

Ref: DCL/CS/160/2020

6<sup>th</sup> May, 2020BSE Limited  
P. J. Tower, Dalal Street  
**Mumbai- 400 001**The National Stock Exchange of India Limited  
Exchange Plaza, 5<sup>th</sup> Floor,  
Plot No. C/1, G Block  
Bandra-Kurla Complex, Bandra (East)  
**Mumbai- 400 051**

Scrip Code: 542685

Trading Symbol: DGCONTENT

Dear Sirs,

**Sub: Intimation of outcome of the Board Meeting held on 6<sup>th</sup> May, 2020 and disclosure under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, as amended ("SEBI LODR")**

This is to inform you that the Board of Directors of the Company at its meeting held today, i.e. 6<sup>th</sup> May, 2020 (which commenced at 12 Noon and concluded at 12.40 pm) has, *inter-alia*, transacted the following businesses:-

1. Approved and taken on record the Audited (Standalone and Consolidated) Financial Results of the Company for the quarter and financial year ended on 31<sup>st</sup> March, 2020 pursuant to Regulation 33 of SEBI LODR.
2. Approved the Audited (Standalone and Consolidated) Financial Statements of the Company pursuant to IND-AS compliant Schedule III to the Companies Act, 2013 for the financial year ended on 31<sup>st</sup> March, 2020.

Further, we are enclosing herewith the following:

1. Audited (Standalone and Consolidated) Financial Results of the Company for the quarter and financial year ended on 31<sup>st</sup> March, 2020 in the prescribed format alongwith the Auditor's Report thereon (**Annexure - 1**); and
2. Declaration of Chief Financial Officer on Unmodified Opinion in the Auditor's Report for Financial Year 2019-20 (**Annexure - 2**)

This is for your information and record.

Thanking you,

Yours faithfully,

For **DIGICONTENT LIMITED**

  
(Vikas Prakash)  
Company Secretary

# B S R and Associates

Chartered Accountants

Building No. 10, 8th Floor, Tower-B  
DLF Cyber City, Phase - II  
Gurugram - 122 002, India

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## INDEPENDENT AUDITOR'S REPORT

### TO THE BOARD OF DIRECTORS OF DIGICONTENT LIMITED

#### Report on the audit of the Standalone Annual Financial Results

#### Opinion

We have audited the accompanying standalone annual financial results of Digicontent Limited (hereinafter referred to as the "Company") for the year ended 31 March 2020 ('standalone annual financial results'), attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the Securities and Exchange Board of India ("SEBI") (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('Listing Regulations').

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone annual financial results:

- a. are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- b. in the context of overriding effect of the provision in the scheme of arrangement as detailed in Emphasis of Matter paragraph below, give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards, and other accounting principles generally accepted in India, of the net loss and other comprehensive income and other financial information for the year ended 31 March 2020.

#### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Standalone Annual Financial Results* section of our report. We are independent of the Company, in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the 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 annual financial results.

#### Emphasis of Matter

We draw attention to Note 1 of the standalone annual financial results in respect to a Scheme of Arrangement (Demerger) between the Digicontent Limited and HT Media Limited (HTML) and their respective creditors and shareholders, as sanctioned by the Hon'ble National Company Law Tribunal. The Scheme, inter-alia, prescribed demerger of Entertainment and Digital Innovation business of HT Media Limited (Demerged Company) including strategic investment and vesting thereof into the Digicontent Limited w.e.f. closing business hours of 31 March 2018 (the Appointed Date) as compared

to acquisition date under common control business combination as per the applicable Indian Accounting Standards (Ind-AS) prescribed under Section 133 of the Companies Act, 2013.

Our opinion is not modified in respect of this matter.

#### **Management's and Board of Directors' Responsibilities for the Standalone Annual Financial Results**

These standalone annual financial results have been prepared on the basis of the standalone annual financial statements.

The Company's Management and the Board of Directors are responsible for the preparation and presentation of these standalone annual financial results that give a true and fair view of the net loss and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in Indian Accounting Standards prescribed under Section 133 of the Act and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone annual financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone annual financial results, the Management and the 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 responsible for overseeing the Company's financial reporting process.

#### **Auditor's Responsibilities for the Audit of the Standalone Annual Financial Results**

Our objectives are to obtain reasonable assurance about whether the standalone annual financial results 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 annual financial results.



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 annual financial results, 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 through a separate report on the complete set of standalone financial statements on whether the Company has adequate internal financial controls with reference to standalone 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 annual financial results 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 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 standalone annual financial results 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 annual financial results, including the disclosures, and whether the standalone annual financial results 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.



**Other Matters**

1. We draw your attention to the fact that corresponding figures for the year ended 31 March 2019 included in the standalone annual financial results have been extracted from the audited special purpose financial statements which were audited by predecessor auditor who expressed an unmodified opinion dated 16 April 2019. The said financial statements were considered as special purpose financial statements as they were prepared for filing information memorandum for listing purpose and are not the statutory financial statements.

Our opinion is not modified in respect of this matter.

2. We draw your attention to the fact that the corresponding figures for the quarter ended 31 March 2019 included in the standalone annual financial results have neither been subjected to audit nor review. The corresponding financial results have been prepared for the first time, post listing of equity shares of the Company on stock exchanges and have been certified by the management and our conclusion on the corresponding figures for the quarter ended 31 March 2019 in so far as it relates to the amounts and disclosures included in the standalone annual financial results is based solely on such financial information as certified by the management.

Our opinion is not modified in respect of this matter.

3. The standalone annual financial results include the results for the quarter ended 31 March 2020 being the balancing figure between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year which were subject to limited review by us.

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



*Rajesh Arora*

**Rajesh Arora**  
*Partner*

Membership No. : 076124  
UDIN: 20076124AAAAAQ8688

Place: Gurugram  
Date: 06 May 2020

**Digicontent Limited**

CIN:- L74999DL2017PLC322147

Registered Office: Hindustan Times House ,2nd Floor, 18-20, Kasturba Gandhi Marg, New Delhi-110001, India

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Audited Standalone Financial Results for the quarter and year ended March 31, 2020

**Statement of Audited Standalone financial Results for the quarter and year ended March 31, 2020**

(INR in Lakhs except Earnings per share data)

S.No.	Particulars	Three Months Ended			Year ended	
		31.03.2020 Audited (Refer Note 2)	31.12.2019 Un-audited	31.03.2019 Un-audited (Refer Note 7)	31.03.2020 Audited	31.03.2019 Audited (Refer Note 1)
<b>1</b>	<b>Income</b>					
	a) Revenue from Operations	284	476	393	1,560	2,004
	b) Other Income	62	55	6	211	18
	<b>Total Income</b>	<b>346</b>	<b>531</b>	<b>399</b>	<b>1,771</b>	<b>2,022</b>
<b>2</b>	<b>Expenses</b>					
	a) Employee benefits expense	269	271	243	1,109	965
	b) Finance costs	270	246	241	1,006	904
	c) Depreciation and amortisation expense	4	4	7	20	30
	d) Other expenses	180	146	178	577	610
	<b>Total Expenses</b>	<b>723</b>	<b>667</b>	<b>669</b>	<b>2,712</b>	<b>2,509</b>
<b>3</b>	<b>Profit/(Loss) before exceptional items and tax (1-2)</b>	<b>(377)</b>	<b>(136)</b>	<b>(270)</b>	<b>(941)</b>	<b>(487)</b>
<b>3a</b>	<b>Profit/(Loss) before finance costs, tax, depreciation and amortisation expenses (EBITDA) (3+2b+2c) and exceptional items</b>	<b>(103)</b>	<b>114</b>	<b>(22)</b>	<b>85</b>	<b>447</b>
<b>4</b>	Exceptional Items	-	-	-	-	-
<b>5</b>	<b>Profit/(Loss) before Tax (3+4)</b>	<b>(377)</b>	<b>(136)</b>	<b>(270)</b>	<b>(941)</b>	<b>(487)</b>
<b>6</b>	<b>Tax Expense</b>					
	a) Current tax [charge/ (credit)]	-	-	-	-	-
	b) Deferred tax [charge/ (credit)]	-	-	(127)	133	(127)
	<b>Total tax expense</b>	<b>-</b>	<b>-</b>	<b>(127)</b>	<b>133</b>	<b>(127)</b>
<b>7</b>	<b>Net Profit/(Loss) after tax for the year/ period (5-6)</b>	<b>(377)</b>	<b>(136)</b>	<b>(143)</b>	<b>(1,074)</b>	<b>(360)</b>
<b>8</b>	<b>Other Comprehensive Income (net of tax)</b>					
	a) Items that will not be reclassified to profit or loss	(2)	-	(4)	(3)	(16)
	<b>Total Other Comprehensive Income/(Loss)</b>	<b>(2)</b>	<b>-</b>	<b>(4)</b>	<b>(3)</b>	<b>(16)</b>
<b>9</b>	<b>Total Comprehensive Income/(Loss) (7+8)</b>	<b>(379)</b>	<b>(136)</b>	<b>(147)</b>	<b>(1,077)</b>	<b>(376)</b>
<b>10</b>	Paid-up Equity Share Capital (Face value - INR 2/- per share)*	1,164	1,164	1,164	1,164	1,164
<b>11</b>	Other Equity excluding Revaluation Reserves as per the balance sheet				9,032	10,109
<b>12</b>	<b>Earnings/(Loss) per share*</b>					
	(of INR 2/- each)	(not annualised)	(not annualised)	(not annualised)		
	(a) Basic	(0.65)	(0.23)	(0.25)	(1.85)	(0.62)
	(b) Diluted	(0.65)	(0.23)	(0.25)	(1.85)	(0.62)

\* (Refer Note-1)

**Notes :**

- 1 The Scheme of Arrangement (Demerger) u/s 230-232 of the Companies Act, 2013 between Digicontent Limited ("the Company") and HT Media Limited (HTML) and their respective shareholders and creditors (Scheme) for transfer and vesting of the Entertainment & Digital Innovation Business of HTML to and in the Company, as going concern, with effect from March 31, 2018 (closing business hours) i.e. Appointed Date, was sanctioned by the Hon'ble National Company Law Tribunal (NCLT), New Delhi Bench vide order dated March 7, 2019 (the order). Consequent upon filing of the order passed by NCLT with the Registrar of Companies, NCT of Delhi & Haryana on April 5, 2019, the Scheme became effective from the Appointed Date.

The Company issued and allotted its 5,81,87,078 equity shares of face value of Rs. 2/- each on April 12, 2019 to the eligible shareholders of HTML.

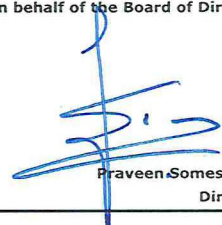
The aforesaid equity shares were admitted for trading and listed on the stock exchanges i.e. National Stock Exchange of India Limited and BSE Limited on June 18, 2019. These equity shares have also been considered for the purpose of calculation of earnings per share and paid up share capital for the periods reported above.

The Corresponding figures for the year ended 31 March 2019 included in the standalone financial results have been extracted from the audited special purpose financial statements which were prepared for filing information memorandum for listing purpose and are not the statutory financial statements.

- 2 The above standalone financial results for the quarter and year ended 31 March 2020 were reviewed and recommended by the Audit Committee and approved by the Board of Directors at their respective meetings held on May 6, 2020. The Statutory Auditors of Digicontent Limited ('the Company') have carried out an audit of the above results pursuant to Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended and have issued an unmodified opinion. For standalone financial results, the figures for the last quarter ended as on 31 March 2020 are the balancing figures between the audited figures in respect of the full financial year and the published year to date figures upto the end of the third quarter. Also, the figures upto the third quarter were subject to limited review.
- 3 The standalone financial results have been prepared in accordance with the Indian Accounting Standards ('Ind AS') prescribed under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules as amended from time to time.
- 4 The Company has adopted Ind AS 116, effective annual reporting period beginning April 1, 2019 and there is no impact on the standalone financial results.
- 5 The Company is engaged in the business of "Entertainment & Digital Innovation Business" and there are no other reportable segments as per Ind AS 108 on Operating Segments.
- 6 The certificate of CEO and CFO in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in respect of the above results has been placed before the Board of Directors.
- 7 The results of corresponding quarter ended March 31, 2019 have been prepared for the first time, post listing of equity shares of the Company on stock exchange, for comparative purpose and are unaudited and unreviewed.
- 8 Previous period's figures have been re-grouped/ re-classified wherever necessary, to correspond with those of the current period's classification.
- 9 Management has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amount of 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 results has used internal and external sources of information. The Company has performed sensitivity analysis on the assumptions used and based on current estimates expects that the carrying amount of assets will be recovered. The impact of COVID-19 on the Company's financial results may differ from that estimated as at the date of adoption of audited financial statements for the year ended 31 March 2020.

10 Standalone Balance Sheet as at March 31, 2020 is as given below :			
(INR in Lakhs)			
	Particulars	As at March 31, 2020 Audited	As at March 31, 2019 Audited*
<b>A</b>	<b>ASSETS</b>		
1)	<b>Non-current assets</b>		
	(a) Property, plant and equipment	1	2
	(b) Intangible assets	13	33
	(c) Investment in subsidiaries	17,580	17,580
	(d) Deferred tax assets (net)	-	133
	(e) Income tax assets	50	2
	<b>Total non-current assets</b>	<b>17,644</b>	<b>17,750</b>
2)	<b>Current assets</b>		
	(a) Financial assets		
	(i) Trade receivables	143	848
	(ii) Cash and cash equivalents	630	341
	(iii) Bank balances other than (ii) above	-	-
	(iv) Loans	1,851	1
	(v) Other financial assets	209	1,838
	(b) Contract assets	12	2
	(c) Other current assets	10	1
	<b>Total current assets</b>	<b>2,855</b>	<b>3,031</b>
	<b>Total assets</b>	<b>20,499</b>	<b>20,781</b>
<b>B</b>	<b>EQUITY AND LIABILITIES</b>		
1)	<b>Equity</b>		
	(a) Equity share capital	1,164	-
	(b) Share suspense account	-	1,164
	(c) Other equity	9,032	10,109
	<b>Total equity</b>	<b>10,196</b>	<b>11,273</b>
2)	<b>Liabilities</b>		
	<b>Non-current liabilities</b>		
	(a) Financial liabilities		
	(i) Borrowings	8,000	8,000
	(ii) Other financial liabilities	1,916	1,010
	(b) Provisions	52	45
	<b>Total non-current liabilities</b>	<b>9,968</b>	<b>9,055</b>
	<b>Current liabilities</b>		
	(a) Financial liabilities		
	(i) Trade payables	146	317
	(ii) Other financial liabilities	143	5
	(b) Provisions	6	18
	(c) Other current liabilities	40	113
	<b>Total current liabilities</b>	<b>335</b>	<b>453</b>
	<b>Total liabilities</b>	<b>10,303</b>	<b>9,508</b>
	<b>Total equity and liabilities</b>	<b>20,499</b>	<b>20,781</b>
* (Refer Note-1)			
See accompanying notes to the standalone financial results			



11. Standalone Statement of Cash Flow for the year ended March 31, 2020 is as given below :		
Particulars	March 31, 2020 INR Lakhs Audited	March 31, 2019 INR Lakhs Audited*
<b>Cash flows from Operating activities</b>		
Loss before taxation	(941)	(487)
<b>Adjustments to reconcile loss before tax to net cash flows:</b>		
Interest Income from deposits	(40)	(18)
Depreciation and amortization expense	20	30
Interest cost on borrowings	1,006	904
Unclaimed balances/unspent liabilities written back	(6)	-
Interest income from inter- corporate loan given	(165)	-
Impairment of doubtful debts and advances (including bad debts written off)	1	64
<b>Changes in operating assets and liabilities</b>		
(Increase)/Decrease in trade receivables	704	(145)
(Increase)/ Decrease in current and non-current financial assets and other current and non-current assets	1,765	(292)
Increase/ (Decrease) in current and non-current financial liabilities and other current and non-current liabilities and provisions	(106)	55
<b>Cash generated from operations</b>	<b>2,238</b>	<b>111</b>
Income tax paid	(48)	(2)
<b>Net cash flow from operating activities (A)</b>	<b>2,190</b>	<b>109</b>
<b>Cash flows from Investing activities</b>		
Interest received on deposits	34	18
Interest received on Inter- corporate loan given	16	-
Inter-Corporate Deposits given	(1,850)	-
Purchase of Property, Plant and equipment	(1)	-
<b>Net cash outflows from investing activities (B)</b>	<b>(1,801)</b>	<b>18</b>
<b>Cash flow from Financing activities</b>		
Interest paid	(100)	(112)
<b>Net cash inflow/(outflows) from financing activities (C)</b>	<b>(100)</b>	<b>(112)</b>
<b>Net increase/ (decrease) in cash and cash equivalents (D= A+B+C)</b>	<b>289</b>	<b>15</b>
Cash and cash equivalents at the beginning of the year (E)	341	326
<b>Cash and cash equivalents at the end of the year (D+E)</b>	<b>630</b>	<b>341</b>
<b>Components of Cash &amp; Cash Equivalents as at end of the year</b>		
Cash in hand	-	-
With banks		
- On deposit accounts	524	257
- On current accounts	106	84
<b>Total cash and cash equivalents</b>	<b>630</b>	<b>341</b>
* (Refer Note-1)		
		For and on behalf of the Board of Directors
		
New Delhi May 6, 2020		Praveen Someshwar Director

# B S R and Associates

Chartered Accountants

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## INDEPENDENT AUDITOR'S REPORT

### TO THE BOARD OF DIRECTORS OF DIGICONTENT LIMITED

#### Report on the audit of the Consolidated Annual Financial Results

#### Opinion

We have audited the accompanying consolidated annual financial results of Digicontent Limited (hereinafter referred to as the "Holding Company") and its subsidiary, HT Digital Streams Limited, (Holding Company and its subsidiary together referred to as "the Group"), for the year ended 31 March 2020, ("the statement" or "consolidated annual financial results"), attached herewith, being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the Securities and Exchange Board of India ("SEBI") (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('Listing Regulations').

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated annual financial results:

- a. also include the annual financial results of the subsidiary- HT Digital Streams Limited;
- b. are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- c. in the context of overriding effect of the provision in the scheme of arrangements as detailed in Emphasis of Matters paragraph below, give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards, and other accounting principles generally accepted in India, of consolidated net loss and other comprehensive income and other financial information of the Group for the year ended 31 March 2020.

#### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Annual Financial Results* section of our report. We are independent of the Group, in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the 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 obtained by us is sufficient and appropriate to provide a basis for our opinion on the consolidated annual financial results.

*Waj*

### **Emphasis of Matters**

We draw attention to Note 1 of consolidated annual financial results in respect to a Scheme of Arrangement (Demerger) between the holding company and HT Media Limited (HTML) and their respective creditors and shareholders, as sanctioned by the Hon'ble National Company Law Tribunal. The Scheme, inter-alia, prescribed demerger of Entertainment and Digital Innovation business of HT Media Limited (Demerged Company) including strategic investment and vesting thereof into the holding company w.e.f. closing business hours of 31 March 2018 (the Appointed Date) as compared to acquisition date under common control business combination as per the applicable Indian Accounting Standards (Ind-AS) prescribed under Section 133 of the Companies Act, 2013.

Our opinion is not modified in respect of this matter.

We draw attention to Note 10 of the consolidated annual financial results, where in goodwill acquired under Scheme of Arrangement under section 391-394 of Companies Act, 1956 between HT Media Limited and HT Digital Streams Limited and Hindustan Media Ventures Limited and HT Digital Streams Limited ('the Scheme'), in the previous years, is being amortised as per the scheme of arrangement sanctioned by Hon'ble High Courts. This accounting treatment as envisaged in the Scheme is different from that prescribed in the applicable Ind AS which only requires to test such goodwill annually for impairment purposes.

Our opinion is not modified in respect of this matter.

### **Management's and Board of Directors' Responsibilities for the Consolidated Annual Financial Results**

These consolidated annual financial results have been prepared on the basis of the consolidated annual financial statements.

The Holding Company's Management and the Board of Directors are responsible for the preparation and presentation of these consolidated annual financial results that give a true and fair view of the consolidated net loss and other comprehensive income and other financial information of the Group in accordance with the recognition and measurement principles laid down in Indian Accounting Standards prescribed under Section 133 of the Act and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The respective Management and Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of each company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated annual financial results 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 annual financial results by the Management and the Directors of the Holding Company, as aforesaid.

In preparing the consolidated annual financial results, the Management and the respective Board of Directors of the companies included in the Group 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 is responsible for overseeing the financial reporting process of each company.

#### **Auditor's Responsibilities for the Audit of the Consolidated Annual Financial Results**

Our objectives are to obtain reasonable assurance about whether the consolidated annual financial results 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 annual financial results.

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 annual financial results, 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 through a separate report on the complete set of financial statements 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 consolidated financial results 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 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 annual financial results 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 to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated annual financial results, including the disclosures, and whether the consolidated annual financial results represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance of the Holding Company and subsidiary company 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.

We also performed procedures in accordance with the circular No CIR/CFD/CMD1/44/2019 issued by the SEBI under Regulation 33(8) of the Listing Regulations, as amended, to the extent applicable.

**Other Matters**

1. We draw your attention to the fact that corresponding figures for the year ended 31 March 2019 included in the consolidated annual financial results have been extracted from the audited special purpose consolidated financial statements which were audited by predecessor auditor who expressed an unmodified opinion dated 16 April 2019. The said consolidated financial statements were considered as special purpose consolidated financial statements as they were prepared for filing information memorandum for listing purpose and are not the statutory financial statements.

Our opinion is not modified in respect of this matter.

2. We draw your attention to the fact that the corresponding figures for the quarter ended 31 March 2019 included in the consolidated annual financial results have neither been subjected to audit nor reviewed. The corresponding financial results have been prepared for the first time, post listing of equity shares of the Holding Company on stock exchanges and have been certified by the management and our conclusion on the corresponding figures for the quarter ended 31 March 2019 in so far as it relates to the amounts and disclosures included in the consolidated annual financial results is based solely on such financial information as certified by the management.

Our opinion is not modified in respect of this matter.

3. The consolidated annual financial results include the results for the quarter ended 31 March 2020 being the balancing figure between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year which were subject to limited review by us.

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



*Rajesh Arora*

**Rajesh Arora**  
*Partner*  
Membership No. : 076124  
UDIN: 20076124AAAAAP3275

Place: Gurugram  
Date: 06 May 2020



Digicontent Limited

CIN:- L74999DL2017PLC322147

Registered Office: Hindustan Times House ,2nd Floor, 18-20, Kasturba Gandhi Marg, New Delhi-110001, India

Tel: +91-11- 6656 1234 Fax: +91-11-6656 1270

Website:- www.digicontent.co.in

E-mail:-investor@digicontent.co.in

Audited Consolidated Financial Results for the Quarter and year ended March 31, 2020

Statement of Audited Consolidated Financial Results for the quarter and year ended March 31, 2020

(INR in Lakhs except Earnings per share data)						
S.No.	Particulars	Three Months Ended			Year ended	
		31.03.2020 Audited (Refer Note 3)	31.12.2019 Un-audited	31.03.2019 Un-audited (Refer Note 9)	31.03.2020 Audited	31.03.2019 Audited (Refer Note 1)
<b>1</b>	<b>Income</b>					
	a) Revenue from Operations	6,124	7,188	6,634	25,910	26,797
	b) Other Income	49	94	22	177	58
	<b>Total Income</b>	<b>6,173</b>	<b>7,282</b>	<b>6,656</b>	<b>26,087</b>	<b>26,855</b>
<b>2</b>	<b>Expenses</b>					
	a) Employee benefits expense	3,711	3,606	3,740	14,212	13,900
	b) Finance costs	329	305	242	1,241	912
	c) Depreciation and amortization expense	1,325	1,328	919	5,290	3,765
	d) Other expenses	2,425	2,285	2,550	9,296	9,931
	<b>Total Expenses</b>	<b>7,790</b>	<b>7,524</b>	<b>7,451</b>	<b>30,039</b>	<b>28,508</b>
<b>3</b>	<b>Profit/(Loss) before exceptional items and tax (1-2)</b>	<b>(1,617)</b>	<b>(242)</b>	<b>(795)</b>	<b>(3,952)</b>	<b>(1,653)</b>
<b>3a</b>	<b>Profit/(Loss) before finance costs, tax, depreciation and amortisation expenses (EBITDA) (3+2b+2c) and exceptional items</b>	<b>37</b>	<b>1,391</b>	<b>366</b>	<b>2,579</b>	<b>3,024</b>
<b>4</b>	<b>Exceptional Items</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>5</b>	<b>Profit/(Loss) before Tax (3+4)</b>	<b>(1,617)</b>	<b>(242)</b>	<b>(795)</b>	<b>(3,952)</b>	<b>(1,653)</b>
<b>6</b>	<b>Tax Expense</b>					
	a) Current tax [charge/ (credit)]	-	-	-	-	-
	b) Deferred tax [charge/ (credit)]	(322)	(27)	(229)	(650)	(476)
	<b>Total tax expense</b>	<b>(322)</b>	<b>(27)</b>	<b>(229)</b>	<b>(650)</b>	<b>(476)</b>
<b>7</b>	<b>Net Profit/(Loss) after tax for the year / period (5-6)</b>	<b>(1,295)</b>	<b>(215)</b>	<b>(566)</b>	<b>(3,302)</b>	<b>(1,177)</b>
<b>8</b>	<b>Other Comprehensive Income (net of tax)</b>					
	a) Items that will not be reclassified to profit/ (loss)	23	(44)	8	(107)	32
	<b>Total Other Comprehensive Income/(Loss)</b>	<b>23</b>	<b>(44)</b>	<b>8</b>	<b>(107)</b>	<b>32</b>
<b>9</b>	<b>Total Comprehensive Income/(Loss) (7+8)</b>	<b>(1,272)</b>	<b>(259)</b>	<b>(558)</b>	<b>(3,409)</b>	<b>(1,145)</b>
<b>10</b>	<b>Paid-up Equity Share Capital (Face value - INR 2/- per share)*</b>	<b>1,164</b>	<b>1,164</b>	<b>1,164</b>	<b>1,164</b>	<b>1,164</b>
<b>11</b>	<b>Other Equity excluding Revaluation Reserves as per the balance sheet</b>				<b>1,916</b>	<b>5,325</b>
<b>12</b>	<b>Earnings/(Loss) per share*</b>					
	(of INR 2/- each)	(not annualised)	(not annualised)	(not annualised)		
	(a) Basic	(2.22)	(0.37)	(0.97)	(5.67)	(2.02)
	(b) Diluted	(2.22)	(0.37)	(0.97)	(5.67)	(2.02)

\* (Refer Note-1)

**Notes :**

- 1 The Scheme of Arrangement (Demerger) u/s 230-232 of the Companies Act, 2013 between Digicontent Limited ("the Company") and HT Media Limited (HTML) and their respective shareholders and creditors (Scheme) for transfer and vesting of the Entertainment & Digital Innovation Business of HTML to and in the Company, as going concern, with effect from March 31, 2018 (closing business hours) i.e. Appointed Date, was sanctioned by the Hon'ble National Company Law Tribunal (NCLT), New Delhi Bench vide order dated March 7, 2019 (the order). Consequent upon filing of the order passed by NCLT with the Registrar of Companies, NCT of Delhi & Haryana on April 5, 2019, the Scheme became effective from the Appointed Date.

Pursuant to the Scheme, HTML has transferred its entire stake in HT Digital Streams Limited (HTDSL) (i.e. 57.17%) to the Company. Consequently, HTDSL has become wholly-owned subsidiary of the Company. The Consolidated results for year ended March 31, 2019 were prepared for filing information memorandum for listing purpose.

The Company issued and allotted its 5,81,87,078 equity shares of face value of Rs. 2/- each on April 12, 2019 to the eligible shareholders of HTML.

The aforesaid equity shares were admitted for trading and listed on the stock exchanges i.e. National Stock Exchange of India Limited and BSE Limited on June 18, 2019. These equity shares have also been considered for the purpose of calculation of earnings per share and paid up share capital for the periods reported above.

The Corresponding figures for the year ended 31 March 2019 included in the consolidated financial results have been extracted from the audited special purpose financial statements which were prepared for filing information memorandum for listing purpose and are not the statutory financial statements.

- 2 The standalone financial results of following entity have been consolidated with the financial results of the Company, hereinafter referred to as "the Group":

**Wholly-owned Subsidiary**

HT Digital Streams Limited (HTDSL)

- 3 The above consolidated financial results for the quarter and year ended 31 March 2020 were reviewed and recommended by the Audit Committee and were approved by the Board of Directors at their respective meetings held on May 6, 2020. The Statutory Auditors of the group have carried out an audit of the above results pursuant to Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended and have issued an unmodified opinion. For consolidated financial results, the figures for the last quarter ended as on 31 March 2020 are the balancing figures between the audited figures in respect of the full financial year and the published year to date figures upto the end of the third quarter. Also, the figures upto the third quarter were subject to limited review.
- 4 The consolidated financial results have been prepared in accordance with the Indian Accounting Standards ('Ind AS') prescribed under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules as amended from time to time.
- 5 The Group has adopted Ind AS 116, effective annual reporting period beginning April 01, 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 01, 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 has been no adjustment to the opening balance of retained earnings as on April 01, 2019. In the Statement of Profit and Loss for the quarter and year ended March 31, 2020, the nature of expenses in respect of operating leases has changed from rent, in corresponding quarter and year ended March 31, 2019, to depreciation cost for the right-to-use asset, and finance cost for interest accrued on lease liability.
- 6 The Group is engaged in the business of "Entertainment & Digital Innovation Business" and there are no other reportable segments as per Ind AS 108 on Operating Segments.
- 7 The audited standalone financial results of the Company for the quarter and year ended March 31, 2020 will be filed with BSE and NSE and are also available on Company's website "www.digicontent.co.in". The key standalone financial information for the quarter and year ended March 31, 2020 are as under:

Particulars	Three Months Ended			Year Ended	
	31.03.2020	31.12.2019	31.03.2019	31.03.2020	31.03.2019
	Audited	Un-audited	Un-audited	Audited	Audited
Revenue from Operations	284	476	393	1,560	2,004
Profit/(Loss) Before Tax	(377)	(136)	(270)	(941)	(487)
Profit/(Loss) After Tax	(377)	(136)	(143)	(1,074)	(360)
Total Comprehensive Income/(Loss)	(379)	(136)	(147)	(1,077)	(376)

- 8 The certificate of CEO and CFO in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in respect of the above results has been placed before the Board of Directors.
- 9 The results of corresponding quarter ended March 31, 2019 have been prepared for the first time, post listing of equity shares of the Company on stock exchange, for comparative purpose.
- 10 Goodwill acquired under Scheme of Arrangement under section 391-394 of Companies Act, 1956 between HT Media Limited and HT Digital Streams Limited and Hindustan Media Ventures Limited and HT Digital Streams Limited ('the Scheme'), in the previous years, is being amortised as per the scheme of arrangement sanctioned by Hon'ble High Courts.
- 11 Previous period's figures have been re-grouped/ re-classified wherever necessary, to correspond with those of the current period's classification.
- 12 Management has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amount of 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 consolidated financial results has used internal and external sources of information. The Group has performed sensitivity analysis on the assumptions used and based on current estimates expects that the carrying amount of assets will be recovered. The impact of COVID-19 on the Group's financial results may differ from that estimated as at the date of adoption of audited financial statements for the year ended 31 March 2020.

13 Consolidated Balance Sheet as at March 31 2020 is as given below:			
(INR in Lakhs)			
	Particulars	As at March 31, 2020 Audited	As at March 31, 2019 Audited*
<b>A</b>	<b>ASSETS</b>		
1)	<b>Non-current assets</b>		
	(a) Property, plant and equipment	193	219
	(b) Right-of- use assets	3,216	-
	(c) Goodwill	3,619	7,238
	(d) Other Intangible assets	125	124
	(e) Intangible assets under development	-	3
	(f) Financial assets		
	(i) Investments	10	10
	(ii) Loans	1,335	7
	(g) Other non-current assets	65	-
	(h) Deferred tax assets (net)	2,459	1,772
	(i) Income tax assets	3,214	2,964
	<b>Total non-current assets</b>	<b>14,236</b>	<b>12,337</b>
2)	<b>Current assets</b>		
	(a) Financial assets		
	(i) Trade receivables	3,122	4,648
	(ii) Cash and cash equivalents	1,091	1,219
	(iii) Bank balances other than (ii) above	-	-
	(iv) Loans	1	2
	(v) Other financial assets	1,094	1,748
	(b) Contract assets	338	201
	(c) Other current assets	159	312
	<b>Total current assets</b>	<b>5,805</b>	<b>8,130</b>
	<b>Total assets</b>	<b>20,041</b>	<b>20,467</b>
<b>B</b>	<b>EQUITY AND LIABILITIES</b>		
1)	<b>Equity</b>		
	(a) Equity share capital	1,164	-
	(b) Share suspense account	-	1,164
	(c) Other equity	1,916	5,325
	<b>Total equity</b>	<b>3,080</b>	<b>6,489</b>
2)	<b>Liabilities</b>		
	<b>Non-current liabilities</b>		
	(a) Financial liabilities		
	(i) Borrowings	8,000	8,000
	(ii) Lease liabilities	1,226	
	(iii) Other financial liabilities	1,916	1,010
	(b) Provisions	52	45
	<b>Total non-current liabilities</b>	<b>11,194</b>	<b>9,055</b>
	<b>Current liabilities</b>		
	(a) Financial liabilities		
	(i) Lease liabilities	1,615	-
	(ii) Trade payables	1,525	2,162
	(iii) Other financial liabilities	1,281	1,381
	(b) Contract liabilities	141	45
	(c) Provisions	775	488
	(d) Other current liabilities	430	847
	<b>Total current liabilities</b>	<b>5,767</b>	<b>4,923</b>
	<b>Total liabilities</b>	<b>16,961</b>	<b>13,978</b>
	<b>Total equity and liabilities</b>	<b>20,041</b>	<b>20,467</b>
* (Refer Note-1)			
See accompanying notes to the consolidated financial results			



**14. Consolidated Statement of Cash Flow for the year ended March 31, 2020 is as given below:**

Particulars	March 31, 2020 INR Lakhs Audited	March 31, 2019 INR Lakhs Audited*
<b>Cash flows from operating activities</b>		
Loss before taxation	(3,952)	(1,653)
<b>Adjustments to reconcile loss before tax to net cash flows:</b>		
Interest Income from deposits and others	(128)	(35)
Depreciation and amortization expense	5,290	3,765
Finance cost	1,241	904
Impairment of doubtful debts and advances (including bad debts written off)	75	71
Unclaimed balances/unspent liabilities written back (net)	(26)	-
Exchange differences	(17)	
Profit on sale of Fixed Assets (net)	-	(1)
<b>Changes in operating assets and liabilities</b>		
(Increase)/decrease in trade receivables	1,486	(2,024)
Increase in current and non-current financial assets and other current and non-current assets	(1,159)	(356)
Decrease in current and non-current financial liabilities and other current and non-current liabilities and provisions	(903)	(177)
<b>Cash generated from operations</b>	<b>1,907</b>	<b>494</b>
Income tax paid	(192)	(880)
<b>Net cash flows from operating activities (A)</b>	<b>1,715</b>	<b>(386)</b>
<b>Cash flows from Investing activities</b>		
Interest received on deposits	45	35
Purchase of investments	-	(10)
Purchase of Property, Plant and equipment	(168)	(198)
<b>Net cash outflows from investing activities (B)</b>	<b>(123)</b>	<b>(173)</b>
<b>Cash flow from Financing activities</b>		
Interest paid	(105)	(112)
Repayment of Lease Liabilities	(1,615)	-
<b>Net cash outflows from financing activities (C)</b>	<b>(1,720)</b>	<b>(112)</b>
<b>Net increase/ (decrease) in cash and cash equivalents (D= A+B+C)</b>	<b>(128)</b>	<b>(671)</b>
Cash and cash equivalents at the beginning of the year (E)	1,219	1,890
<b>Cash and cash equivalents at the end of the year (D+E)</b>	<b>1,091</b>	<b>1,219</b>
<b>Components of Cash &amp; Cash Equivalents as at end of the year</b>		
Cash in hand	2	1
Balances with banks-		
- on deposit accounts	871	1,094
- in current accounts	218	124
<b>Total cash and cash equivalents</b>	<b>1,091</b>	<b>1,219</b>

\* (Refer Note-1)

For and on behalf of the Board of Directors

New Delhi  
May 6, 2020

  
**Praveen Someshwar**  
 Director

**DIGICONTENT LIMITED**

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W: www.digicontent.co.in E: corporatedept@digicontent.co.in  
CIN: L14999DL2011PLC322147

Ref: DCL/CS/160/2020

6<sup>th</sup> May, 2020

BSE Limited  
P. J. Tower, Dalal Street  
Mumbai- 400 001

The National Stock Exchange of India Limited  
Exchange Plaza, 5<sup>th</sup> Floor,  
Plot No. C/1, G Block  
Bandra-Kurla Complex, Bandra (East)  
Mumbai- 400 051

Scrip Code: 542685

Trading Symbol: DGCONTENT

Dear Sirs,

**Sub: Declaration on Unmodified Opinion in the Auditor's Report for Financial Year 2019-20**

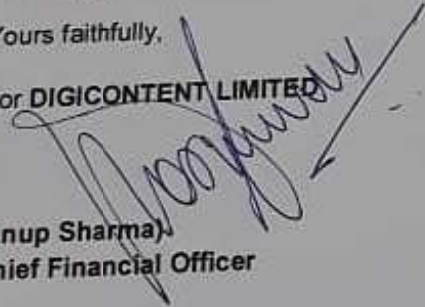
Pursuant to Regulations 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Schedule VIII thereto and SEBI Circular CIR/CFD/CMD/56/ 2016 dated May 27, 2016, we hereby declare that the Statutory Auditors of the Company, BSR and Associates, Chartered Accountants (Firm Registration No. 128901W), have submitted the Auditor's Report with unmodified opinion on the Standalone and Consolidated financial results for the financial year ended March 31, 2020.

This is for your information and records.

Thanking you,

Yours faithfully,

For DIGICONTENT LIMITED

  
(Anup Sharma)  
Chief Financial Officer