May 31, 2023	1:1	68.30
							Fixed Interest rate
Interest rate risk							
Interest rate swap	USD 100 Lakhs	-	122	Financial Liability at FVTPL (refer note 15C)	May 31, 2018 to May 31, 2023	1:1	3.66%

(₹ in Lakhs)

Type of hedge and risks	Changes in fair value of hedging instrument recognised in OCI	Hedge ineffectiveness recognised in profit or (loss)	Line item in statement of profit and loss that includes recognised hedge ineffectiveness	Amount reclassified from cash flow hedging reserve to profit or loss	Line item affected in statement of profit and loss because of the reclassification	Cost of hedging recognised in OCI	Amount reclassified from cost of hedging reserve to profit or loss	Line item affected in statement of profit and loss because of the reclassification
Cash flow hedge								
Foreign exchange risk								
Foreign currency options	170	-	Foreign exchange loss	170	Foreign exchange loss	464	146	Finance cost
Interest rate risk								
Interest rate swap	122							

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2020

Note 36 : Hedging activities and derivatives (contd..)

Movements in cash flow hedging reserve :

(₹ in Lakhs)

Risk category	Foreign currency risk	Interest rate risk	Total
Derivative instruments	**Foreign currency options**	**Interest rate swaps**	
Cash flow hedging reserve			
As at April 1, 2018	**-**	**-**	**-**
Add: Changes in intrinsic value of foreign currency options	170	-	170
Add: Changes in fair value of interest rate swaps	-	(122)	(122)
Less: Amounts reclassified to profit or loss	(170)	-	(170)
As at March 31, 2019 (before tax)	-	(122)	(122)
Less: Deferred tax relating to FY 18-19		(43)	(43)
As at March 31, 2019 (after tax)	**-**	**(79)**	**(79)**
Add: Changes in intrinsic value of foreign currency options	449	-	449
Add: Changes in fair value of interest rate swaps	-	(165)	(165)
Less: Amounts reclassified to profit or loss	(449)	-	(449)
As at March 31, 2020 (before tax)	-	(244)	(244)
Less: Deferred tax relating to FY 19-20	-	(58)	(58)
As at March 31, 2020 (after tax)	**-**	**(186)**	**(186)**

Movements in costs of hedging reserve :

(₹ in Lakhs)

Particulars	Foreign currency risk
	Foreign currency options
Costs of hedging reserve	
As at April 1, 2018	**-**
Add: Deferred costs of hedging-transaction related- Deferred time value of foreign currency option contracts	(464)
Add: Amount reclassified from cost of hedging reserve to profit or loss	146
As at March 31, 2019 (before tax)	(318)
Less: Deferred tax relating to FY 18-19	(111)
As at March 31, 2019 (after tax)	**(207)**
Add: Deferred costs of hedging-transaction related- Deferred time value of foreign currency option contracts	(126)
Add: Amount reclassified from cost of hedging reserve to profit or loss	171
As at March 31, 2020 (before tax)	(162)
Less: Deferred tax relating to FY 19-20	16
As at March 31, 2020 (after tax)	**(178)**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2020

Note 36 : Hedging activities and derivatives (contd..)

Hedge Effectiveness

Hedge effectiveness is determined at the inception of the hedge relationship, and through periodic prospective effectiveness assessments to ensure that an economic relationship exists between the hedged item and hedging instrument.

The Group enters into hedge relationships where the critical terms of the hedging instrument match exactly with the terms of the hedged item. The Group performs a qualitative assessment of effectiveness. As all critical terms matched during the year, the economic relationship was 100% effective.

Since the USD as on March 31 , 2020 has gone above the upper limit defined in the range of Call Spread for certain installments of loan payable in future, the USD fluctuation has impacted income statement.

Note 37 : Fair values

Set out below, is a comparison by class of the carrying amounts and fair value of the Group's financial instruments:

(₹ in Lakhs)

Particulars	Carrying value		Fair value		Fair Value measurement hierarchy level
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	
Financial assets measured at amortised cost					
Investment in bonds (refer note 6B)	-	194	-	210	Level 1
Loans (refer note 6C)	7,708	683	7,708	683	Level 2
Margin money (held as security in form of fixed deposit) [refer note 6D]	21	-	21	-	Level 2
Financial assets measured at fair value through other comprehensive income					
Forex derivative contract (designated as hedge) (refer note 6D)	619	170	619	170	Level 2
Financial assets measured at fair value through profit and loss					
Investment in equity instruments (refer note 6B)	1,871	1,485*	1,871	1,485*	Level 3*
Investment in convertible redeemable preference shares (refer note 6B)	1,320	-	1,320	-	Level 3
Investment in mutual funds including current portion (refer note 6B)	1,15,033	1,05,393	1,15,033	1,05,393	Level 1
Financial Liabilities measured at Amortised Cost					
ECB Loan from bank including current portion (refer note 15A)	6,611	6,915	6,611	6,915	Level 2
Liability-premium call option including current portion (refer note 15C)	288	430	288	430	Level 2
Financial Liabilities measured at fair value through profit and loss					
Derivative liability-IRS (refer note 15C)	287	122	287	122	Level 2

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2020

Note 37 : Fair values (Contd..)

The management assessed that fair value of trade receivables, cash and cash equivalents, other bank balances, other current non-derivative financial assets, short- term borrowings, trade payables and other current non- derivative financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments. The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

- The fair values of Long term interest-bearing borrowings and loans are determined by using Discounted Cash Flow(DCF) method using discount rate that reflects the issuer's borrowing rate as at the end of the reporting period. The own non performance risk was assessed to be insignificant.
- The fair values of the investment in unquoted equity shares have been estimated using a Discounted cash Flow (DCF) model and/or comparable investment price such as last round of funding made in the investee Group. The valuation requires management to make certain assumptions about the model Inputs, including forecast cash flows, discount rate, credit risk and volatility. The probabilities of the various estimates within the Range can be reasonably assessed and are used in management's estimate of fair value for these unquoted investments.
- The Group has investment in quoted mutual funds being valued at net asset value.
- Fixed bank deposits with more than 12 months maturity has been derived basis the interest accrued on fixed deposits upto the balance sheet date.
- The Group invests in quoted equity shares valued at closing price of stock on recognized stock exchange.
- The Group enters into derivative financial instruments such as foreign exchange forward contracts, call option spreads, interest rate swaps etc. being valued using valuation techniques, which employs the use of market observable inputs. The Group uses Mark to Market valuation provided by Bank for valuation of these derivative contracts.
- The loans given and investment in bonds are evaluated by the Group based on parameters such as interest rate, risk factors, risk characteristics and individual credit-worthiness of the counterparty. Based on this evaluation, allowances are taken into account for the expected losses.

The significant unobservable inputs used in the fair value measurement categorised within Level 3 of the fair value hierarchy together with a quantitative sensitivity analysis as at March 31, 2020 and March 31, 2019 are as shown below:

Description of significant unobservable inputs to valuation as at March 31, 2020:

(₹ in Lakhs)

Particulars	Valuation technique	Significant unobservable inputs	Range (weighted average)	Increase to fair value (₹ lakhs)	Decrease to fair value (₹ Lakhs)
Investment in equity instruments at Level 3	Option Pricing Model	EV/Revenue multiple (+/- 5%)	15X	192	(182)
		Volatility (+/- 5%)	41%	268	269
		Environment risk (+/- 5%)	5%	(71)	71
		Discount for lack of marketability (+/- 5%)	10%	(75)	75

*In relation to previous year ended March 31, 2019, the sensitivity analysis disclosures in relation to equity instruments classified at FVTPL is not been disclosed since the management believes that there is no movement in the fair value on the reporting date.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2020

Note 37 : Fair values (Contd..)

Reconciliation of fair value measurement of investment in equity instruments measured at FVTPL (Level III) :

(₹ in Lakhs)

Particulars	Total
As at April 1, 2018	**-**
Purchases	1,485
Impact of fair value movement	-
Transfers	-
As at March 31, 2019	**1,485**
Purchases	1,840
Impact of fair value movement	(134)
Transfers	-
As at March 31, 2020	**3,191**

There were no significant changes in the classification and no significant movements between the fair value hierarchy classifications of assets and liabilities during FY 2019-20 and FY 2018-19.

Note 38: Financial risk management objectives and policies

The Group's principal financial liabilities, other than derivatives, comprise loans and borrowings and trade & other payables. The main purpose of these financial liabilities is to finance the Group's operations and to support its operations. The Group's principal financial assets, other than derivatives comprise investments, loans given, trade and other receivables and cash and cash equivalents that derive directly from its operations. The Group also enters into foreign exchange derivative transactions.

The Group is exposed to market risk, credit risk and liquidity risk. The Group's senior management oversees the mitigation of these risks. The Group's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Group's policies and risk objectives. All derivative activities for risk management purposes are carried out by specialist teams that have the appropriate skills, experience and supervision. It is the Group's policy that no trading in foreign exchange derivatives for speculative purposes will be undertaken. The policies for managing each of these risks, which are summarised below:-

1) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and equity price risk. Financial instruments affected by market risk include loans and borrowings, deposits and derivative financial instruments.

The sensitivity analysis in the following sections relate to the position as at March 31, 2020 and March 31, 2019.

The analysis exclude the impact of movements in market variables on: the carrying values of gratuity and other post-employment obligations and provisions.

The sensitivity of the relevant profit and loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at March 31, 2020 and March 31, 2019.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2020

Note 38: Financial risk management objectives and policies (contd..)

(i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The companies exposure to the risk of changes in market interest rates relates primarily to the ECB Borrowings with floating interest rates.

The Group manages interest rate risk by taking interest rate swap (floating to fixed). Refer note 36 for details.

The Sensitivity Analysis for impact on OCI in relation to interest rate swap-

Particulars	MTM Valuation		Impact on OCI (₹ Lakhs)	
Interest rate swap	10%	(10%)	16	(16)

(ii) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities (when revenue or expense is denominated in a foreign currency), investments & borrowing in foreign currency etc.

The Group manages its foreign currency risk by hedging foreign currency transactions with forward covers and option contracts. These transactions generally relate to purchase of imported newsprint & borrowings in foreign currency.

When a derivative is entered into for the purpose of being a hedge, the Group negotiates the terms of those derivatives to match the terms of the underlying exposure.

Foreign currency sensitivity- Unhedged Foreign Currency Exposure

The following tables demonstrate the sensitivity to a reasonably possible change in exchange rates, with all other variables held constant. The impact on the Group's profit before tax is due to changes in the fair value of monetary assets and liabilities.

Particulars	Outstanding Balances (Foreign Currency lakhs)		Change in Foreign Currency rate		Effect on profit before tax (₹ Lakhs)	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
Change in USD rate						
Trade payables	19	6	+/(-) 1%	+/(-) 1%	14	4
Buyer's credit	49	8	+/(-) 1%	+/(-) 1%	37	5
Interest payable	1	-	+/(-) 1%	+/(-) 1%	1	-

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2020

Note 38: Financial risk management objectives and policies (contd..)

(iii) Equity price risk

The Group's listed and non-listed equity securities are susceptible to market price risk arising from uncertainties about future values of the investment securities. The Group manages the equity price risk through diversification and by placing limits on individual and total equity instruments. Reports on the equity portfolio are submitted to the Group's senior management on a regular basis. The Group's Investment Committee approves all equity investment decisions (refer note 37).

2) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

Trade receivables and Other Financial Assets at amortised cost

An impairment analysis is performed at each reporting date on an individual basis for major clients. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in note 10A and 6D.

The Group evaluates the concentration of risk with respect to trade receivables and contract assets as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets.

Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Group's treasury department in accordance with the Group's policy. Investments of surplus funds are made as per guidelines and within limits approved by Board of Directors. Board of Directors/ Management reviews and update guidelines, time to time as per requirement. The guidelines are set to minimize the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

Liquidity risk

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

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of Bank loans & liquid MF Investments.

59% of the Group's borrowings will mature in less than one year at March 31, 2020 (March 31, 2019: 19%) based on the carrying value of borrowings reflected in the financial statements.

The Group assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Group has access to a sufficient variety of sources of funding i.e. investments / Bank limits for Borrowing/ cash accrual from Operation and debt maturing within 12 months can be paid/ rolled over with existing lenders.

The Group has positive working capital position and positive Net Assets position as on March 31, 2020. Accordingly, no liquidity risk is perceived. The Group has available undrawn borrowing facilities of ₹ 16,500 lakhs as at March 31, 2020 (March 31, 2019: ₹ 53,663 lakhs).

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2020

Note 38: Financial risk management objectives and policies (contd..)

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

(₹ in Lakhs)

	With in 1 year	More than 1 years	Total
As at March 31, 2020			
Borrowings (refer note 15A)	4,832	4,722	9,554
Lease liabilities (refer note 15D)	1,038	1,136	2,174
Trade and other payables (refer note 15B)	8,518	-	8,518
Other financial liabilities (refer note 15C)	14,640	352	14,992
As at March 31, 2019			
Borrowings (refer note 15A)	539	6,051	6,590
Trade and other payables (refer note 15B)	10,815	-	10,815
Other financial liabilities (refer note 15C)	11,311	263	11,574

Collateral

The Group has pledged part of its investment in mutual funds in order to fulfill the collateral requirements for borrowing. At March 31, 2020 and March 31, 2019, the invested values of the Investment in mutual funds pledged were ₹ 17,914 lakhs Fair value [Original cost: ₹ 15,303 lakhs] and ₹ 16,673 fakhs fair value [Original Cost :₹ 14,900 lakhs] respectively. The counterparties have an obligation to return the securities to the company and the company has an obligation to repay the borrowing to the counterparties upon maturity/ due date / mutual agreement. There are no other significant terms and conditions associated with the use of collateral securities except pledge given against outstanding bank facilities (details are provided in borrowing note, refer note 15 A).

Note 39 : Standards issued but not yet effective

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2020.

Note 40 : Group information

Information about subsidiaries

The consolidated financial statements of the company include subsidiary listed in the table below :

(₹ in Lakhs)

Name	Principal activities	Country of Incorporation	% equity interest	
			March 31, 2020	March 31, 2019
HT Noida Company Limited	To invest in properties and carrying out the business of renting of properties.	India	100	Not Applicable

Refer note 34 for details of Holding Company and Ultimate Holding Company.

Joint arrangement in which the company is a joint venture

The company has 99.99% in HT Content Studio LLP (incorporated in India), (previous year : Nil)

The Holding Company

The holding company of Hindustan Media Ventures Limited is The HT Media Limited.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2020

Note 41 : Interest in joint venture

A) Joint Venture- HT Content Studio LLP

HT Content Studio LLP became a Joint Venture of the Company w.e.f August 21, 2019. The Group has a 99.99 % interest in HT Content Studio LLP, a joint venture which owns "Film production and OTT business. The Group's interest in HT Content Studio LLP is accounted for using the equity method in the consolidated financial statements. Summarised financial information of the joint venture, based on its Ind-AS financial statements, and reconciliation with the carrying amount of the investment in consolidated financial statements are set out below :

Summarised Balance Sheet as at March 31, 2020:

(₹ in Lakhs)

Particulars	March 31, 2020
Current assets	194
Non-current assets	13
Current liabilities	(150)
Non-current liabilities	-
Equity	**57**
Proportion of the Group's ownership	57
Carrying amount of the investment	**57**

Summarised Statement of Profit and Loss of the HT Content Studio LLP :

(₹ in Lakhs)

Particulars	March 31, 2020
Revenue	-
Depreciation & amortization	1
Finance cost	-
Employee benefit	232
Other expense	34
Loss before tax	**(267)**
Income tax expense	-
Loss for the year	**(267)**
Other comprehensive income	-
Total comprehensive income for the year	**(267)**
Group's share of loss for the year	**(267)**

The group had capital commitments of ₹ 76 Lakhs relating to its interest in HT Content Studio LLP as at March 31, 2020 . The joint venture had no contingent liabilities or capital commitments as at March 31, 2020 . HT Content Studio LLP cannot distribute its profits until it obtains the consent from the two venture partners

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2020

Note 42:

Pursuant to a Scheme of Arrangement u/s 230 and 232 of the Companies Act, 2013 between Hindustan Media Ventures Limited [Resulting Company] and a fellow subsidiary company viz. India Education Services Private Limited (IESPL) [Demerged Company], and their respective shareholders (Scheme), sanctioned by Hon'ble National Company Law Tribunal, Kolkata Bench and New Delhi Bench vide their respective orders dated August 5, 2019 (amended vide order dated August 28, 2019) (certified copy received on November 08, 2019) and October 22, 2019 (certified copy received on November 11, 2019) respectively, the Business to Consumer (B2C) Education business of Demerged Company along with its related assets and liabilities have been transferred to Resulting Company.

Certified copy of the orders sanctioning the Scheme have been filed with Registrar of Companies (RoC), Delhi and Bihar on November 19, 2019. Accordingly, the Scheme has been given effect in accordance with Appendix C ""Business combinations of entities under common control"" of Ind AS 103 (Business Combinations) i.e. at the beginning of the comparative period (April 1, 2018 being the Acquisition Date). Consequently, the numbers related to the comparative period (i.e., FY 2018-19) have been restated accordingly.

Pursuant to the Scheme, the Resulting Company has allotted its 2,77,778 equity shares of ₹ 10 each to the shareholders of Demerged Company on December 5, 2019 in the proportion of 10 equity shares of ₹ 10 each fully paid up of the Resulting Company for every 72 equity shares of ₹ 10 each fully paid up of the Demerged Company.

Till the date of issue and allotment of aforesaid shares (paid-up value ₹ 27,77,780), they have been accounted for in share suspense account. The same have been considered for calculation of earnings per shares and paid up share capital for the periods reported above subsequent to Acquisition Date.

In terms of the Scheme, effective from April 1, 2018 :

a) The assets and liabilities of the B2C Education business of IESPL have been transferred to the Company as the same book value appearing in the books of IESPL on April 1, 2018.

b) Share suspense account has been credited with the aggregate face value of the new equity shares to be issued to the shareholders of IESPL (consideration); and

c) The difference between assets and liabilities over the consideration is accounted for as Capital reserve.

The details of the assets and liabilities acquired in terms of the Scheme (as on April 1, 2018) are as follows:

(₹ in Lakhs)

Particulars	Total
Non-current Assets	
(a) Property, plant and equipment	109
(b) Capital work-in-progress	27
(c) Intangible assets	7
(d) Financial assets	
(i) Loans	57
Total Non- current assets	**200**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2020

Note 42: (Contd..)

(₹ in Lakhs)

Particulars	Total
Current Assets	
(a) Financial assets	
(i) Trade receivables	9
(ii) Other financial assets	296
(b) Other current assets	761
Total Current Assets	**1,066**
Total Assets(A)	**1,266**
Non- Current Liabilities	
(a) Financial liabilities	
(i) Borrowings	1,000
Total Non- Current Liabilities	**1,000**
(a) Financial liabilities	
(i) Trade payables	1,390
(ii) Other financial liabilities	58
(b) Provisions	7
(c) Other current liabilities	103
Total Current Liabilities	**1,558**
Total Liabilities(B)	**2,558**
Net assets/(liabilities) acquired by the Company (A-B)	**(1,292)**
Less: Purchase Consideration (issued ten (10) shares of seventy two (72) shares held by India Education Services Private Limited Shareholders	28
Capital Reserve (The difference of "Purchase Consideration" over net assets of Business to consumers segment of India Education Services Private Limited)	**(1,320)**

d) Revenue and expenses relatable to B2C Education business of India Education Services Private Limited, for the period beginning with April 1, 2018 upto March 31, 2019, were transferred to the Company by India Education Services Private Limited and recorded by the Company. The details are as follows:

(₹ in Lakhs)

Particulars	Total
Income	
Revenue from operations	144
Other Income	108
Total Income (I)	**252**
Expenses	
Employee benefits expense	67
Finance costs	213
Depreciation and amortization expense	46
Other expenses	555
Total expenses (II)	**881**
Profit before tax (I-II)	**(629)**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2020

Note 43: Leases

Leases as Lessee

The Company has taken various residential, office and godown premises under lease arrangements.

i) The details of the right-of-use asset held by the Group is as follows:

(₹ in Lakhs)

Particulars	Leasehold Land	Leasehold Vehicle	Buildings	Total
Balance at April 1, 2019	**3,686**	**-**	**326**	**4,012**
Reclassification from prepaid rent	-	-	16	16
Depreciation charge for the year	(45)	(3)	(830)	(878)
Additions to right-of-use assets	-	50	2,860	2,910
Derecognition of right-of-use assets	(98)	-	-	(98)
Balance at March 31, 2020	**3,543**	**47**	**2,372**	**5,962**

ii) Set out below are the carrying amounts of lease liabilities and the movements during the period:

(₹ in Lakhs)

Particulars	Amount
Balance at April 1, 2019	**326**
Additions	2,733
Accretion of interest	140
Payments- Principal	(885)
Payments- Interest	(140)
Balance at March 31, 2020	**2,174**
Current	**1,038**
Non- current	**1,136**

The maturity analysis of lease liabilities are disclosed in note 38.

iii) Amounts recognised in profit or loss:

Particulars	₹ in Lakhs
Interest on lease liabilities	140
Depreciation expense of right-of-use assets	878
Expenses relating to short-term leases	730

iv) Amounts recognised in statement of cash flows:

Particulars	₹ in Lakhs
Total cash outflow for leases	885

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2020

Note 43: Leases (Contd..)

Leases as Lessee

i) Operating lease

The Group has entered into operating leases on its investment property.

Rental income recognised by the Group during 2019-20 is ₹ 25 Lakhs (previous year Nil).

The following table sets out a maturity analysis of lease payments, showing the undiscounted lease payments to be received after the reporting date-

Particulars	in ₹ Lakhs
Less than one year	27
One to two years	-
Two to three years	-
Three to four years	-
Four to five years	-
More than five years	-
Total	**27**

Note 44 : Disclosure required under section 186(4) of the Companies Act, 2013

Included in loans and advances and loan to subsidiary the particulars of which are disclosed in below as required by Sec 186(4) of Companies Act 2013:

(₹ in Lakhs)

Name of the Loanee	Rate of Interest	Due Date	Secured/ Unsecured	Purpose of Loan	March 31, 2020	March 31, 2019
Next Radio Limited (fellow subsidiary)	10% p.a. compounded annually	36 months from the date of disbursement	Unsecured	To meet the business requirements/ repayment of existing bank loans and/ or for general corporate purposes	6,050	-

Note 45 : Capitalized expenditure

During the previous year, the Group has capitalized the following expenses of revenue nature to the cost of property, plant and equipment/capital work in progress (CWIP). Consequently, expenses disclosed under the respective notes are net of amounts capitalized by the Group.

(₹ in Lakhs)

Particulars	March 31, 2020	March 31, 2019
Raw material consumption	-	11
Travelling and conveyance	-	31
Miscellaneous expenses	-	15
Total	**-**	**57**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2020

Note 46: Additional information as required under Schedule III of the Companies Act, 2013, of the enterprises consolidated as subsidiaries/ associates/joint ventures.

(₹ in Lakhs)

Particulars	Net assets i.e. total assets minus total liabilities		Share in Profit or Loss		Share in other Comprehensive income		Share in total Comprehensive income	
	As % of consolidated net assets	Amount (₹ in lakhs)	As % of consolidated profit or loss	Amount (₹ in lakhs)	As % of consolidated other comprehensive income	Amount (₹ in lakhs)	As % of total comprehensive income	Amount (₹ in lakhs)
Current Year : As on March 31, 2020								
I. Parent :								
Hindustan Media Ventures Limited	100%	1,51,678	102%	11,897	100%	(538)	102%	11,359
II. Subsidiaries :								
a) Indian								
HT Noida Company Limited	0%	5	-	-	-	-	-	-
III Non- controlling interest in all subsidiaries								
IV Joint Venture (Investment as per Equity Method)								
a) Indian								
HT Content Studio LLP	0%	(267)	-2%	(267)	-	-	-2%	(267)
Total	**100%**	**1,51,416**	**100%**	**11,630**	**100%**	**(538)**	**100%**	**11,092**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2020

Note 47: Management has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amount of property, plant and equipment, intangible assets, investment properties, inventories, receivables, other financial and non-financial assets of the Group. In developing the assumptions relating to the possible future uncertainties because of this pandemic, the Group, as at the date of adoption of these standalone financial statements has used internal and external sources of information. The Group has performed sensitivity analysis on the assumptions used, to the extent applicable and based on current factors estimated that the carrying amount of above mentioned assets as at March 31, 2020 will be recovered. Given the uncertainties associated with nature, condition and duration of COVID-19, the impact assessment on the Group's financial statements will be continuously made and provided for as required.

Note 48: Previous year figures have been regrouped and reclassified wherever necessary to conform to the current year classification.

In terms of our report of even date attached

For B S R and Associates
Chartered Accountants
(Firm Registration Number: 128901W)

Rajesh Arora
Partner
Membership No. 076124

Place: Gurugram
Date: June 24, 2020

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

Tridib Barat
Company Secretary

Sandeep Gulati
Chief Financial Officer

Samudra Bhattacharya
Chief Executive Officer

Praveen Someshwar
Managing Director
(DIN: 01802656)

Shobhana Bhartia
Chairperson
(DIN: 00020648)

Place: New Delhi
Date: June 24, 2020

Notes

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Tarakki ka Naya Nazariya

Source: *TR, IRS Q4 2019

हिन्दुस्तान

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