

# Hindustan Media Ventures Limited

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Ref: HVML/CS/8/2019

22 AUG 2019

Bombay Stock Exchange 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: 533217  
Company Code: HMVL

Dear Sirs,

Sub: Annual Report (FY 2018-19) & Notice of Annual General Meeting

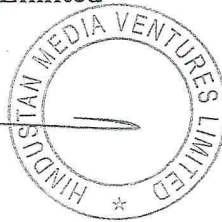
We are forwarding herewith copy of the Annual Report of our Company for the Financial Year 2018-19 along with Notice convening the Annual General Meeting on Thursday, the 19<sup>th</sup> September, 2019 at 2.00 P.M., at Hotel Maurya, South Gandhi Maidan, Patna - 800001.

The above is for your reference and records; please.

Thanking you,

Yours faithfully,  
For Hindustan Media Ventures Limited

  
(Tridib Barot)  
Company Secretary



Encl: As above

Registered Office :

Budh Marg, Patna - 800001

Ph.: 0612-2223434, 2223772, 2223413, 2223314, 2222538

Fax : 0612-2226120

कादम्बिनी

हिन्दुस्तान

नंदन

हिन्दुस्तान

ANNUAL  
REPORT | 2018-19



**HINDUSTAN  
KI UDAAN**

**Corporate Overview**

About HML	02
Chairperson's Message	04
Enriching Consumer Experience	06
Responsible Towards Society	08

**Statutory Reports**

Management Discussion & Analysis	10
Board's Report	18
Report on Corporate Governance	45

**Financial Statements**

Audited Financial Statements	64
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To view the report online,  
please log on to: [www.hmvl.in](http://www.hmvl.in)

# CORPORATE INFORMATION

**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 Rajeev Beotra

**Chief Financial Officer**

Shri Sandeep Gulati

**Company Secretary**

Shri Tridib Barat

**Statutory Auditors**

B S R and Associates,  
Chartered Accountants<sup>#</sup>

**Registered Office**

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

**Corporate Office**

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

**Registrar and Share Transfer Agent**

Karvy Fintech Private Limited  
Karvy Selenium Tower B  
Plot No. 31 & 32, Financial District  
Nanakramguda, Serilingampally Mandal  
Hyderabad - 500 032  
Tel.: +91-40-6716 2222  
Fax: +91-40-2300 1153  
Toll Free No.: 18003454001  
Email: [einward.ris@karvy.com](mailto:einward.ris@karvy.com)

\* Appointed w.e.f. May 9, 2019

<sup>#</sup> Appointed w.e.f. July 11, 2019

**Cautionary Statements**

This Annual Report may contain forward-looking statements. We have tried to identify such statements, wherever possible, by using words such as 'anticipate', 'estimate', 'expect', 'project', 'intend', 'plan', 'believe', 'will', 'should' and words of similar substance in connection with any discussion of future performance. The achievement of results is subject to risks & uncertainties and actual results could vary materially from those implied by relevant forward-looking statements. We undertake no obligation to update any forward-looking statement, whether as a result of new information, future events or otherwise.

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



While there may be enough crosswinds to bring down the flight of success, the resolve to go higher and higher up is the hallmark of victory. We, at Hindustan Media Ventures Limited (HMVL), are staunch believers of this mantra. As the torch-bearer of change in multiple geographical locations across the nation, we seek to yield opinions that leave a lasting impression.

Armed with an undaunted confidence and inveterate optimism to revolutionise the language readership paradigm in India, we have consciously made a choice to build a model of journalism that shall focus on curating content which is insightful, impartial and unblemished from the clutches of any bias. Our rationality, dependability and trustworthiness have struck a chord with the nation and the readership has been growing ever since.

Being a true ally of our esteemed audience, we have adopted a visionary approach towards our motto of providing a modern and pioneering platform for our readers, as we continue to spearhead operations in making a dignified voice available to not just the classes, but also the masses of India.

As India prepares to take off for this exciting journey, HMVL aspires and aims to ignite the flight of India's dream to take the nation forward, scaling new heights and riding high on the flight of success.

## ABOUT HMVL

Hindustan Media Ventures Limited (HMVL) is a subsidiary of HT Media Limited, a diversified media conglomerate.

Hindustan, the flagship publication of HMVL, traces its legacy back to 1936 when its first edition was launched in Delhi. Presently, it is the second largest read daily across all languages in India, with a Total Readership of 5.47 crores (IRS Q1 2019). Hindustan has been able

to maintain a leading position in its key markets and is geared up to reach new heights. We offer innovative and refreshing content to our readers, enriching their experience with stories, events and campaigns through our publications.

### Our brands

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हिन्दुस्तान अनोरवी

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तन-मन नई दिशाएं

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फुरसत कादम्बिनी नंदन

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हिन्दुस्तान जॉब सर्च जानो इंग्लिश

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## Hindustan has a leading presence across its geographical footprint



Note: Ranking is based on Average Issue Readership (AIR) as per IRS Q1 2019

21

Editions



8+

Decades of Industry Experience



## CHAIRPERSON'S MESSAGE

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A sharp focus on local news, in addition to the broad sweep of national affairs, a modern and fresh outlook, and a contemporary design have made Hindustan a 'thought leader' in the industry.

ॐ



## Dear Shareholders,

The Indian economy continued to remain the fastest growing major economy in the world, with a 6.8% growth in FY19. Much of the economic activity was driven by strong domestic demand, and supported by a stable GST regime and the continuing positive effects of reforms.

Increasing disposable income in the hands of the middle and aspirational classes has provided a boost to the Media and Entertainment (M&E) industry, which is growing faster than the GDP. The industry is anticipated to grow at a CAGR of 12%, and reach ₹2.35 trillion by 2021, with print still remaining the second largest component (after TV).

Our flagship Hindi daily 'Hindustan' has successfully anchored itself in the minds of the readers and is expected to grow further while maintaining its leadership position. Hindustan won the 'Brand Excellence in Print Media' award for its key campaign 'Aao Rajneeti Karein - UP elections', reflecting the brand's continuing emphasis on socially relevant issues. A sharp focus on local news, in addition to the broad sweep of national affairs, a modern and fresh outlook, and a contemporary design have made Hindustan a 'thought leader' in the industry. Our magazines Nandan

and Kadambini continue to engage readers, capturing a significant share in the market.

The print business and the larger print industry witnessed turbulence on account of a sharp increase in raw material prices due to global demand-supply imbalances, and lower advertising spends as customers get used to larger policy changes that will prove beneficial in the long-term. However, we were able to soften the impact of this through various initiatives and by opening up new revenue streams such as events.

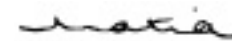
I firmly believe that our people are the most important asset of our company. We thrive on their creativity, hard work and innovation. We encourage diversity in our workforce and strongly believe in building careers. Our sustained effort has been on the creation of a better and healthier organisation structure to foster employee motivation and also tap emerging business opportunities.

As we approach the next year, we are equipped with a positive outlook for HML. We aim to continue to drive advertising revenue by providing relevant media solutions to our clients. The industry, and Hindustan, has also started looking at circulation revenue.

We have also started initiatives to better understand our position in the market and close gaps wherever necessary. We continue to invest in key markets to boost our circulation base.

On behalf of the entire leadership team of the company, I take this opportunity to thank all our people for their support. I would also like to thank our investors for their faith in us and Board of Directors for their strategic guidance. We aim to remain steadfast in our goals to invest in the future while creating long term value for all our stakeholders

Thanking you,



**Shobhana Bhartia**  
Chairperson



Our flagship Hindi daily 'Hindustan' has successfully anchored itself in the minds of the readers and is expected to grow further while maintaining its leadership position.





## ENRICHING CONSUMER EXPERIENCE

We believe in drawing on market trends and consumer insights and combining them with our knowledge and expertise to provide unique and innovative content, to our diversified group of customers. HMVL's approach is to strengthen the existing core events, expanding the business by addition of themes based on comprehensive research, and extending existing events into new geographies & markets.

### Hindustan Shikhar Samagam



Hindustan Shikhar Samagam is a marquee event for Hindustan and is a platform to bring leaders and personalities to discuss and deliberate on key current issues impacting the country. The Samagam resonates with our brand promise and offers a new take on issues impacting the people.

The 4th edition of Hindustan Shikhar Samagam was held on 1st Sep, 2018 at Lucknow. The event had 11 speakers and 8 impactful sessions including Yogi Adityanath, Rajnath Singh, Akhilesh Yadav, Tarek Fatah, Kajol, Imtiaz Ali, Raveena Tandon, Raj Babbar and others, with an esteemed audience in

**8.5+ million**

Viewership of  
Hindustan Shikhar Samagam

attendance. The show went live on TV and clocked a viewership of 8.5 million during the event.

Over the last 4 years, the event has become an aspiration for the people of Lucknow to attend. We have been growing in revenue year-on-year and have had prestigious clients like Facebook associating with us.

### Hindustan Mission Engineering



As a part of this initiative, a series of events were conducted on 'How to succeed in competitive examinations?'. The activities were carried out across key cities of Bihar, Jharkhand and Delhi-NCR. Through this activity we reached out to more than 10,000 students across 11 cities. The list of key speakers included HODs of engineering department across reputed Universities and coaching centres, Heads of State Education Departments and Technical Education Boards.

**10000+**

Students across 11 cities covered  
through Hindustan Mission  
Engineering

Hindustan was a partner in the initiative to guide the students while preparing for competitive examinations.

## Hindustan Poorvodaya



It is a maiden initiative of such stature from any media house in Jharkhand. The event had speakers from the fields of politics, sports and culture, all on

one stage. Key speakers at the event included Nitin Gadkari, Piyush Goyal, Dharamendra Pradhan, Raghubar Das and Manoj Sinha. The event went live on

# 14

Eminent speakers from diverse fields

regional TV channels. Ten contributors towards social reforms were rewarded by the Chief Minister and two home grown sportswomen received impromptu funding from celebrity speakers, to prepare for the upcoming Olympics. A massive build through print and promotions created much publicity in Ranchi and it remained the talk of the town for days.

## Hindustan Olympiad



Hindustan Olympiad is a school level examination organised by HMVL. It is designed to determine a participant's academic aptitude. Since inception in 2015, Hindustan Olympiad has received an overwhelming response from lakhs of students, parents and thousands of schools. It provides a unique platform to participants to compete with each other on standard academic parameters. It is open for all students of classes 1st to 12th. Unlike most 'one-subject' examinations, Hindustan

Olympiad reveals the competence levels in all major subjects where every participant is given a certificate and an assessment report.

The initiative reaches out to students & parents via print, radio, digital & mobile activations. Hindustan's print network is leveraged in strongly reaching out to various upcountry markets across the Hindi heartland. Hindustan Olympiad has helped to identify talented students from the remotest of towns & villages

# 1,50,000+

Students enrolled in Hindustan Olympiad

who are given their moments of fame in grand felicitation ceremonies. With the support of our partner schools, Hindustan Olympiad is poised to become one of the most aspired events in school level education.

## RESPONSIBLE TOWARDS SOCIETY

We, at HMVL, strive to create a positive impact on the society and improve people's lives whenever we connect with them. We believe that the well-being of people living in rural areas ensures a sustainable and holistic development. Therefore, we work towards improving their lives and in-turn lead to the upliftment of the society at large.

### Healthy Hindustan

As a part of our commitment to community development, we provide free doctor consultation and medicines to the economically weaker sections of the society. During the year under review, we executed 45 camps across UP and NCR, providing benefits to around 600 – 1000 people per camp.

**25000+**

Beneficiaries of Healthy Hindustan



### Swachh Ghat Abhiyan

In line with the Government's initiative of Swachh Bharat, HMVL ran the Swachh Ghat Abhiyan wherein ghats of ponds in Bihar were cleaned for the festival of Chhath, before and after the Chhath puja.



### Kanyadhan Yojna Scholarship 2018

This year, we launched a new initiative to support the disadvantaged girl child belonging to economically backward sections of the society, and aimed at providing them an opportunity to win a scholarship based on merit. The programme was very well received, and

scholarships were disbursed across UP, Uttarakhand, Bihar and Jharkhand.

**₹ 25 lacs**

Worth of scholarships disbursed



### Healthy Uttarakhand

This is a monthly programme for people residing in the remote hilly areas of Uttarakhand, to avail the benefit of quality doctor consultations and medicines. This initiative is similar to our Healthy Hindustan programme wherein the local community can avail quality consultations and medicines which are otherwise not available in local hospitals.

**11000**  
Beneficiaries of  
Healthy Uttarakhand camp



### Integrated and Transformational Village Development

For the past 3 years, HMVL has partnered with two villages, Lohvan and Gossna near Mathura, with an aim of improving the quality of life and development in these villages. To this end, we supported them in improving infrastructure, developing heritage sites, reviving art & culture, building skills of the youth for better employment opportunities and most essentially developing skills of the village women so as to make them financially independent. The initiative has been a resounding success with the villagers and received positive acknowledgement from the Chief Minister of Uttar Pradesh, Shri Yogi Adityanath ji.



### Village Pond Rejuvenation

As a part of our continued efforts towards cleanliness and sanitation, we adopted a village pond in UP, to conserve and rejuvenate natural resources and maintain quality of water by cleaning, recharging and adding rain water system.



### Women and Youth Skill Development

HMVL is committed towards developing the skills of women and youth from the economically weaker sections of the society. Through our initiative of 'Women and Youth Skill Development', we offer professional training in order to help them increase their skills and secure better jobs in today's competitive job

market, thus enabling them to become financially independent.

**400 youth & 300 women**  
Availed benefits from Women and Youth Skill Development programme in the past 3 years



# MANAGEMENT DISCUSSION & ANALYSIS

## Economic Scenario

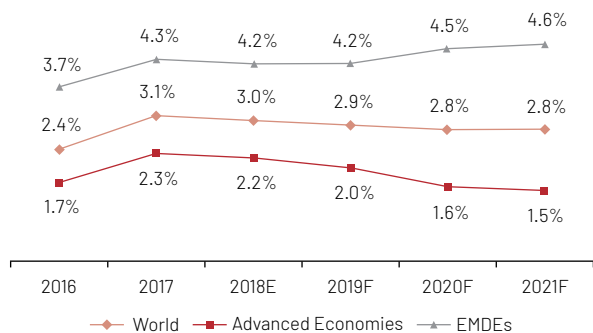
### Global

Global economic growth remained steady at 3.7% in 2018, despite weaker performances in some economies, notably Europe and Asia. A fiscally induced acceleration in the US offset slower growth in some other large economies including European Union and China. However, the strong headline figures mask shortcomings in the quality of global economic growth. Global financing conditions have tightened, industrial production has moderated, trade tensions remain elevated, and some large Emerging Market and Developing Economies (EMDEs) have experienced significant financial market stress. Consumer price inflation has generally remained contained in the last year in advanced economies. Among emerging market economies, inflationary pressures are easing with the drop in oil prices. However, this easing has been partially offset by the pass-through of currency depreciation to domestic prices.

### Outlook

The global growth is anticipated to moderate to 3.5% in 2019 and 3.6% in 2020. Growth in the US is expected to decline to 2.5% in 2019. EMDEs are expected to grow at 4.2%. However, Asian EMDEs are expected outperform with a growth of 6.3%. By 2020, a marginal decline is expected for the global economy, following risks from growing protectionist measures, fallout from Brexit, ageing workforce, and rise in borrowing costs. (Source: IMF WEO, World Bank GEP)

### Global Economic Growth



(Source: IMF WEO)

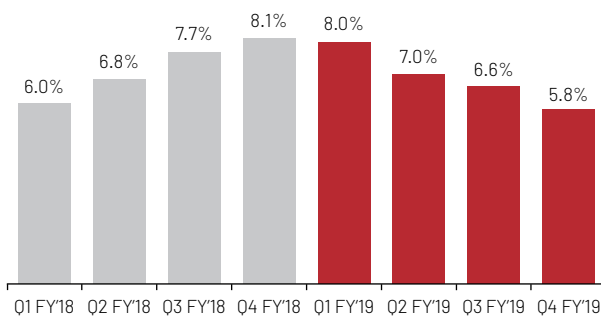
### Indian

Indian economy has grown by 6.8% in FY'19. While investment continued to strengthen amid harmonization of Goods and Services Tax (GST) and a rebound of credit growth, domestic consumption remained the major contributor. The GST created a unified national market for the first time by lowering internal barriers to trade, effectively establishing a free trade agreement for a market of 1.3 billion people. However, rising crude oil prices, weakening rupee and tight financial conditions in the financial markets impacted the recovery from the temporary slowdown due to the structural reforms.

### Outlook

After witnessing a relatively subdued growth in second and third quarters of this fiscal, India's GDP growth trajectory is expected to rebound and is projected to reach 7.5% in two years. Economic growth will continue to be underpinned by robust private consumption, investment growth, and benefits from previous reforms. The structural reforms of GST and demonetisation are also expected to encourage a shift from the informal to the formal sector. (Source: World Bank GEP, RBI, IMF)

### Quarterly GDP Growth Trend - India



(Source: CSO)

## Industry Scenario

### Indian Media & Entertainment Industry

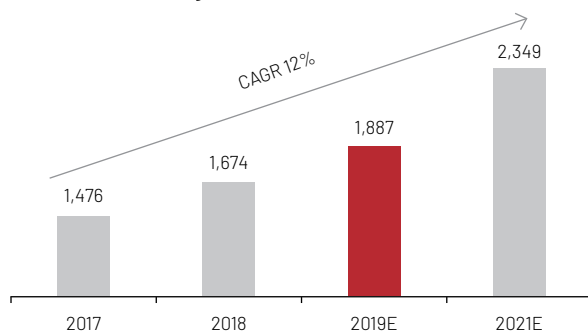
The Indian Media & Entertainment (M&E) industry reached ₹1.67 trillion in 2018 and is expected to grow to ₹2.35 trillion by 2021. The M&E sector continued to outperform the Indian economy - while the Indian economy expected to grow its GDP by 7.0% in FY19, the Indian M&E sector grew by 13.4%. Demand from rural India, tier II and tier III cities provided the much-needed thrust to the M&E industry and will increasingly play a pivotal role in the coming years. However, the residual effects of demonetization and the GST rollout continued to impact the advertisement spends by certain sectors.

#### Outlook

The Indian Media & Entertainment industry is expected to get a booster shot from the upcoming general and state elections as well as sporting events like the cricket world cup in CY19. Post-elections stabilized political climate, a steadier GST regime, fading effects of demonetization and resurgence in the core sectors like Real Estate would fuel the growth engine in the coming year. The print industry is also expected to get an impetus due to the moderation in newsprint prices, higher government and political advertising on account of general elections and an increase in the government ad rates by 25%.

In the longer term, growing rural and regional demand, increasing income levels and macro economic tailwinds will help the Indian Media & Entertainment industry to grow at a CAGR of 12% between 2018-21. Print, the second largest sector in the M&E industry, is expected to continue on a growth trajectory during the period. (Source: IBEF, EY M&E Report)

### Indian M&E Industry Size (₹ billion)



(Source: EY M&E Report)

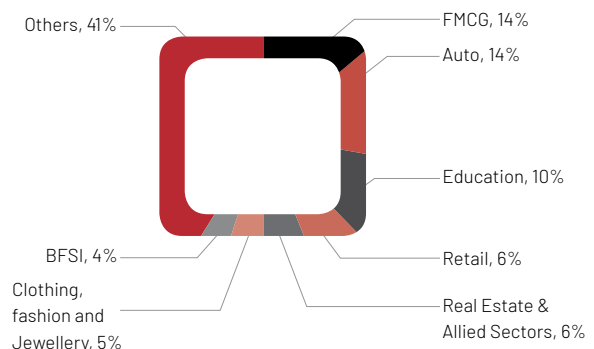
### Print Media

India is the only market in the world where print media continues to be dominant and is developing in all facets - circulation, readership, and geography which emphasizes its unique market dynamics. Print accounts for the 2nd largest share within the broader Indian Media & Entertainment industry. Size of the Print segment stood at ₹305.5 billion in 2018, of which Advertising contributed 71% and the rest was circulation.

The print medium is strengthening on the back of hyper localization of content, expanding reach and acceptability of Hindi and regional language newspapers, and the surge in rural readership. Nearly 90% of the newspapers are published in Hindi and other regional languages indicating a large market for vernacular print media in India. The sector has consistently witnessed strong readership and demand from tier II and tier III cities. Also, as the urban markets are getting mature, non-urban regions have started driving growth. In terms of advertising volume, Hindi newspapers continued to be dominant.

Further, Print medium continues to be the preferred medium for its attributes of veracity, credibility and scale of impact. However, the past year has been challenging for the print medium due to continued macroeconomic headwinds and rising newsprint prices. Operating margins of print media companies declined during 2018 due to rise in cost of newsprint, which accounts for 35-45% of the total costs. Although, newsprint prices have started stabilizing and the trend of price moderation is likely to continue in 2019.

### Share of Ad Spends by Sector



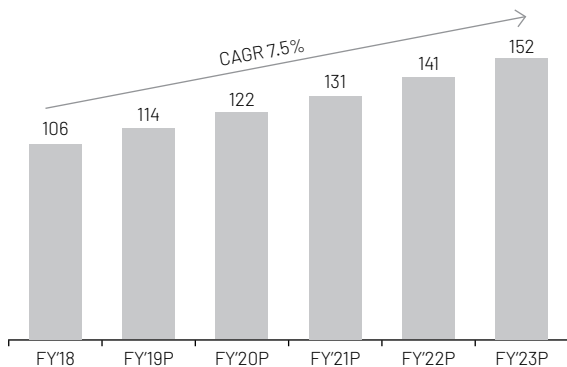
(Source: EY M&E Report)

FMCG and Auto were the largest contributors to print ad revenues, with a contribution of 14% each, followed by education at 10%. Advertisement spends of the Real Estate sector are recovering from the impact of Real Estate (Regulation and Development) Act (RERA).

As businesses get used to the regulatory changes and raw material prices gradually soften, the industry is expected to tread the path of resurgence in growth and profitability. Cover prices are expected to increase going forward, primarily through subscription drives.

Going forward, Hindi and other regional languages are expected to lead the growth within broader Print space as the readership and penetration in rural areas is driven by increasing literacy levels and higher consumption. (Source: EY M&E Report, KPMG M&E Report, Magna Global Advertising Forecast)

### Indian Hindi Print Industry Size (₹ billion)

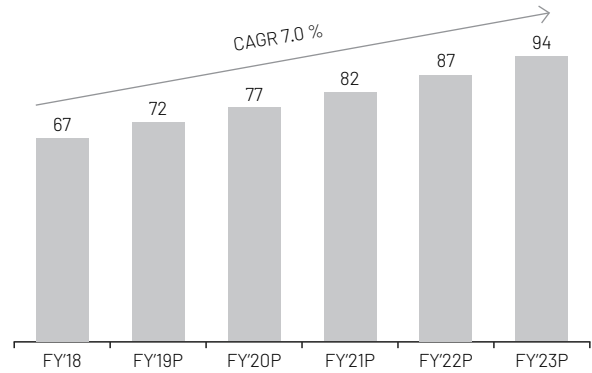


(Source: KPMG M&E)

### Hindi Print Advertising Market

Hindi newspaper publications continued to lead with 37% of total ad volumes in 2018, while the share of English publications stood at 25%. Language publications are becoming the preferred picks for advertising by local brands. Also, national advertisers are increasingly using Hindi print as a medium of choice to reach tier II, tier III and rural markets.

### Hindi Print Advertisement Market (₹ billion)

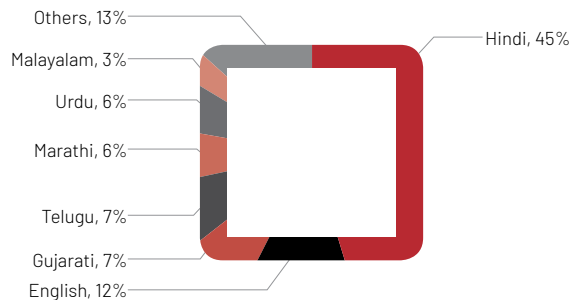


(Source: KPMG M&E Report)

### Hindi Print Circulation Market

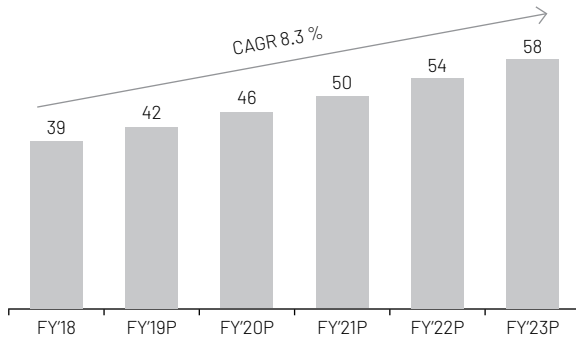
Hindi contributed 45% of total circulated copies. The vernacular consumption in India continues to grow as the regional and Hindi news readers are still following the traditional style of reading newspapers. Hindi newspapers have the ability to combine local news and local content through multiple editions and supplements, which aids in increasing its reach and acceptability. The current year was marked by players taking cover price actions in key markets to soften the impact of rising newsprint prices on profitability.

### Contribution of Languages to Total Circulation



(Source: KPMG M&E Report)

### Hindi Print Circulation Market (₹ in billion)



(Source: KPMG M&E Report)

### Market Drivers of Print Media

**Growing literacy rates:** The rate of formal education in India has increased over the years. Consumption of news will be more as this literate workforce comes of age.

**Affordability of the medium:** Print media provides news, information and entertainment to the masses at an affordable price.

**Robust distribution channels:** Every morning, every newspaper subscriber receives the paper at their doorstep. India is one of the few countries which follows this tradition. This ease in availability of newspapers will ensure the trajectory of growth for this sector.

**Increasing local ad spends:** Hindi and regional language newspaper getting large portion of the local advertisement spend, augurs future growth of the medium.

**Favourable demographics:** Younger population (< 40 years) is driving demand as reading newspapers is perceived as a status symbol, which is driving its demand.

### Company Overview

Hindustan Media Ventures Limited (HMVL) is one of the leading print media companies in India. It is a subsidiary of HT Media Limited (HTML) and is engaged in printing and publishing of 'Hindustan', the second largest read newspaper in the country. The Company is a leading player in the Hindi heartland of Bihar,

Uttar Pradesh, Jharkhand, Delhi-NCR and Uttarakhand. Its readership has been consistently increasing over the years making the Company a strong player in key print markets of the country.

### Product Basket

#### Hindustan

Hindustan is the flagship publication of HMVL, with Total Readership of 5.47 crore (IRS Q1 2019), which makes it the 2nd largest read daily in India across all languages. It includes coverage of international, national and local content covering politics, business, entertainment, sports, and other general interests. Hindustan commands strong readership in all the markets where it is present. It ranks No. 1 in Bihar and Uttarakhand while it is the No. 2 newspaper in Uttar Pradesh, Jharkhand and Delhi, among Hindi newspapers, as per the latest IRS Q1 2019. It has also been at the forefront of innovation with products like Fursat, Anokhi, Tan Man, Nayee Dishayein, Job Search and Jaano English, among others, helping deliver the proposition of empowerment and progress.

Hindustan seeks to be a true ally to its readers and has been a partner in their progress contributing to the progress of the nation. This is captured in company's brand promise of "Hindustan Ki Udaan". It has also been a key reason for the publication's continuous growth and has enabled it to consolidate its dominance across markets. With growing literacy in the Gangetic belt, Hindustan is making big strides and is poised for even stronger growth in times to come.

We offer to our readers a modern, youthful and new outlook that has established us as a thought leader in the industry. Our approach is progressive, forward looking, purposeful and dependable. Hindustan will continue to deliver a product that lives up to its brand promise.

#### Nandan

Nandan is HMVL's monthly magazine, published for children. Over a span of more than 47 years, it has developed a strong rapport with its readers and is highly demanded by children and their families in India and abroad. The magazine includes a blend of traditional and modern stories, poems, interactive columns, interesting facts, and various educative columns contributing to the development of children.



## Kadambini

Kadambini is a well-known Hindi-language literary monthly magazine, which covers a broad spectrum of subjects including literature, science, history, sociology, politics, films, and sports. It is a socio-cultural magazine with a diverse and unique mix, with a different perspective of seeing things and presenting authentic data.

## Financial Performance Review

### Revenue

Revenue from operations has decreased from around ₹880 crore in FY'18 to ₹866 crore in FY'19 primarily on account of muted advertising spends by national advertisers. Circulation revenue witnessed growth as competitive intensity reduced in key markets in the second half of the year.

### Profitability

Operating EBITDA reduced in the current year to reach ₹51 crore and Operating EBITDA Margin reduced from 20.6% in FY'18 to 5.8% in the current year. This can be attributed to the marginal decline in revenue, increase in expenses on account of heightened marketing activities and promotion because of heightened competition, sharp increase in newsprint cost on account of spike in newsprint prices and unfavourable exchange rates during the course of the year. As a consequence, Net Profit Margin has reduced from 17.8% in FY'18 to 7.5% in FY'19. Also this led to lower Return on Net Worth from 12.9% in FY'18 to 5.2% in FY'19.

### Gearing Ratio

Gearing Ratio for FY'18 was 4.2%, while it is NIL in FY'19, on account of net cash position, primarily due to repayment of borrowings.

### Inventory Turnover

Inventory Turnover Ratio has increased by 16%, from 7.5 times in FY'18 to 8.6 times in FY'19. The Cost of Goods Sold (COGS) increased by 12% due to increase in newsprint prices. However, we took initiatives to optimise inventory during the period, resulting in a decrease of average inventory by 3% during the year.

## Interest Coverage Ratio

Interest Coverage Ratio has decreased from 21.3 times in FY'18 to 6.8 times in FY'19. This is primarily due to decrease in profitability as mentioned above.

## Current Ratio

The Current Ratio has improved by 35%, from 2.4 times as on 31 Mar' 18 to 3.3 times as on 31 Mar' 19. This is led by increase in investments & receivables and repayment of short term borrowings.

## Marketing Initiatives

Changing customer preferences, increased mobility, tightening regulation and technological change are reshaping the media and entertainment industry. HMVL has been actively engaged in promoting and developing new initiatives that would engage and engross the readers with the product. Key marketing initiatives undertaken by the Company during the year were:

### Roz Padho Roz Jeeto

Hindustan launched the initiative to engage its readers with the advertisements appearing in the newspaper daily. The unique initiative helped in building brand recall and creating buzz around the brand. The activity generated more than 5 lac responses from the readers in the 6 weeks that the campaign ran.

### New Patna Live Launch

Hindustan revised its offering at Patna with an improved Patna Live. The new 'Live' promises to offer better features and news mix to the readers in the city of Patna.

### Patna and Meerut Dialogues

Hindustan launched a thought leadership platform placing focus on setting agenda and offering a refreshing perspective on contemporary issues dominating the news genre in India. The event invites eminent personalities for a panel discussion on a contemporary topic, supported and guided by our Chief Editor.

### Strengthening our capabilities

Our focus over the year has been to grow the topline by taking steps to ensure that we are able to maximise our yields, volumes and market share. Over the past year, the key drivers of advertisement revenue have been the initiatives taken beyond regular advertising - new & focussed products that we have launched, and cross-selling of products in our portfolio. Some of the major initiatives include:

- Focus on providing tailored bespoke solutions to our clients and becoming true partners in addressing their requirements.
- Redesigning of the sales organisation to create a structure which will increase efficiency and improve engagement with clients. This will aid in controlling our costs by optimising the layers and increasing the span, while maximising the revenues.
- Initiating automation of reporting systems to increase sales efficiency. This would result in cost savings along with improved accuracy of data.

### Editorial Successes

Hindustan has had many achievements during the year and many of its key campaigns have been huge successes. Its campaigns were duly recognised during the year when it won the Brand Excellence award in Print for "Aao Rajneeti Karein" campaign for UP elections. The editorial initiatives by the Company were an eye opener for the society as they discussed about the poor state of the infrastructure, hardships faced by the women and the effects of natural disasters in terms of health, wealth and food. Our campaigns have frequently resulted in quick corrective action by the administration thus bringing relief to the general public.

Key editorial initiatives taken by Company during the year:

- **Campaign on condition of drains in Meerut**

The 100 day campaign highlighted and pictorially depicted the bad state of drains in the city of Meerut which were

choked with trash. It was supplemented with 360 degree intervention - Editorial, Print ads, Outdoors, Radio, On-ground activations and panel discussions. Hindustan took a deep dive on the issue and did in-depth research and discussion with subject matter experts and authorities to identify the root cause of the issue and the possible resolutions that could be considered. As a result of the campaign, more than 7500 tonnes of silt was removed and there were 50% lesser cases of water borne diseases such as Dengue and Malaria. It was presented as a model initiative by Minister for Urban Development, in Uttar Pradesh (UP) assembly.

- **Pink Toilets - Missing toilets for women in UP**

The newspaper highlighted that reputed markets in UP, with international business dealings, had no functional toilets for women. Sustained editorial coverage for 30 days along with face-to-face interactions with market associations and local administrative bodies showed positive results. Market association showed solidarity with Hindustan and reached out to local administrative bodies to correct the situation and build toilets for women. After the successful execution of the campaign, "Pink Toilet" - toilets exclusively for women - as a term for women toilets was included in the Government cleanliness mission to be driven nationally. State government also acknowledged the issue and sanctioned ₹122 crore for this project.

- **Plight of homeless in relief camps at Dehradun**

The story highlighted the plight of people living in make shift camps without even basic facilities being made available to them. It also brought out the long endless wait for compensation and alternate living quarters for the people who were left homeless due to the landslides at Uttarakhand.

- **Women Rights Campaign**

The campaign focuses on election and the need to come out and vote, with a special focus on the need to stand up and vote for women's rights.

## Specials

### • Budget

Hindustan carried a special pull out with detailed coverage on the Budget and its impact on the common man. The special covered the impact graphically for easy understanding of the story by the readers. It was very well received.

### • Pulwama Tragedy

A special 8 page evening paper was published on the same day of the Pulwama tragedy with detailed coverage on the incident and people's outrage on the same. This was the first time such an initiative was taken by any Hindi paper.

## Human Resource

The people at HMVL are its core strength, which drives the core competencies of the organisation to gain competitive advantage in the industry. As an employee centric company, the core focus has been to anchor the organisation and steer it towards successfully attaining its objectives by inducting, developing and retaining top talent in the industry.

Company has undertaken various engagement initiatives like R&R programmes, job enrichment for high performers and L&D initiatives for competency enhancement. We strive to encourage diversity in workforce and believe in building the career of our employees through focussed interventions like training and role enhancements amongst others initiatives. With a total strength of 1,340 employees, the Company is marching ahead to achieve its goal in the coming fiscals.

## Development Workshops

During the year, Company took following initiatives for training and development of employees.

- Functional training on 'Reporting Skills'
- Cross functional training on soft skills
- Safety training was provided across locations to increase awareness of employees and reduce accidents
- POSH training sessions were organised across locations to equip our team members with the requisite knowledge for prevention of sexual harassment at workplace and the associated redressal mechanism.

**38**

Classroom trainings organised

**1321**

Participants trained through Classroom trainings

**5**

Modules of online training

**420**

Participants trained through online trainings

## Women at Workplace

HMVL 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. HMVL is also compliant with provisions relating to constitution of Internal Committee under

the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. No complaint was reported during FY 2018-19. The Company conducts regular classroom training sessions for employees and Internal Committee Members and has rolled-out an online module for employees to increase awareness.

## Risk Management

HMVL has a robust risk management framework to manage and mitigate risks arising from external and internal factors. A risk identification exercise is carried out periodically across business units to identify various strategic, operational, financial and compliance related risks. These are evaluated for their likelihood and potential impact.

Currently, the Company is majorly exposed to adverse macroeconomic conditions influencing revenue growth, technological changes impacting media consumption pattern, changing customer preferences and behaviour, heightened competition in key markets and changing regulatory landscape.

Potential risks are reviewed on an on-going basis and mitigating controls are deliberated upon as an integral part of decision-making. To stay ahead of the curve and competition, the Company has taken various initiatives like continued management focus to increase readership/circulation copies based on strength of differentiated content and brand, expanding geographic presence, investments in print facilities, dynamic mix of local and imported news print along with optimized use of different grades and enhancing technological capabilities, training and empowering employees and periodic review of cost structures.

## Internal Control

The Company has an effective system of internal controls corresponding to its size, nature of business and complexity of operations. The internal controls mechanism comprises of a well - defined organisational 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. The Company also has a robust review mechanism in place for its annual and long term business plans and the progress of all its operating activities and projects.

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 (SAP) is used for accounting across locations. The Company also has a Shared Service Centre as well as a robust 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 programme 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 structures 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 has instituted an online compliance management tool with a centralized repository to cater to its statutory compliance requirements. Further, a concurrent audit framework has been established to monitor performance and ensure high levels of compliances.

## Way Ahead

We aspire to grow the core Print business by bolstering our brand promise and offering ground breaking coverage and purposeful reporting, which would in-turn expand as well as deepen our readership base. Another focus area would include enhanced efforts in enriching the relationship with audience and advertisers, through socially relevant and impactful events.

We also plan to boost our productivity through automation & restructuring of both frontline as well as back-end roles. We will continue to invest to boost our circulation in key markets. We also expect advertising from several sectors during the next fiscal. Retail is likely to show growth, backed by local retail. Real Estate is expected to grow at better rate on account of the impact of RERA in base year. With gradual softening in newsprint prices, hike in advertising rates by government and anticipated improvement in advertisement expenditures by corporates, we expect to post a better performance in the next fiscal year.

## 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, 2019.

### FINANCIAL RESULTS

Your Company's performance during the financial year ended on March 31, 2019, along with previous year's figures is summarized below:

(₹ in Lacs)		
Particulars	2018-19	2017-18
<b>Total Income</b>	<b>95,591</b>	<b>95,956</b>
Earnings before interest, tax, depreciation and amortization (EBITDA)	14,063	26,054
Less: Depreciation	2,076	1,966
Less: Finance cost	1,758	1,133
<b>Profit/ (Loss) before tax</b>	<b>10,229</b>	<b>22,955</b>
Less: Tax Expense		
• Current Tax	2,295	5,728
• Deferred tax charge/ (Credit)	744	105
<b>Total tax expense</b>	<b>3,039</b>	<b>5,833</b>
<b>Profit for the year</b>	<b>7,190</b>	<b>17,122</b>
Add: Other Comprehensive Income (net of tax)		
a) Items that will not be re-classified to profit or loss	(7)	24
b) Items that will be re-classified to profit or loss	(286)	-
<b>Total Comprehensive Income for the year (Net of tax)</b>	<b>6,897</b>	<b>17,146</b>
<b>Opening balance in Retained Earnings</b>	<b>92,939</b>	<b>76,853</b>
Add: Profit/(loss) for the year	7,190	17,122
Less: Item of other Comprehensive Income recognized directly in Retained Earnings		
• Re-measurement of post employment benefit obligation (net of tax)	7	(24)
Less: Dividend paid	881	881
Less: Tax on Dividend	180	179
<b>Total Retained Earnings</b>	<b>99,061</b>	<b>92,939</b>

### DIVIDEND

Your Directors are pleased to recommend a dividend of ₹1.20 per Equity Share of ₹10/- each i.e. @ 12% (previous year - ₹1.20 per Equity Share of ₹10/- each i.e. @ 12%), for the financial year ended on March 31, 2019 and seek your approval for the same.

The proposed equity dividend pay-out (including Corporate Dividend Distribution Tax) would entail an outflow of ₹1,062 Lacs (previous year ₹1,062 Lacs).

The Dividend Distribution Policy framed pursuant to the provisions of 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](http://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

India Education Services Private Limited (IESPL), a fellow subsidiary company, is engaged *inter-alia*, in providing higher education programs/courses to students and working professionals i.e. B2C business. IESPL has not been able to scale its B2C business and unleash its full potential for growth and profitability. Your Company has deep presence in Tier II and Tier III cities of north India, which can offer a large customer base with favourable demographics for the growth of the B2C business. Therefore, to gainfully utilize the expertise and wide-spread reach of the Company in North India, the Board of Directors approved a Scheme of Arrangement under Sections 230-232 and other applicable provisions, if any, of the Companies Act, 2013 between IESPL and the Company for demerger and vesting of B2C business from IESPL to and in the Company, on a going concern basis (Scheme). In the said connection, pursuant to the order(s) of National Company Law Tribunal Kolkata (NCLT), meetings of the Equity Shareholders and Unsecured Creditors of the Company were convened, wherein the Scheme was approved with requisite majority. The petition seeking sanction of the Scheme is pending before NCLT.

## RISK MANAGEMENT

Your Company has a robust risk management framework to identify, evaluate and mitigate business risks. A detailed statement indicating development and implementation of a risk management policy for the Company, 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. Further, 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.

## DIRECTORS AND KEY MANAGERIAL PERSONNEL

During the year under review, on the recommendation of Nomination and Remuneration Committee, the Board of Directors accorded its approval to the appointment of:

1. Shri Praveen Someshwar (DIN: 01802656) as an Additional Director and Managing Director w.e.f. August 1, 2018 for a period of 5 (five) years, which was approved by the Members at the Annual General Meeting (AGM) held on September 18, 2018.
2. Shri Tridib Barat (DIN: 08133104) as an Additional Director and Whole-time Director w.e.f. May 24, 2018 for a period of 1(one) year, which was approved by the Members at the Annual General Meeting (AGM) held on September 18, 2018.

Shri Priyavrat Bhartia (DIN: 00020603) relinquished office of Managing Director w.e.f. July 17, 2018. However, he continues to be Non-executive Director of the Company. Also, Shri Benoy Roychowdhury and Shri Tridib Barat, Whole-time Directors of the Company tendered their resignation from the Board of Directors of the Company w.e.f. May 24, 2018 and August 9, 2018, respectively. Shri Tridib Barat continues to be Company Secretary (KMP) of the Company.

Shri Shardul S. Shroff (DIN:00009379) and Shri Piyush G. Mankad (DIN:00005001) ceased to be Directors of the Company upon completion of their term on March 31, 2019. On their request, the Board did not consider their re-appointment for second term.

The Board places on record its sincere appreciation for the valuable contribution made by Shri Benoy Roychowdhury, Shri Shardul S. Shroff and Shri Piyush G. Mankad during their tenure on the Board of Directors of the Company.

Further, on the recommendation of Nomination & Remuneration Committee, the Board of Directors 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.
- (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, subject to approval of the Members by way of Postal Ballot.

In accordance with the provisions of the Companies Act, 2013, Shri Priyavrat Bhartia retires by rotation at the ensuing AGM,

and being eligible, has offered himself for re-appointment. Your Directors commend re-appointment of Shri Priyavrat Bhartia for approval of the Members at the ensuing AGM.

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

Brief resume, nature of expertise, details of directorship held in other companies, of the Director(s) proposed to be appointed / re-appointed at the ensuing AGM, along with their 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.

There was no change in Key Managerial Personnel during the year under review.

## 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.

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

The Directors were evaluated on various parameters such as value addition to discussions, level of preparedness, 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

Price Waterhouse & Co Chartered Accountants LLP (PwC) [Firm Registration No. 304026E/E-300009] were appointed as Statutory Auditor of the Company, for a term of 5 (five) consecutive years, at the Annual General Meeting held on September 20, 2017.

The Auditors' Report of PwC on Annual Financial Statements for the financial year ended on March 31, 2019, 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 2018-19. 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).

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

## CORPORATE SOCIAL RESPONSIBILITY (CSR)

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](http://www.hmvl.in).

The Annual Report on CSR for FY 19 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, 2019, 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, 2019; and of the profit of the Company for the year ended on March 31, 2019;
- iii. proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. the annual accounts have been prepared on a 'going concern' basis;
- v. proper internal financial controls were in place and that such internal financial controls were adequate and operating effectively; and

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

## DISCLOSURES UNDER THE COMPANIES ACT, 2013

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

**Particulars of loans given, investments made, guarantees / securities given:** The details of investments made and loans/guarantees/securities given, as applicable, are given in Note no. 44A of the Annual Financial Statements.

**Board Meetings:** A yearly calendar of meetings is prepared and circulated in advance to the Directors. During the financial year ended on March 31, 2019, the Board met five times on May 1, 2018, May 24, 2018, July 17, 2018, October 26, 2018 and January 15, 2019. For further details of these meetings, Members may please refer 'Report on Corporate Governance' which forms part of this Annual Report.

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

**Remuneration Policy:** The Remuneration Policy of the Company on appointment and remuneration of Directors, Key Managerial Personnel & Senior Management, as prescribed under Section 178(3) of the Companies Act, 2013 and the SEBI Listing Regulations, is available on the Company's website viz. [www.hmvl.in](http://www.hmvl.in). The Remuneration Policy includes, *inter-alia*, the criteria for appointment of Directors, KMPs, Senior Management Personnel, and other employees, their remuneration structure and disclosure(s) in relation thereto. In view of a recent amendment in the SEBI Listing Regulations (effective from April 1, 2019), the role of Nomination and Remuneration Committee (NRC) includes recommendation to the board, all remuneration in whatever form, payable to Senior Management. Accordingly, upon recommendation of NRC, the Board of Directors have approved revision in the Remuneration Policy to incorporate the aforesaid amendment.



**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. 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](http://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. However, the same is available for inspection by the Members at the Registered Office of the Company during business hours, for a period of 21 days before the ensuing AGM. Members interested to obtain a copy of the said Annexure, may write to the Company Secretary at the Registered Office of the Company.

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

**Extract of Annual Return:** Extract of annual return in Form MGT-9 is annexed herewith as "Annexure - F" and is also available on the website of the Company viz. [www.hmvl.in](http://www.hmvl.in).

**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".

## 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.

## GENERAL

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

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

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

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

No material changes/commitments of the Company have occurred after the end of the financial year 2018-19 and till the date of this report, which affect the financial position of your Company.

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

Your Company has in place adequate internal financial controls with reference to the financial statements. 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, 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.

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 complaints received regarding sexual harassment. The Company's policy in this regard, is available on the employee intranet portal. The Company conducts regular classroom 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.

## 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:** 09-05-2019

## 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

### Secretarial Audit Report

for the Financial year ended on March 31, 2019

[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** (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 (2<sup>nd</sup> 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 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, 2019**, 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, 2019 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, 2009 and the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 **[Not Applicable as the Company has not issued any further share capital during the period under review];**
- (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 **[Not Applicable as the Company**

**is not registered as Registrar to an Issue and Share Transfer Agent];**

- (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 financial year under review];**
- (h) The Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998 and 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 financial year 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 vis-à-vis The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, 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 financial 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.

During the period under review, the Company has generally 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 is constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors 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.

Adequate notice(s) were given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance to all Directors 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 were adequately passed and the dissenting members' views, if any, was captured and recorded as part of the minutes.

As per the records, the Company has generally 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 adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines as the Company has developed comprehensive legal compliance scheduling and management software by which specific compliance tasks were assigned to specified individuals. 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. The Members, by way of Postal Ballot on March 25, 2019, approved the following:
  - i. Re-appointment of Shri Ajay Relan (DIN: 00002632) as Independent Director of the Company to hold office for another term of 5 (five) consecutive years from April 1, 2019 till March 31, 2024;
  - ii. Re-appointment of Shri Ashwani Windlass (DIN: 00042686) as Independent Director of the Company to hold office for another term of 5 (five) consecutive years from April 1, 2019 till March 31, 2024;
  - iii. Payment of remuneration to Shri Shomit Bhartia (DIN: 00020623), Managing Director of the Company, during the period of 3 financial years w.e.f. April 1, 2018;
  - iv. Payment of remuneration to Shri Praveen Someshwar (DIN: 01802656), Managing Director of the Company, during the period of 3 years w.e.f. August 1, 2018;
  - v. Payment of remuneration paid to Shri Priyavrat Bhartia (DIN: 00020603) as Managing Director of the Company during the period April 1, 2018 and July 16, 2018;
  - vi. Payment of remuneration paid to Shri Benoy Roychowdhury (DIN: 00816822) as Whole-time Director during the period April 1, 2018 and May 23, 2018;
  - vii. Approval of remuneration paid to Shri Tridib Barat (DIN: 08133104) Whole-time Director during the period May 24, 2018 and August 8, 2018;

2. In pursuance of board resolution passed for approving scheme of arrangement between the Company ("Resulting Company") and India Education Services Private Limited ("Demerged Company"), and the order of the Hon'ble NCLT, Kolkata Bench dated August 28, 2018 the Company called and convened the meeting of its Shareholders and Unsecured Creditors on October 15, 2018. The Scheme was approved by the unsecured creditors. However, the Company could not secure the requisite percentage of votes of Equity Shareholders in favour of the Scheme as required under Annexure IA para 9(b) of the SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017 ("SEBI Circular").
3. The Company filed a fresh application before the Hon'ble NCLT, Kolkata Bench for convening the fresh meeting of Equity Shareholders. In pursuance of order of the Hon'ble NCLT dated January 4, 2019 apropos to the fresh application, fresh meeting of equity shareholders of the Company was held on March 8, 2019 and the Scheme was approved by requisite majority of equity shareholders as prescribed under the applicable provisions of the Act and SEBI Circular. Further, now next date of hearing for sanction of the Scheme of arrangement has been fixed on June 4, 2019.

**For RMG & Associates  
Company Secretaries**

**Sd/-  
CS Manish Gupta**

**Partner  
FCS : 5123; C.P. No.: 4095**

**Place : New Delhi  
Date : 09-05-2019**

**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, 2019 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 not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

**For RMG & Associates  
Company Secretaries**

**Sd/-**

**CS Manish Gupta**

**Partner**

**FCS : 5123; C.P. No.: 4095**

**Place :** New Delhi

**Date :** 09-05-2019



## ANNEXURE-C TO BOARD'S REPORT

### Annual Report on Corporate Social Responsibility (CSR) for FY 19

#### 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](http://www.hmvl.in)

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

#### 3. Average net profits of the Company for the last 3 financial years – ₹24,430 Lacs

#### 4. Prescribed CSR expenditure (2% of amount as in item 3 above) – ₹490 Lacs

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

- Total amount to be spent for the financial year- ₹490 Lacs
- Amount unspent as at March 31, 2019 – ₹73.36 Lacs (refer item 6 below)
- Manner in which the amount spent during the FY-19 is detailed below:

(₹ in Lacs)

Sl. No.	CSR Project or activity identified	Sector in which the Project is covered	Projects or programs (1) Local area or other (2) Specify the state and district where projects or program were undertaken	Amount outlay (budget) project or program 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)	185	(1)185	185	Direct

(₹ in Lacs)

Sl. No.	CSR Project or activity identified	Sector in which the Project is covered	Projects or programs (1) Local area or other (2) Specify the state and district where projects or program were undertaken	Amount outlay (budget) project or program 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.	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)	75	(1) 61.05 (2) 9.58	70.63	Direct
3.	"Hindustan Olympiad" To provide merit based scholarships	Clause (ii) of Schedule VII - Promoting education	Uttar Pradesh, Uttarakhand, Bihar & Jharkhand (Local area)	40	(1) 40	40	Direct
4.	"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)	25	(1) 25	25	Direct
5.	"Kabaddi League" To impart training in Kabaddi sport while organizing Kabaddi tournament(s) with participation of teams from various districts of Bihar and UP and / or Uttrakhand	Clause (vii) of Schedule VII - Training to promote rural sports	Uttar Pradesh and Bihar (Local area)	65	(1) 0	0	Direct
6.	Supporting education & skill development of under-privileged children, youth & women	Clause (ii) of Schedule VII - Promoting education	Uttar Pradesh (Local area)	20	(1) 20	20	Through implementing agency (HT Foundation for Change)*
7.	"Healthy Uttarakhand" campaign - Free preventive health check-up camps	Clause (i) of Schedule VII- Promoting Healthcare including preventive healthcare	Uttarakhand (Local area)	38	(1) 36.20 (2) 1.80	38	Through implementing agency (Manorama Devi Birla Charitable Trust)

(₹ in Lacs)

Sl. No.	CSR Project or activity identified	Sector in which the Project is covered	Projects or programs (1) Local area or other (2) Specify the state and district where projects or program were undertaken	Amount outlay (budget) project or program 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
8.	"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)	12	(1) 12	12	Direct
9.	"Village Pond adoption & rejuvenation" To conserve natural resources and maintaining quality of water by cleaning, recharging and adding rain water harvesting system to an existing pond at Uttar Pradesh	Clause (iv) of Schedule VII - Ensuring environmental sustainability	Greater Noida in Gautam Budh Nagar District (Uttar Pradesh) (Local area)	30	(1) 26.01	26.01	Direct
<b>Total</b>				<b>490</b>	<b>416.64</b>	<b>416.64</b>	

\*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 ₹73.36 Lacs during FY-19 relates to following projects. The aggregate amount of ₹73.36 Lacs would be spent during FY-20 on the respective projects, over and above the Company's CSR obligation for FY-20.

- Rural development project outlined at Sl. no. 2 of the table above, is an ongoing project. Major allocated amount was utilized during financial year, however ₹4.37 Lacs could not be utilised and carried forward to FY 19-20 being an ongoing project. The activity would be concluded and the balance amount will be utilized in FY 20.
- During the year, a sum of ₹65 Lacs allocated to Kabbadi League project outlined at Sl.No.5 of the table above could not be utilised and the same has been planned for FY 20 and the unutilized funds shall be deployed accordingly.
- During the year, a sum of ₹3.99 Lacs could not be spent out of allocation for village pond adoption & rejuvenation project outlined at Sl.No.9 of the table above. Aforesaid amount shall be used for annual maintenance in 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'.



**Rajeev Beotra**

Chief Executive Officer



**Shobhana Bhartia**

Chairperson of CSR Committee

**Place:** New Delhi

**Date:** 09-05-2019

# 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, 2019, is as under -

Name of Director/KMP & designation	Remuneration for FY-19 (₹/Lacs)	% increase in remuneration in FY-19	Ratio of remuneration of each Director to median remuneration of employees in FY-19 <sup>®</sup>
Shri Ashwani Windlass <i>Independent Director</i>	13.90*	2.21%	3.06
Shri Piyush G. Mankad <i>Independent Director</i>	12.70*	Nil	2.80
Shri Shardul S. Shroff <i>Independent Director</i>	10.60*	(7.83%)	2.33
Shri Ajay Relan <i>Independent Director</i>	15.40*	Not comparable <sup>#</sup>	3.39
Dr. Mukesh Aghi <sup>§</sup> <i>Independent Director</i>	10.00*	Nil	2.20
Shri Priyavrat Bhartia <sup>^</sup> <i>Director</i>	121.44	Not comparable <sup>†</sup>	26.75
Shri Shamit Bhartia <i>Managing Director</i>	415.21	(0.35%)	91.46
Shri Praveen Someshwar <sup>^^</sup> <i>Managing Director</i>	347.81	Not comparable <sup>†</sup>	76.61
Shri Benoy Roychowdhury <sup>^^^</sup> <i>Whole-time Director</i>	113.31	Not comparable <sup>†</sup>	24.96
Shri Rajeev Beotra <i>Chief Executive Officer</i>	394.48	Not comparable <sup>†</sup>	Not Applicable
Shri Sandeep Gulati <i>Chief Financial Officer</i>	146.33	Not comparable <sup>†</sup>	Not Applicable
Shri Tridib Barat <sup>***</sup> <i>Company Secretary</i>	60.19	(0.48%)	Not Applicable

<sup>®</sup>Median remuneration of employees during FY 19 was ₹4.54 lacs

\*Comprises profit related commission (for FY 18 paid in FY 19) and sitting fee for attending Board/Committee meetings, as applicable

<sup>#</sup>Voluntarily foregone commission for FY 17 paid during FY18

<sup>§</sup>Voluntarily foregone sitting fee during FY18 & 19

<sup>^</sup>Ceased to be Managing Director w.e.f. July 17, 2018

<sup>^^</sup>Appointed as Managing Director w.e.f August 1, 2018

<sup>^^^</sup>Ceased to be Whole-time Director w.e.f May 24, 2018

<sup>\*\*\*</sup>Held office of Whole-time Director w.e.f May 24, 2018 till August 8, 2018 (Remuneration of ₹11.05 Lacs paid during this period)

<sup>†</sup>Remuneration not comparable owing to appointment/ cessation during FY 18 or FY 19, as the case may be

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

- (ii) There was an increase of 8.10% in the median remuneration of employees in FY 19.

- (iii) As on March 31, 2019, there were 1,340 permanent employees on the rolls of the Company.
- (iv) Average percentage increase in remuneration of employees, other than managerial personnel during FY 19 is 7.5%. During the same period, 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:** 09-05-2019

# ANNEXURE-F TO BOARD'S REPORT

Form No. MGT-9

Extract of Annual Return

For the financial year ended March 31, 2019

[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	Karvy Fintech Private Limited Karvy 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@karvy.com

## II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

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

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

\*Source: National Industrial Classification-2008

## III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

Sl. No.	Name and Address of the Company	CIN/GLN	Holding / Subsidiary / Associate	% of shares held	Applicable Section of Companies Act, 2013
1.	HT Media Limited* 18-20, Kasturba Gandhi Marg New Delhi-110001	L22121DL2002PLC117874	Holding	74.30	2(46)

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

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

### i) Category-wise share holding

Sl. No.	Category of Shareholders	No. of shares held at the beginning of the year (as on 01/04/2018)				No. of shares held at the end of the year (as on 31/03/2019)				% change during the year
		Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
<b>A</b>	<b>PROMOTERS</b>									
<b>1</b>	<b>INDIAN</b>									
(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	5,45,33,458	0	5,45,33,458	74.30	0.00
(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
	<b>Sub-Total A(1)</b>	<b>5,45,33,458</b>	<b>0</b>	<b>5,45,33,458</b>	<b>74.30</b>	<b>5,45,33,458</b>	<b>0</b>	<b>5,45,33,458</b>	<b>74.30</b>	<b>0.00</b>
<b>2</b>	<b>FOREIGN</b>									
(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
	<b>Sub-Total A(2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>
	<b>Total Shareholding of Promoters A=A(1)+A(2)</b>	<b>5,45,33,458</b>	<b>0</b>	<b>5,45,33,458</b>	<b>74.30</b>	<b>5,45,33,458</b>	<b>0</b>	<b>5,45,33,458</b>	<b>74.30</b>	<b>0.00</b>
<b>B</b>	<b>PUBLIC SHAREHOLDING</b>									
<b>1</b>	<b>INSTITUTIONS</b>									
(a)	Mutual Funds /UTI	5,94,669	0	5,94,669	0.81	6,27,755	0	6,27,755	0.86	0.05
(b)	Financial Institutions /Banks	1,18,374	125	1,18,499	0.16	1,10,997	0	1,10,997	0.15	-0.01
(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 (FIIs)	1,14,67,207	0	1,14,67,207	15.62	1,07,18,828	0	1,07,18,828	14.60	-1.02
(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
	<b>Sub-Total B(1)</b>	<b>1,21,80,250</b>	<b>125</b>	<b>1,21,80,375</b>	<b>16.59</b>	<b>1,14,57,580</b>	<b>0</b>	<b>1,14,57,580</b>	<b>15.61</b>	<b>-0.98</b>
<b>2</b>	<b>NON-INSTITUTIONS</b>									
<b>(a)</b>	<b>Bodies Corporate</b>									
(i)	Indian	18,96,467	300	18,96,767	2.58	19,09,174	0	19,09,174	2.60	0.02
(ii)	Overseas	0	0	0	0	0	0	0	0	0
<b>(b)</b>	<b>Individuals</b>									
(i)	Individuals holding nominal share capital upto ₹1 lakh	31,26,799	19,773	31,46,572	4.29	35,25,070	11,785	35,36,855	4.82	0.53
(ii)	Individuals holding nominal share capital in excess of ₹1 lakh	10,46,224	0	10,46,224	1.43	12,37,730	0	12,37,730	1.69	0.26
<b>(c)</b>	<b>Others</b>									
(i)	Clearing Members	33,264	0	33,264	0.05	8,592	0	8,592	0.01	-0.04
(ii)	I E P F	0	0	0	0.00	64,234	0	64,234	0.09	0.09
(iii)	Non Resident Indians	2,47,765	0	2,47,765	0.34	2,96,490	0	2,96,490	0.41	0.07
(iv)	NRI Non-Repatriation	79,159	0	79,159	0.11	1,19,471	0	1,19,471	0.16	0.05
(v)	Trustee of HT Group Companies Employees Stock Option Trust*	2,30,186	0	2,30,186	0.31	2,30,186	0	2,30,186	0.31	0.00
<b>(d)</b>	<b>Qualified Foreign Investor</b>	0	0	0	0.00	0	0	0	0.00	0.00
	<b>Sub-Total B(2)</b>	<b>66,59,864</b>	<b>20,073</b>	<b>66,79,937</b>	<b>9.11</b>	<b>73,90,947</b>	<b>11,785</b>	<b>74,02,732</b>	<b>10.09</b>	<b>0.98</b>
	<b>Total Public Shareholding B=B(1)+B(2)</b>	<b>1,88,40,114</b>	<b>20,198</b>	<b>1,88,60,312</b>	<b>25.70</b>	<b>1,88,48,527</b>	<b>11,785</b>	<b>1,88,60,312</b>	<b>25.70</b>	<b>0.00</b>
<b>C</b>	<b>SHARES HELD BY CUSTODIAN FOR GDR(S) AND ADR(S)</b>	0	0	0	0.00	0	0	0	0.00	0.00
	<b>GRAND TOTAL (A+B+C)</b>	<b>7,33,73,572</b>	<b>20,198</b>	<b>7,33,93,770</b>	<b>100.00</b>	<b>7,33,81,985</b>	<b>11,785</b>	<b>7,33,93,770</b>	<b>100.00</b>	<b>0.00</b>

\*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 the stock exchange filings. However, to conform to the format of Form MGT-9, the same has been categorized under 'Public' category.

## ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year (As on 01/04/2018)			Shareholding at the end of the year (As on 31/03/2019)			% 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	5,45,33,458	74.30	0.00	0.00
	<b>Total</b>	<b>5,45,33,458</b>	<b>74.30</b>	<b>0.00</b>	<b>5,45,33,458</b>	<b>74.30</b>	<b>0.00</b>	<b>0.00</b>

## iii) Change in Promoters' Shareholding - Nil

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

Sl. No.	Name of the Shareholder	Shareholding		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1.	KOTAK MAHINDRA (INTERNATIONAL) LIMITED				
	At the beginning of the year	42,79,952	5.83	42,79,952	5.83
	Bought during the year	0	0.00	42,79,952	5.83
	Sold during the year	0	0.00	42,79,952	5.83
	At the end of the year	42,79,952	5.83	42,79,952	5.83
2.	LAVENDER INVESTMENTS LIMITED				
	At the beginning of the year	30,50,000	4.16	30,50,000	4.16
	Bought during the year	0	0.00	30,50,000	4.16
	Sold during the year	0	0.00	30,50,000	4.16
	At the end of the year	30,50,000	4.16	30,50,000	4.16
3.	STEINBERG INDIA EMERGING OPPORTUNITIES FUND LIMITED				
	At the beginning of the year	19,50,000	2.66	19,50,000	2.66
	Bought during the year	0	0.00	19,50,000	2.66
	Sold during the year	0	0.00	19,50,000	2.66
	At the end of the year	19,50,000	2.66	19,50,000	2.66
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



Sl. No.	Name of the Shareholder	Shareholding		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
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	0.55
8.	ESVEE CAPITAL				
	At the beginning of the year	3,34,397	0.46	3,34,397	0.46
	Bought during the year	19,802	0.03	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
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
11.	MOUSSEGANESH LIMITED#				
	At the beginning of the year	3,00,000	0.41	3,00,000	0.41
	Bought during the year	0	0	3,00,000	0.41
	Sold during the year	-3,00,000	0.41	0	0.00
	At the end of the year	0	0	0	0.00
12.	SLG INTERNATIONAL OPPORTUNITIES, L.P#				
	At the beginning of the year	2,43,900	0.33	2,43,900	0.33
	Bought during the year	0	0	2,43,900	0.33
	Sold during the year	-2,43,900	0.33	0	0.00
	At the end of the year	0	0.00	0	0.00

#Ceased to be in the list of top 10 shareholders as on March 31, 2019. The same is reflected above as the shareholder, was one of the top 10 shareholders as on April 1, 2018.

\*Not in the list of top 10 shareholders as on April 1, 2018. The same has been reflected above as the shareholder, was one of the top 10 shareholders as on March 31, 2019.

**Notes:**

1. Year in the above table denotes the period from April 1, 2018 to March 31, 2019
2. Any member desirous of obtaining date-wise particulars of sale/purchase by the above shareholders may write to Company Secretary at the Registered Office of the Company

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

Sl. No.	Name of Director/KMP	Shareholding		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1.	Shri Priyavrat Bhartia* (Director)				
	At the beginning of the year	6,719	0.01	6,719	0.01
	Bought during the year	0	0.00	6,719	0.01
	Sold during the year	0	0.00	6,719	0.01
	At the end of the year	6,719	0.01	6,719	0.01
2.	Shri Shamit Bhartia (Managing Director)				
	At the beginning of the year	5,017	0.01	5,017	0.01
	Bought during the year	0	0.00	5,017	0.01
	Sold during the year	0	0.00	5,017	0.01
	At the end of the year	5,017	0.01	5,017	0.01
3.	Shri Benoy Roychowdhury (Whole-time Director) <sup>#</sup>				
	At the beginning of the year	11,088	0.02	11,088	0.02
	Bought during the year	0	0.00	11,088	0.02
	Sold during the year	11,088	0.02	0	0.00
	At the end of the year	0	0	0	0
4.	Shri Rajeev Beotra (Chief Executive Officer)				
	At the beginning of the year	1,685	0.00	1,685	0.00
	Bought during the year	0	0.00	1,685	0.00
	Sold during the year	1,680	0.00	5	0.00
	At the end of the year	5	0.00	5	0.00
5.	Shri Tridib Barat (Company Secretary) <sup>^</sup>				
	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, 2018 to March 31, 2019

\*Relinquished office of Managing Director w.e.f July 17, 2018. He continues to be Non-executive Director.

<sup>#</sup>Ceased as Whole-Time Director w.e.f May 24, 2018

<sup>^</sup>Ceased as Whole-Time Director w.e.f August 9, 2018. He continues to be Company Secretary (KMP)

## V. INDEBTEDNESS:

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

(₹ in Lacs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year 2018-19</b>				
i) Principal Amount	3,920.69	7,566.27	-	11,486.96
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	50.18	63.19	-	113.37
<b>Total (i+ii+iii)</b>	<b>3,970.87</b>	<b>7,629.46</b>	<b>-</b>	<b>11,600.33</b>
<b>Change in Indebtedness during the financial year 2018-19</b>				
i) Additions	45,197.25	121,570.13	-	166,767.38
ii) (Reductions)	(42,253.12)	(128,660.63)	-	(170,913.76)
<b>Net Change (i+ii)</b>	<b>2,944.13</b>	<b>(7,090.51)</b>	<b>-</b>	<b>(4,146.38)</b>
<b>Indebtedness at the end of the financial year 2018-19</b>				
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
<b>Total (i+ii+iii)</b>	<b>6,937.50</b>	<b>548.89</b>	<b>-</b>	<b>7,486.39</b>

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

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

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

(₹ in Lacs)

Sl. No.	Particulars of Remuneration	Shri Priyavrat Bhartia* (Ex-Managing Director)	Shri Shamit Bhartia (Managing Director)	Shri Benoy Roychowdhury^ (Ex-Whole time Director)	Shri Praveen Someswar^s (Managing Director)	Shri Tridib Barat® (Ex-Whole time Director)	Total
1.	Gross salary						
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	113.00	386.41	111.18	332.97	10.46	954.02
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	-	-	0.07	0.20	0.09	0.36
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-	-	-	-	-

(₹ in Lacs)

Sl. No.	Particulars of Remuneration	Shri Priyavrat Bhartia* (Ex-Managing Director)	Shri Shamit Bhartia (Managing Director)	Shri Benoy Roychowdhury^ (Ex-Whole time Director)	Shri Praveen Someshwar <sup>§</sup> (Managing Director)	Shri Tridib Barat <sup>®</sup> (Ex-Whole time Director)	Total
2.	Stock Option (No. of options granted during the year)	-	-	-	-	-	-
3.	Sweat Equity	-	-	-	-	-	-
4.	Commission	-	-	-	-	-	-
5.	Others- Retirement benefits	8.44	28.80	2.06	14.64	0.50	54.44
	<b>Total (A)</b>	<b>121.44</b>	<b>415.21</b>	<b>113.31</b>	<b>347.81</b>	<b>11.05</b>	<b>1,008.82</b>

**Ceiling as per the Act**

Please refer note below\*

\*Relinquished office of Managing Director w.e.f July 17, 2018. He continues to be Non-executive Director.

^Ceased as Whole-Time Director w.e.f May 24, 2018.

§Appointed as Managing Director w.e.f August 1, 2018.

®Held office of Whole-Time Director w.e.f May 24, 2018 till August 8, 2018.

\* The net profit for FY 19 computed as per Section 198 of the Companies Act, 2013 was inadequate for the purpose of payment of Managerial Remuneration in FY 19. 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 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 Lacs)

Sl. No.	Particulars of Remuneration	Name of Directors					Total
		Shri Ajay Relan	Shri Ashwani Windlass	Shri Piyush G. Mankad	Shri Shardul S. Shroff	Dr. Mukesh Aghi <sup>®</sup>	
<b>1.</b>	<b>Independent Directors</b>						
	• Fee for attending board / committee meetings	5.40	3.90	2.70	0.60	-	12.60
	• Commission	10.00	10.00	10.00	10.00	10.00	50.00
	• Others	-	-	-	-	-	-
	<b>Total</b>	<b>15.40</b>	<b>13.90</b>	<b>12.70</b>	<b>10.60</b>	<b>10.00</b>	<b>62.60</b>
<b>2.</b>	<b>Other Non-Executive Directors</b>	No remuneration was paid during FY19					
	<b>Total (B)</b>	<b>15.40</b>	<b>13.90</b>	<b>12.70</b>	<b>10.60</b>	<b>10.00</b>	<b>62.60</b>
	<b>Total managerial remuneration (A+B)</b>						<b>1,071.42</b>

**Overall ceiling as per the Act\*\***

®Voluntarily foregone sitting fee

\*\* Not applicable as explained above

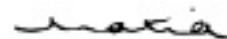
## C. Remuneration to Key Managerial Personnel other than MD/MANAGER/WTD

(₹ in Lacs)

Sl. No	Particulars of Remuneration	Key Managerial Personnel			Total
		Shri Rajeev Beotra (CEO)	Shri Sandeep Gulati (CFO)	Shri Tridib Barat (CS)	
1.	Gross salary				
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	379.91	138.89	57.41	576.21
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	0.39	-	0.39	0.78
	(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	14.18	7.44	2.39	24.01
	<b>Total</b>	<b>394.48</b>	<b>146.33</b>	<b>60.19</b>	<b>601.00</b>

## VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES: Nil

For and on behalf of the Board



**(Shobhana Bhartia)**

Chairperson

DIN: 00020648

**Place:** New Delhi

**Date:** 09-05-2019

# ANNEXURE-G TO BOARD'S REPORT

## Certificate of compliance of Corporate Governance

### The Members

#### Hindustan Media Ventures Limited

We have examined the compliance of conditions of Corporate Governance by **Hindustan Media Ventures Limited** (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 (2<sup>nd</sup> floor), 18-20, Kasturba Gandhi Marg, New Delhi 110001 for the year ended on March 31, 2019, as stipulated in the relevant provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("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 complied 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.

**Place:** New Delhi

**Date:** 09-05-2019

**For RMG & Associates  
Company Secretaries**

**Sd/-**

**CS Manish Gupta**

**Partner**

**FCS: 5123; C.P. No.: 4095**

## 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 were further progressed during FY-19. At present, 80% (approx) of the lighting across all print locations have been converted to LED. Energy audits in factories have been taken up and various energy saving projects are identified for implementation in FY-20, which would entail savings of ~₹35 Lacs/ year.

#### (ii) Steps taken by the company for utilizing alternate sources of energy:

The Company has further stepped up use of green energy by installing solar project at print locations. Roof top solar projects were installed and commissioned in Patna ( 312KWP ) & Ranchi(143KWP). The Company is in the process of entering into agreement with vendor for installing solar project in Kanpur ( 220KWP ) and Purnia(160KWP). This is likely to give total electricity bill savings of about ₹18 Lacs/year.

#### (iii) Capital investment on energy conservation equipments:

In line with Company's strategy to optimise capex deployment, energy saving initiatives are being generated, largely on opex model and profit sharing with vendors.

### (B) Technology absorption -

#### (i) Efforts made towards technology absorption:

- New Hiline press with modern Programmable Logical Controller (PLC) and servo controls were installed at Patna plant, which has 11% higher output, resulting in energy savings
- Optimizing ink saving software through use of different screening to reduce colour ink consumption
- Technical modifications in old printing machineries at Patna to increase total printing capabilities to 28 color pages.

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

- Enhanced print quality
- Cost saving by 2-3% optimization on colour ink consumption
- New Hiline at Patna plant with higher speed of 50K copies per hour, for production efficiency

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

- |   |   |     |
|---|---|-----|
| <ul style="list-style-type: none"> <li>a) Details of technology imported</li> <li>b) Year of import</li> <li>c) Whether the technology being absorbed</li> <li>d) If not fully absorbed, areas where absorption has not taken place, and the reasons thereof</li> </ul> | } | 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: ₹1,004.38 Lacs
- Foreign exchange outgo in terms of actual outflows during the year: ₹2,276.70 Lacs

For and on behalf of the Board



**(Shobhana Bhartia)**

Chairperson

DIN: 00020648

Place: New Delhi

Date: 09-05-2019

# 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 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, 2019, the Board comprised of nine Directors, including seven 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. The Chairperson of the Board is a Non-executive (Woman) Director.

The composition of the Board of Directors as on March 31, 2019, was as follows :

Name of the Director	Date of appointment	Relationship between Directors, <i>inter-se</i>	Director Identification Number (DIN)
<b>NON- EXECUTIVE DIRECTOR(S)</b>			
Smt. Shobhana Bhartia <i>Chairperson</i>	January 6, 2010	Mother of Shri Priyavrat Bhartia and Shri Shamit Bhartia	00020648
Shri Priyavrat Bhartia <sup>®</sup>	August 27, 2010	Son of Smt. Shobhana Bhartia and Brother of Shri Shamit Bhartia	00020603
<b>NON-EXECUTIVE INDEPENDENT DIRECTOR(S)</b>			
Shri Ajay Relan	February 22, 2010	None	00002632
Shri Ashwani Windlass	February 22, 2010	None	00042686
Shri Piyush G. Mankad <sup>*</sup>	December 19, 2011	None	00005001
Shri Shardul S. Shroff <sup>**</sup>	February 22, 2010	None	00009379
Dr. Mukesh Aghi	June 21, 2015	None	00292205
<b>MANAGING DIRECTOR(S)</b>			
Shri Shamit Bhartia <sup>#</sup>	December 19, 2011	Son of Smt. Shobhana Bhartia and Brother of Shri Priyavrat Bhartia	00020623
Shri Praveen Someshwar	August 1, 2018	None	01802656

<sup>®</sup>Ceased to be Managing Director w.e.f. July 17, 2018. Continuing as Non-executive Director

<sup>\*</sup>Ceased to be Non-executive Independent Director w.e.f. April 1, 2019

<sup>#</sup>Appointed as Managing Director w.e.f. February 4, 2017



During the year, Shri Benoy Roychowdhury tendered resignation as Whole-time Director w.e.f. May 24, 2018 and Shri Tridib Barat, Company Secretary who was appointed as Whole-time Director w.e.f. May 24, 2018, relinquished office of Whole-time Director w.e.f. August 9, 2018.

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.

Following skills/expertise/competencies of Directors, have been identified by the Board for its effective functioning, and they are available with the Board:

## A. Industry knowledge/experience

- (i) Knowledge of Media & Entertainment Industry
- (ii) Understanding of laws, rules, regulations and policies applicable to Media & Entertainment Industry

## B. Technical skills/experience

- (i) General management
- (ii) Accounting and finance
- (iii) Strategic planning/ business development
- (iv) Information technology
- (v) Talent management
- (vi) Compliance & risk management

## C. Behavioural competencies

- (i) Integrity and ethical standards
- (ii) Decision making
- (iii) Problem solving skills

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. The Non-executive Directors do not hold any shares in the Company, except Shri Priyavrat Bhartia, Non-executive Director who holds 6,719 equity shares of the Company.

Further, none of the Directors on the Board have been debarred or disqualified from being appointed or continuing as directors 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".

## Directors' attendance and Directorships held

The 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, 2019, details whereof are as follows:

Date of Board meeting	Board strength	Number of Directors present	Number of Independent Directors present
May 1, 2018	9	7	3 out of 5
May 24, 2018	9	6	2 out of 5
July 17, 2018	9	7	3 out of 5
October 26, 2018	9	7	4 out of 5
January 15, 2019	9	6	3 out of 5

Attendance record of Directors at Board Meetings and details of other Directorships/Committee positions held by them in Indian public limited companies as on March 31, 2019, along with name(s) of listed companies and category of directorship held, are as follows:

Name of the Director	No. of Board Meetings attended during FY-19	No. of other Directorships held	Committee positions held in other companies <sup>^</sup>		Directorships held in other listed companies and category
			Chairperson	Member <sup>1</sup>	
Smt. Shobhana Bhartia	5	6	1	0	1. HT Media Limited - Executive Director (Chairperson) 2. Ronson Traders Limited - Non-Executive Director
Shri Ashwani Windlass	5	5	3	0	1. Max India Limited - Non-Executive Director 2. Max Financial Services Limited - Non-Executive Director 3. Vodafone Idea Limited - Independent Director 4. Jubilant Foodworks Limited - Independent Director
Shri Ajay Relan	3	3	1	2	1. HT Media Limited - Independent Director 2. Capri Global Capital Limited - Independent Director
Shri Piyush G. Mankad	5 <sup>#</sup>	-	-	-	-
Shri Shardul S. Shroff	1	-	-	-	-
Dr. Mukesh Aghi	3 <sup>*</sup>	0	0	0	-
Shri Priyavrat Bhartia	4	6	0	4	1. HT Media Limited - Non-Executive Director 2. Jubilant Life Sciences Limited - Non-Executive Director 3. Jubilant Industries Limited - Non-Executive Director
Shri Shamit Bhartia	4	7	0	2	1. HT Media Limited - Non-Executive Director 2. Jubilant Foodworks Limited - Non-Executive Director 3. Jubilant Industries Limited - Non-Executive Director
Shri Praveen Someshwar <sup>%</sup>	2	5	0	0	HT Media Limited - Executive Director (MD & CEO)
Shri Benoy Roychowdhury <sup>@</sup>	1	-	-	-	-
Shri Tridib Barat <sup>§</sup>	2	-	-	-	-

<sup>^</sup>Only Audit Committee and Stakeholders' Relationship Committee are considered

<sup>1</sup>Does not include chairmanships

<sup>#</sup>Participated in one Board Meeting via video-conferencing

<sup>\*</sup>Participated in two board meetings via tele-conferencing (not counted for quorum)

<sup>%</sup>Appointed as Managing Director w.e.f. August 1, 2018

<sup>@</sup>Ceased to be Whole-time Director w.e.f. May 24, 2018

<sup>§</sup>Held office of Whole-time Director w.e.f. May 24, 2018 till August 8, 2018

The Directors are not members of more than ten Board Committees or Chair 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 attended the last Annual General Meeting of Members of the Company held on September 18, 2018.

## Board Procedure

Detailed agenda notes setting out the business(es) 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.

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, 2019, the Non-executive Independent Directors were paid sitting fee @ ₹30,000/- per meeting, for attending meetings of the Board and Committee(s) thereof. The Non-executive Directors are also eligible for profit related commission not exceeding 1% of the net profits of the Company for the financial year computed in the manner prescribed under the Companies Act, 2013, subject to a limit of ₹10 lacs per Director per annum. Considering the valuable contributions made by each of the Independent Directors, the Board decided to pay profit related commission to the Independent Directors on uniform basis. The details of sitting fee paid and profit related commission paid/payable to Directors during/for FY 19 are as under -

(₹ in Lacs)

Name of the Director	Sitting fee**	Commission paid during FY 19 (pertaining to profit for FY 18)	Commission payable for FY 19
Smt. Shobhana Bhartia®	Nil	Nil	Nil
Shri Ajay Relan	5.40	10.00	Nil®
Shri Ashwani Windlass	3.90	10.00	10.00
Shri Piyush G. Mankad	2.70	10.00	10.00
Shri Shardul S. Shroff	0.60	10.00	10.00
Dr. Mukesh Aghi*	Nil	10.00	10.00
Shri Priyavrat Bhartia®	Nil	Nil	Nil

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

®voluntarily foregone profit related commission

\*voluntarily foregone sitting fees

During the year, Shri Praveen Someshwar, was appointed as Managing Director w.e.f. August 1, 2018 for a period of five years. The details of remuneration paid to Shri Priyavrat Bhartia, Shri Shamit Bhartia & Shri Praveen Someshwar (Managing Directors) and Shri Benoy Roychowdhury & Shri Tridib Barat (Ex-Whole-time Directors) during the financial year ended on March 31, 2019, are as under:

(₹ in Lacs)

Name of the Director	Salary & allowances	Perquisites	Retirement benefits	Total
Shri Priyavrat Bhartia*	113.00	-	8.44	<b>121.44</b>
Shri Shamit Bhartia	386.41	-	28.80	<b>415.21</b>
Shri Benoy Roychowdhury®	111.18	0.07	2.06	<b>113.31</b>
Shri Praveen Someshwar	332.97	0.20	14.64	<b>347.81</b>
Shri Tridib Barat#	10.46	0.09	0.50	<b>11.05</b>

\*Relinquished office of MD w.e.f. July 17, 2018.

®Ceased to be WTD w.e.f. May 24, 2018.

#Held office of WTD w.e.f. May 24, 2018 till August 8, 2018.

#### 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 Benoy Roychowdhury include ₹84.70 Lacs of variable pay viz. Bonus. There were two variable components in the remuneration of Shri Benoy Roychowdhury viz. (a) Enterprise Goal Award - this is paid quarterly based on enterprise achieving the quarter targets - 50% linked with revenue and balance 50% with achievement of profit; and (b) Variable Performance Bonus - this is linked with personal leadership performance and contribution of Whole-time Director over the financial year.
- 6) Joining Bonus amounting to ₹165 lacs was paid to Shri Praveen Someshwar (Managing Director).

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, if any, as mentioned above.

#### BOARD COMMITTEES

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

The committees of the Board are as follows -

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

The role and composition of the committees, particulars of meetings held during the financial year ended on March 31, 2019 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 terms of reference of the Audit Committee are in accordance with the Companies Act, 2013 and the SEBI Listing Regulations. The Audit Committee acts as a link between the Statutory & Internal Auditors and the Board of Directors of the Company.

The role of Audit Committee, *inter-alia*, include 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, 2019, 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			
		01.05.18	17.07.18	26.10.18	15.01.19
Shri Ashwani Windlass (Chairman)	Non-executive Independent Director	√	√	√	√
Shri Ajay Relan	Non-executive Independent Director	-	√	√	√
Shri Shardul S. Shroff	Non-executive Independent Director	√	-	-	-
Shri Priyavrat Bhartia	Non-executive Director*	√	√	√	-

\*Ceased to be MD w.e.f. July 17, 2018

Chairman of Audit Committee is a Non-executive Independent Director who has accounting and related financial management expertise. He could not attend the last Annual General Meeting of the Company held on September 18, 2018, and therefore, authorized Shri Praveen Someshwar, Managing Director to attend the AGM on his behalf, to address the shareholders' queries pertaining to financial statements of the Company.

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. The 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*, include 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.

During the financial year ended on March 31, 2019, 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 September 6, 2018
Shri Ajay Relan (Chairman)	Non-executive Independent Director	√
Shri Praveen Someshwar <sup>®</sup>	Managing Director	-
Shri Priyavrat Bhartia	Non-executive Director	√
Shri Benoy Roychowdhury*	Whole-time Director	Not applicable

<sup>®</sup>Inducted as member of the Committee w.e.f. August 9, 2018

\*Ceased to be Whole-time Director w.e.f. May 24, 2018

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 and Banking Committee

The Investment and 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, 2019, the Investment and Banking Committee met eight 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							
		16.07.18	02.08.18	06.09.18	02.11.18	14.12.18	31.01.19	28.02.19	25.03.19
Shri Ajay Relan (Chairman)	Non-executive Independent Director	√	√	√	√	√	√	√	√
Shri Priyavrat Bhartia	Non-executive Director	√	√	√	√	√	√	-	-
Shri Benoy Roychowdhury <sup>^</sup>	Whole-time Director	← Not Applicable →							
Shri Tridib Barat <sup>#</sup>	Whole-time Director	√	√	← Not Applicable →					
Shri Praveen Someshwar <sup>®</sup>	Managing Director	Not Applicable	Not Applicable	-	-	√	√	√	√

<sup>^</sup>Ceased to be Whole-time Director w.e.f. May 24, 2018

<sup>#</sup>Inducted as member of the Committee w.e.f. May 24, 2018. Thereafter, ceased as member of the Committee w.e.f. August 9, 2018 upon relinquishment of office of Whole-time Director

<sup>®</sup>Inducted as member of the Committee w.e.f. August 9, 2018

## (d) Corporate Social Responsibility (CSR) Committee

CSR Committee of the Board of Directors has been constituted in accordance with the requirements of Section 135 of Companies Act, 2013.

The terms of reference of the CSR Committee, *inter-alia*, include formulation of CSR Policy indicating the activities to be undertaken by the Company covered under Schedule VII 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, 2019, 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		
		23.04.18	26.10.18	15.01.19
Smt. Shobhana Bhartia ( <i>Chairperson</i> )	Non-executive Director	√	√	√
Shri Ajay Relan	Non-executive Independent Director	√	√	√
Shri Priyavrat Bhartia	Non-executive Director	√	√	-

Group Chief Marketing Officer (an officer of holding company) is a permanent invitee to the meetings of CSR Committee.

## (e) Nomination and Remuneration Committee (NRC)

NRC comprises of three Non-executive Directors. The 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, *inter-alia*, include identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board their appointment and removal; carry out evaluation of every director's performance; formulate the criteria for determining qualifications, positive attributes and independence of a director; 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 have adopted the Remuneration Policy for Directors, Senior Management Personnel including Key Managerial Personnel and other employees. The Remuneration Policy has been framed to attract, motivate and retain talent by offering an appropriate remuneration package, and also by way of providing a congenial & healthy work environment. Remuneration Policy is posted on Company's website viz. [www.hmvl.in](http://www.hmvl.in).

During the financial year ended on March 31, 2019, four 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			
		27.04.18	24.05.18	17.07.18	15.01.19
Shri Ashwani Windlass ( <i>Chairman</i> )	Non-executive Independent Director	√	√	√	√
Smt. Shobhana Bhartia	Non-executive Director	-	√	√	√
Shri Piyush G. Mankad	Non-executive Independent Director	√	√ <sup>&amp;</sup>	√	√

<sup>&</sup>Participated in the meeting via video-conferencing

## GENERAL BODY MEETINGS

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

Date & Time	September 18, 2018 at 2:30 p.m.	September 20, 2017 at 2:30 p.m.	September 12, 2016 at 2:30 p.m.
Venue	Hotel Maurya, South Gandhi Maidan, Patna-800001		
Special Resolution (s) passed	None	<ul style="list-style-type: none"> <li>Appointment of Shri Shamit Bhartia as Managing Director</li> <li>Appointment of Shri Priyavrat Bhartia as Managing Director</li> </ul>	<ul style="list-style-type: none"> <li>Appointment of Shri Priyavrat Bhartia as Whole-time Director</li> <li>Adoption of new set of Articles of Association</li> </ul>

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

## POSTAL BALLOT

During the year, members of the Company have approved the proposed resolutions as set out in the postal ballot notice dated February 15, 2019, by way of Postal Ballot, including e-voting by requisite majority. The Postal Ballot Notice 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 are 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 February 23, 2019 in 'Hindustan Times' and 'Hindustan' in compliance with the provisions of the Companies Act, 2013 and Secretarial Standard - 2. The e-voting period commenced from February 23, 2019, at 9:00 a.m. (server time) and ended on March 24, 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, February 15, 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 Karyv Fintech Private Limited to provide e-voting facility. Shri Sanket Jain, Scrutinizer, had submitted his report on voting by way of Postal Ballot to the Chairperson on March 25, 2019. The results were displayed on the website of the Company viz. www.hmvl.in, besides being communicated to the Stock Exchanges. The resolutions were considered as passed on March 24, 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:

Item No.	Description of Special Resolutions	Votes cast in favour (in %)	Votes cast against (in %)
1	Re-appointment of Shri Ajay Relan (DIN: 00002632) as Independent Director of the Company, not liable to retire by rotation	99.96%	0.04%
2	Re-appointment of Shri Ashwani Windlass (DIN: 00042686) as Independent Director of the Company, not liable to retire by rotation	99.96%	0.04%
3	Approval of payment of remuneration to Shri Shamit Bhartia (DIN: 00020623), Managing Director	99.06%	0.94%
4	Approval of payment of remuneration to Shri Praveen Someshwar (DIN: 01802656), Managing Director	99.06%	0.94%



Item No.	Description of Special Resolutions	Votes cast in favour (in %)	Votes cast against (in %)
5	Approval of remuneration paid to Shri Priyavrat Bhartia (DIN: 00020603) as Managing Director during the period April 1, 2018 and July 16, 2018	99.06%	0.94%
6	Approval of remuneration paid to Shri Benoy Roychowdhury (DIN: 00816822) as Whole-time Director during the period April 1, 2018 and May 23, 2018	99.06%	0.94%
7	Approval of remuneration paid to Shri Tridib Barat (DIN: 08133104) as Whole-time Director during the period May 24, 2018 and August 8, 2018	99.06%	0.94%

The Board of Directors at its meeting held on May 9, 2019 has accorded its approval to seek approval of members by passing Special Resolution by way of postal ballot, including e-voting, for appointment of Ms. Savitri Kunadi (DIN: 00958901) as Non-Executive Independent Director, not liable to retire by rotation, w.e.f. May 9, 2019 for a period of 3 consecutive years upto March 31, 2022.

## DISCLOSURES

During the financial year ended on March 31, 2019, 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 were also no materially significant related party transactions that may have a potential conflict with the interests of the Company at large. The Audit Committee reviews the statement containing details of every transactions with the related parties, on quarterly basis.

The required disclosures on related parties and transactions with them, are appearing in Note No. 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](http://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 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](http://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, 2019. The 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. 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](http://www.hmvl.in). During FY 19, 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 accepted by the Board of Directors.

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

## COMMODITY PRICE RISK / FOREIGN EXCHANGE RISK AND HEDGING ACTIVITIES

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

Commodity name	Exposure in ₹ Lacs towards the particular commodity	Exposure in quantity terms towards the particular commodity (MT)	% of such exposure hedged through commodity derivatives				Total
			Domestic market		International market		
			OTC	Exchange	OTC	Exchange	
<b>Newsprint</b>							
Domestic	34,966	81,766	-	-	-	-	-
Import	1,446	2,844	-	-	-	-	-
<b>Total</b>	<b>36,412</b>	<b>84,610</b>					

Newsprint is a major raw material for the Company, and its availability & rates follow a cyclical trend, mainly governed by demand and supply fluctuations. FY-19 witnessed steep price hikes along with supply disruptions & delays, driven by closure of global capacities and China's regulations on import of recycled paper. India, being a net import market, experienced an unfavourable situation, with lower import quantity allocation by newsprint mills, at higher prices. However, global publishers swiftly reduced the consumption towards end of FY-19 resulting in demand drop & softening of rates.

In order to mitigate the risk on both supplies & prices, HMVL developed relationships and maximized supplies from domestic newsprint mills to fulfil its demand/requirement.

To ensure seamless supplies at the Print locations of the Company, HMVL operated on a continuous replenishment model, and thus maintained optimum inventory levels.

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, 2019 are disclosed in Note no. 38 to the Financial Statements.

## PREVENTION OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE

During the year under review, status of complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, was as follows:

Number of Complaints filed during FY-19	Number of Complaints disposed of during FY-19	Number of Complaints pending as on end of FY-19
Nil	Nil	Nil

## FEE PAID TO STATUTORY AUDITOR

The details of fee paid by the Company during FY 2018-19, to Price Waterhouse & Co., Chartered Accountants LLP (PwC), 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 Lacs)*
Audit Fee	23.00
Limited Review	15.00
Tax Audit Fee	3.00
Certification Fees	4.00
Transfer Pricing Advisory	3.00
Corporate Tax Consulting	1.00
<b>Total fees</b>	<b>49.00</b>

\*excluding out of pocket expenses

## PERFORMANCE EVALUATION

Details regarding the process of evaluation of performance of the Board, its Committees, individual Directors and the Chairperson for the financial year ended on March 31, 2019, alongwith criteria for evaluation of individual directors and Board is provided in the Board's Report.

## FAMILIARIZATION PROGRAM

Your Company has an 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 is hosted on the Company's website viz. [www.hmvl.in](http://www.hmvl.in).

## MEETING OF INDEPENDENT DIRECTORS

During the year, a meeting of Independent Directors was held on January 15, 2019 without the presence of Non-Independent Directors and members of the management.

## CODE OF CONDUCT

The Company has adopted a "Code of Conduct" governing the conduct of Directors and Senior Management Personnel which is available on the website of the Company viz. [www.hmvl.in](http://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-19. The declaration given by CEO affirming compliance of the Code by the Board Members

and Senior Management Personnel of the Company during FY-19, 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 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, a credit rating agency viz. 'ICRA Limited' has re-affirmed the rating of Long term Borrowing Programme at (ICRA)AA+ and Commercial Paper Programme at (ICRA)A1+. Further, ICRA has revised outlook of Long term Borrowing Programme from 'Stable' to 'Negative'.

## 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 displayed on the website of the Company viz. [www.hmvl.in](http://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](http://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 addressed by the CEO, CFO, Group CFO and Head - Investor Relations. Transcripts of the calls are also posted on the website of the Company viz. www.hmvl.in
- **Management Discussion and Analysis** - Management Discussion and Analysis covering the operations of the Company, forms part of this Annual Report.
- **Designated e-mail Id** - The Company has a designated e-mail ID viz. hmvlinvestor@livehindustan.com for sending investor requests / complaints.

## GENERAL SHAREHOLDER INFORMATION

### Forthcoming Annual General Meeting

<b>Day, Date &amp; Time</b>	Thursday, September 19, 2019 at 2.00 P.M.
<b>Venue</b>	Hotel Maurya, South Gandhi Maidan, Patna – 800 001, Bihar

### FINANCIAL YEAR

April 1 of each year to March 31 of next year

### Financial Calendar (Tentative)

<b>Results for quarter ended June 30, 2019</b>	End July, 2019
<b>Results for quarter and half-year ending September 30, 2019</b>	First week of November, 2019
<b>Results for quarter and nine months period ending December 31, 2019</b>	Mid January, 2020
<b>Results for the quarter and year ending March 31, 2020</b>	Mid May, 2020
<b>Annual General Meeting</b>	Mid September, 2020

### BOOK CLOSURE

Book Closure period for the purpose of AGM and payment of dividend for FY 19 will be from Thursday, September 12, 2019 to Thursday, September 19, 2019 (both days inclusive).

### DIVIDEND PAYMENT DATE (TENTATIVE)

The Board of Directors of the Company have recommended a dividend @ ₹1.20 per Equity Share of ₹10/- each (i.e., @ 12%) for the financial year ended on March 31, 2019, subject to the approval of the shareholders at the ensuing Annual General Meeting. The dividend, if approved, shall be paid/ dispatched on or after Friday, September 20, 2019.

### REGISTRAR AND SHARE TRANSFER AGENT

Karvy Fintech Private Limited  
 Karvy 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@karvy.com

## SHARE TRANSFER SYSTEM

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

The Board has authorized the Stakeholders' Relationship Committee to sub-delegate its powers to 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

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

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

The annual listing fee for the financial year 2019-20 has been paid to both, BSE and NSE.

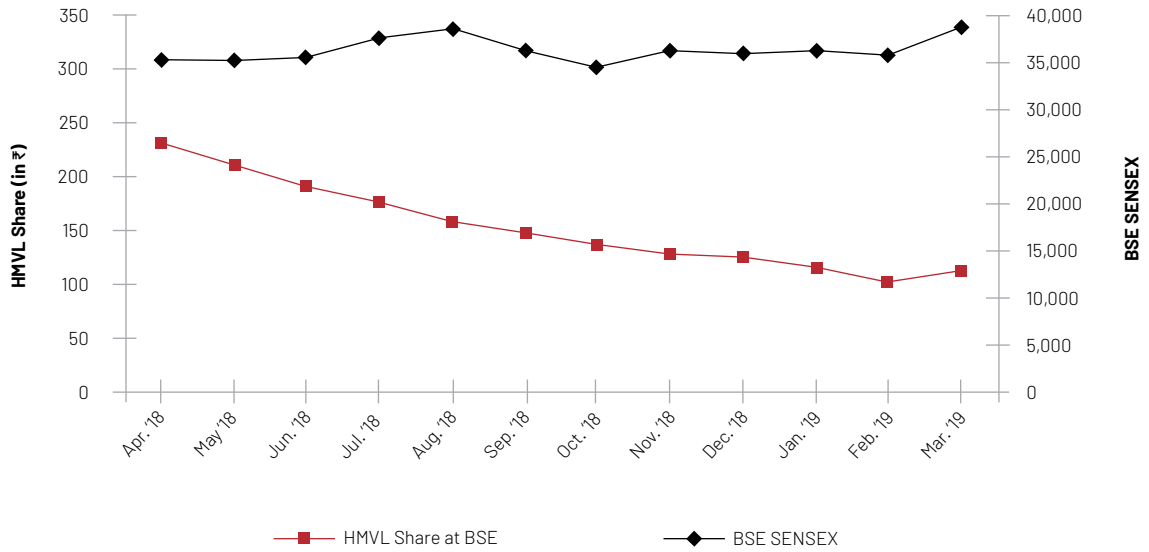
ISIN of the Equity Shares of the Company is 'INE871K01015'.

## Stock Price Data

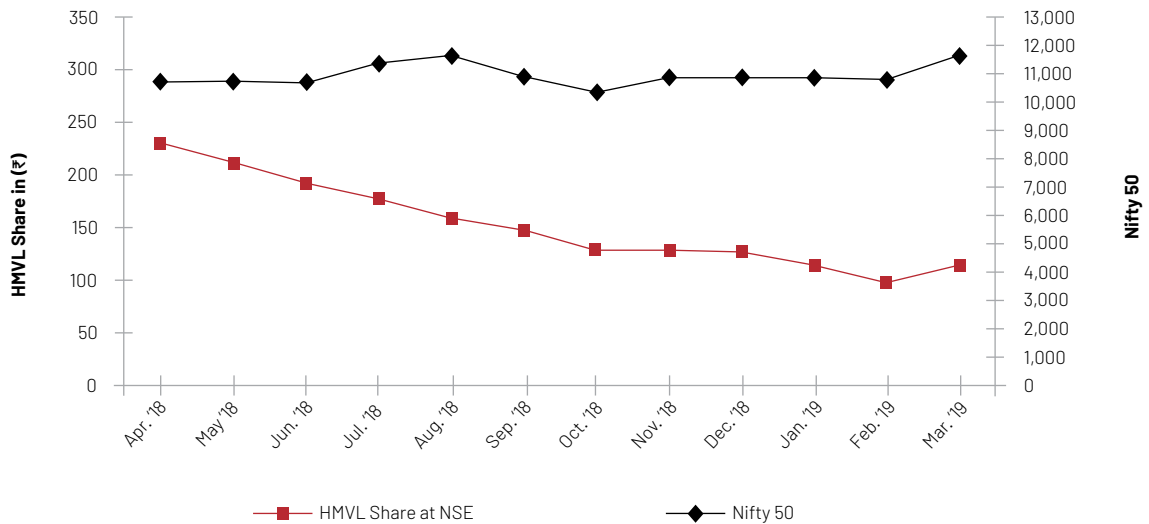
Month	BSE				NSE			
	HMVL		SENSEX		HMVL		NIFTY 50	
	High	Low	High	Low	High	Low	High	Low
	(in ₹)	(in ₹)			(in ₹)	(in ₹)		
Apr '18	238.00	210.00	35,213.30	32,972.56	237.70	209.50	10,759.00	10,111.30
May '18	237.70	210.00	35,993.53	34,302.89	233.95	210.50	10,929.20	10,417.80
Jun '18	216.00	190.05	35,877.41	34,784.68	216.85	190.00	10,893.25	10,550.90
Jul '18	217.95	153.15	37,644.59	35,106.57	220.45	154.00	11,366.00	10,604.65
Aug '18	180.00	153.00	38,989.65	37,128.99	179.85	156.20	11,760.20	11,234.95
Sep '18	170.00	140.15	38,934.35	35,985.63	177.60	140.70	11,751.80	10,850.30
Oct '18	156.95	125.00	36,616.64	33,291.58	157.90	124.00	11,035.65	10,004.55
Nov '18	140.95	123.15	36,389.22	34,303.38	140.50	124.00	10,922.45	10,341.90
Dec '18	135.00	122.00	36,554.99	34,426.29	131.15	122.00	10,985.15	10,333.85
Jan '19	141.00	115.00	36,701.03	35,375.51	138.65	115.00	10,987.45	10,583.65
Feb '19	118.55	96.55	37,172.18	35,287.16	116.55	96.65	11,118.10	10,585.65
Mar '19	125.00	100.10	38,748.54	35,926.94	125.00	100.00	11,630.35	10,817.00

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

**Movement of HMVL Share at BSE during FY 19**



**Movement of HMVL Share at NSE during FY 19**



## Category of Shareholders as on March 31, 2019 (in both physical and demat form)

Category	No. of Equity Shares held	% of Shareholding
<b>Promoter &amp; Promoter Group (A)</b>	<b>5,45,33,458</b>	<b>74.30</b>
<b>Public Shareholding (B)</b>		
Banks, Financial Institutions and Insurance Companies	1,10,997	0.15
Foreign Institutional Investors (FIIs) / Foreign Portfolio Investors (FPIs)	1,07,18,828	14.60
Mutual Funds	5,31,926	0.73
Non-Residents	4,15,961	0.57
Bodies Corporate	19,09,076	2.60
Individuals	45,50,355	6.20
Clearing Members	8,592	0.01
HUF	2,24,230	0.31
NBFC	98	0.00
Other (Trusts, IEPF & AIF)	1,60,063	0.22
<b>Total Public Shareholding (B)</b>	<b>1,86,30,126</b>	<b>25.39</b>
<b>Non Promoter - Non Public (C)</b>		
Trustee of HT Group Companies Stock Option Trust	2,30,186	0.31
<b>Total Shareholding (A+B+C)</b>	<b>7,33,93,770</b>	<b>100.00</b>

## Distribution of shareholding by size as on March 31, 2019

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	11,230	85.63	11,91,364	1.62
501 - 1,000	969	7.39	7,19,959	0.98
1,001 - 5,000	730	5.57	15,03,967	2.05
5,001 - 10,000	104	0.79	7,28,749	0.99
10,001 & above	81	0.62	6,92,49,731	94.36
<b>TOTAL</b>	<b>13,114</b>	<b>100.00</b>	<b>7,33,93,770</b>	<b>100.00</b>

## Dematerialization of shares and liquidity as on March 31, 2019

Category	No. of Equity Shares held	% of Shareholding
Equity Shares held in Demat form	7,33,81,985	99.98
Equity Shares held in Physical form	11,785	0.02
<b>TOTAL</b>	<b>7,33,93,770</b>	<b>100.00</b>

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

Particulars	No. of Shareholders	No. of Equity Shares
Aggregate number of shareholders and the outstanding shares lying in the unclaimed suspense account at the beginning of the year	207	55,467
Number of shareholders who approached the Company for transfer of shares from the unclaimed suspense account during the year	0	0
Number of shareholders to whom shares were transferred from the unclaimed suspense account during the year	207**	55,467**
Aggregate number of shareholders and the outstanding shares lying in the unclaimed suspense account at the end of the year	0	0

\*\* Shares transferred to IEPF Account

**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 19.

**Address for correspondence**

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

**Compliance Officer**

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

**Company Registration Details**

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

**Compliance Certificate**

A certificate dated May 9, 2019 of M/s 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.

**ADDITIONAL INFORMATION FOR SHAREHOLDERS****(1) Payment of dividend**

Shareholders may kindly note the following:

**(a) National Electronic Clearing Services (NECS) facility**

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

**(b) Payment by Dividend Warrants**

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

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

**(2) Nomination facility**

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



## Plant Locations (as on March 31, 2019)

City	Address
AGRA	Plot No. 660/2, Shastripuram Crossing, Sikandra Artoni, Agra Mathura Road, Agra - 282007
ALIGARH	Near JD Ayurvedic College, Village-Bhakharihas, GT Road, Aligarh - 202001
ALLAHABAD	F-1 Industrial Area, Naini, Allahabad - 211010
BAREILLY	Plot Nos. 411, 412, 413, 424 & 425 Mathurapur, Rampur Road, Bareilly - 243001
DEHRADUN	E-3 & 4 Selaqui Industrial Area, Selaqui, Dehradun - 248197
DHANBAD	Village Bhelatand, PO-Nagnagar, PS-Barbadda, Bhela Tand Road, Dhaiya, Dhanbad - 826004
JAMSHEDPUR	NH 33, Village Tola Kumrum, Post Kapali, Near Mango Telephone Exchange, Mango, Jamshedpur - 831012
KANPUR	Plot No. D-9, Site - III, Panki Industrial Area, Kanpur - 208022
LUCKNOW	Pocket - 2, Vibhuti Khand, Gomti Nagar, Lucknow - 226010
MEERUT	Khasra No. 592/3, 0.5 KM Partapur By-pass, Opp. Kalka Dental College, Meerut - 250103
MORADABAD	Mini Bypass, Lakri Fazalpur, Near Police Post, Moradabad - 244001
PATNA	Village - Bhagautipur, Near Shiwala Chowk, Naubatpur Road, P.S - Shahpur, Danapur, Patna-801503
PURNEA	Plot No.3P, BIADA-Maranga Industrial Area, Purnea Bhagalpur Road, Purnea - 854301
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

### Certificate pursuant to Regulation 34(3) and Schedule V Para C Clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

#### The Members

**Hindustan Media Ventures Limited**  
**Budh Marg, P.S.Kotwali,**  
**Patna, Bihar-800001**

We have examined the relevant registers, records, forms and returns filed, notices and disclosures received from the Directors, minutes books, other books and papers of **Hindustan Media Ventures Limited (CIN L21090BR1918PLC000013)** and having registered office at **Budh Marg, P.S.Kotwali, Patna, Bihar-800001** (hereinafter referred to as 'the Company'), 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 Exchange Board of India (Listing Obligations and Disclosure Requirements) 2015 (hereinafter referred to as 'the LODR'), as amended vide notification no SEBI/LAD/NRO/GN/2018/10 dated May 9, 2018 issued by SEBI.

In our opinion and to the best of our information and according to the verifications (including DIN status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to me by the Company, its officers and Management Representation Letter of even date, we hereby certify that none of the Directors who were on the Board of the Company as on March 31, 2019 have been debarred or disqualified from being appointed or continuing as Directors of the Companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Ensuring the eligibility 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.

We have conducted necessary verification as much as is appropriate to obtain reasonable assurance about the eligibility or disqualification of the Directors on the Board of the Company as per the data available on the portal of Ministry of Corporate Affairs, SEBI and the BSE/NSE as on date of this Certificate.

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**

Sd/-

**CS Manish Gupta**

**Partner**

**FCS : 5123; C.P. No.: 4095**

**Place:** New Delhi

**Date:** May 9, 2019

## ANNEXURE - B


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

I, Rajeev Beotra, 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 2018-19.

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 8, 2019



**(Rajeev Beotra)**

**Chief Executive Officer**

# INDEPENDENT AUDITOR'S REPORT

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

## Report on the audit of the financial statements

### Opinion

1. We have audited the accompanying financial statements of Hindustan Media Ventures Limited ("the Company"), which comprise the balance sheet as at March 31, 2019, the statement of Profit and Loss (including Other Comprehensive Income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, and total comprehensive income (comprising of profit and other comprehensive income), changes in equity and its cash flows for the year then ended.

### Basis for opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the 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 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.

### Key audit matters

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

### Key audit matter

#### Assessment of the useful life of brand

[Refer to Note 5 and Note 2.2(j)](Intangible assets and Summary of significant accounting policies)

In the year ended March 31, 2016, the Company had acquired Hindi Business brands (i.e. Hindustan, Hindustan.in, Nandan, Kadambini, Hum Tum and other Hindi publications) and its related trademarks from its parent company HT Media Limited.

Management, based on its analysis of all of relevant factors, believes that the Brand has indefinite life over which it will be generating net cash inflows for the Company. Relevant factors considered in this regard by the Management included:

### How our audit addressed the key audit matter

In relation to assessing the useful life of Brand, we performed procedures, including the following:

- We obtained an understanding from the management, assessed and tested the design and operating effectiveness of the Company's control over the assessment of useful life of intangible assets.
- We developed our own expectation and assessed and tested those against the results of management's annual assessment to ascertain need for impairment.

- the expected usage of the brand by the entity and whether the brand could be managed efficiently by the management team.
- potential commercial obsolescence of the brand.
- the stability of the industry in which the Company operates using the brand and changes in the market demand for the products or services output from the brand.
- expected actions by competitors or potential competitors.

We focused on this area due to the significance to the financial statements as the carrying value of Brand comprises 98% of the total intangible assets of the Company.

- We also discussed with the management on whether certain relevant factors, such as industry trends or other external factors that could impact the useful life of the Brand, have been considered.
- We involved the auditor's expert to assess the appropriateness of the useful life of the brand.
- We evaluated the adequacy of disclosures in the financial statements.

Based on audit procedures performed, we noted that the management's assessment of the useful life of the Brand is reasonable.

### Other Information

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

Our opinion on the 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 financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the 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.

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 the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

7. In preparing the financial statements, management is 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

### Responsibilities of management and those charged with governance for the financial statements

6. The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the

### Auditor's responsibilities for the audit of the financial statements

8. Our objectives are to obtain reasonable assurance about whether the 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 financial statements.

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

- Identify and assess the risks of material misstatement of the 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 made by management.
- Conclude on the appropriateness of management's 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 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 financial statements, including the disclosures, and whether the financial statements

represent the underlying transactions and events in a manner that achieves fair presentation.

10. 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.
11. 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.
12. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the 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.

## Report on other legal and regulatory requirements

13. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
14. 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 Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and Cash Flow Statement dealt with by this Report are in agreement with the books of account.

- d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act.
- e) On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 33 (c) to the financial statements;
- ii. The Company has long-term contracts including derivative contracts as at March 31, 2019 for which there were no material foreseeable losses.
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
- iv. The reporting on disclosures relating to Specified Bank Notes is not applicable to the Company for the year ended March 31, 2019.

For **Price Waterhouse & Co. Chartered Accountants LLP**  
Firm Registration Number: 304026E/E-300009

**Anupam Dhawan**

Partner

Place : New Delhi  
Date : May 09, 2019

Membership Number: 084451

## ANNEXURE A TO INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 13 of the Independent Auditors' Report of even date to the members of Hindustan Media Ventures Limited on the financial statements as of and for the year ended March 31, 2019

- i. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of fixed assets.
- (b) The fixed assets are physically verified by the Management according to a phased programme designed to cover all the items over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the fixed assets has been physically verified by the Management during the year and no material discrepancies have been noticed on such verification.
- (c) The title deeds of immovable properties, as disclosed in Note 3 on fixed assets to the financial statements, are held in the name of the Company.
- ii. The physical verification of inventory have been conducted at reasonable intervals by the Management during the year. The discrepancies noticed on physical verification of inventory as compared to book records were not material.
- iii. 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 Act. Therefore, the provisions of Clause 3(iii), (iii)(a), (iii)(b) and (iii)(c) of the said Order are not applicable to the Company.
- iv. In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013 in respect of the loans and investments made, and guarantees and security provided by it.
- v. The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.
- vi. The Central Government of India has not specified the maintenance of cost records under sub-section (1) of Section 148 of the Act for any of the products of the Company.
- vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing the undisputed statutory dues, including provident fund, employees' state insurance, income tax, cess, goods and service tax and other material statutory dues, as applicable, with the appropriate authorities.
- (b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of sales-tax, duty of customs, duty of excise, value added tax, goods and service tax which have not been deposited on account of any dispute. The particulars of dues of income tax as at March 31, 2019 which have not been deposited on account of a dispute, are as follows:

Name of the statute	Nature of dues	Amount (₹ in lakhs)	Period to which the amount relates	Forum where the dispute is pending
Income Tax Act, 1961	Income Tax Demand	215	AY 2016-17	Commissioner of Income tax (Appeals)
Income Tax Act, 1961	Income Tax Demand	72	AY 2015-16	Commissioner of Income tax (Appeals)
Income Tax Act, 1961	Income Tax Demand	6	AY 2012-13	Commissioner of Income tax (Appeals)

- viii. According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of loans or borrowings to any financial institution or bank or Government as at March 31, 2019. The Company did not have any outstanding debentures as at the balance sheet date.
- ix. In our opinion, and according to the information and explanations given to us, the moneys raised by way of term loans have been applied for the purposes for which they were obtained. The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments).
- x. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.
- xi. The Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the provisions of Clause 3(xii) of the Order are not applicable to the Company.
- xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified under Section 133 of the Act.
- xiv. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of Clause 3(xiv) of the Order are not applicable to the Company.
- xv. The Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.
- xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

For **Price Waterhouse & Co. Chartered Accountants LLP**  
Firm Registration Number: 304026E/E-300009

**Anupam Dhawan**

Place : New Delhi

Partner

Date : May 09, 2019

Membership Number: 084451



## ANNEXURE B TO INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 14 (f) of the Independent Auditors' Report of even date to the members of Hindustan Media Ventures Limited on the financial statements for the year ended March 31, 2019.

### Report on the Internal Financial Controls with reference to financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls with reference to financial statements of Hindustan Media Ventures Limited ("the Company") as of March 31, 2019 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

### Management's Responsibility for Internal Financial Controls

2. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). 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 Act.

### Auditors' Responsibility

3. 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 on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing deemed to be prescribed under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. 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 was established and maintained and if such controls operated effectively in all material respects.

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

### Meaning of Internal Financial Controls with reference to financial statements

6. 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 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 financial statements**

7. 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 control 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.

### **Opinion**

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **Price Waterhouse & Co. Chartered Accountants LLP**  
Firm Registration Number: 304026E/E-300009

**Anupam Dhawan**

Place : New Delhi  
Date : May 09, 2019

Partner  
Membership Number: 084451

## BALANCE SHEET

as at March 31, 2019

(₹ Lacs)

Particulars	Note	As at March 31, 2019	As at March 31, 2018
<b>I ASSETS</b>			
<b>1) Non-current assets</b>			
(a) Property, plant and equipment	3	20,027	15,588
(b) Capital work in progress	3	1,152	959
(c) Investment property	4	3,227	618
(d) Intangible assets	5	6,813	6,822
(e) Intangible assets under development	5	-	7
(f) Financial assets			
(i) Investments	6A	56,852	67,310
(ii) Loans	6B	1,402	950
(iii) Other financial assets	6C	25	22
(g) Income tax assets (net)	7	127	115
(h) Other non-current assets	8	491	1,226
<b>Total non-current assets</b>		<b>90,116</b>	<b>93,617</b>
<b>2) Current assets</b>			
(a) Inventories	9	4,443	4,859
(b) Financial assets			
(i) Investments	6A	50,220	44,118
(ii) Trade receivables	10A	16,920	14,021
(iii) Cash and cash equivalents	10B	5,565	5,614
(iv) Other bank balances	10C	2,168	6
(v) Loans	6B	1,660	540
(vi) Other financial assets	6C	344	1,032
(c) Other current assets	11	2,433	1,164
<b>Total current assets</b>		<b>83,753</b>	<b>71,354</b>
<b>Total Assets</b>		<b>1,73,869</b>	<b>1,64,971</b>
<b>II EQUITY AND LIABILITIES</b>			
<b>1) Equity</b>			
(a) Equity share capital	12	7,339	7,339
(b) Other equity	13	1,31,668	1,25,832
<b>Total equity</b>		<b>1,39,007</b>	<b>1,33,171</b>
<b>2) Liabilities</b>			
<b>Non-current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	15A	6,051	-
(ii) Other financial liabilities	15C	263	-
(b) Deferred tax liabilities (net)	14	3,177	2,591
<b>Total non-current liabilities</b>		<b>9,491</b>	<b>2,591</b>
<b>Current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	15A	539	11,487
(ii) Trade Payables	15B		
a) total outstanding due of micro, small and medium enterprises		43	2
b) total outstanding due other than (ii)(a) above		12,338	9,796
(iii) Other financial liabilities	15C	9,664	4,931
(b) Contract Liabilities	15D	1,414	-
(c) Provisions	16	206	219
(d) Income tax liabilities (net)	17	401	1,425
(e) Other current liabilities	18	766	1,349
<b>Total current liabilities</b>		<b>25,371</b>	<b>29,209</b>
<b>Total liabilities</b>		<b>34,862</b>	<b>31,800</b>
<b>Total Equity and liabilities</b>		<b>1,73,869</b>	<b>1,64,971</b>
Summary of significant accounting policies	2		

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

As per our report of even date

**For Price Waterhouse & Co Chartered Accountants LLP**

Firm Registration Number: 304026E/ E300009

**Anupam Dhawan**

Partner

Membership No. 084451

Place: New Delhi

Date: May 9, 2019

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

**Tridib Barat**

Company Secretary

**Sandeep Gulati**

Chief Financial Officer

**Rajeev Beotra**

Chief Executive Officer

**Shamit Bhartia**

Managing Director  
(DIN: 00020623)

**Shobhana Bhartia**

Chairperson  
(DIN: 00020648)

# STATEMENT OF PROFIT AND LOSS

for the year ended March 31, 2019

(₹ Lacs)

Particulars	Note	Year ended March 31, 2019	Year ended March 31, 2018
<b>I Income</b>			
a) Revenue from operations	19	86,583	88,010
b) Other Income	20	9,008	7,946
<b>Total Income</b>		<b>95,591</b>	<b>95,956</b>
<b>II Expenses</b>			
a) Cost of materials consumed	21	40,234	35,812
b) (Increase)/ decrease in inventories	22	(14)	(3)
c) Employee benefits expense	23	11,098	9,355
d) Finance costs	24	1,758	1,133
e) Depreciation and amortization expense	25	2,076	1,966
f) Other expenses	26	30,210	24,738
<b>Total expenses</b>		<b>85,362</b>	<b>73,001</b>
<b>III Profit before tax(I-II)</b>		<b>10,229</b>	<b>22,955</b>
<b>IV Earnings before interest, tax, depreciation and amortization (EBITDA)</b>		<b>14,063</b>	<b>26,054</b>
<b>[III+II(d+e)]</b>			
<b>V Tax expense</b>			
Current tax	14	2,295	5,728
[Adjustment of tax charge/ (credit) related to earlier periods-₹(187 lacs) {Previous Year ₹(140 lacs)}]			
Deferred tax charge/(credit)	14	744	105
[Adjustment of tax charge/ (credit) related to earlier periods-₹ 23 lacs {Previous Year ₹ 59 lacs}]			
<b>Total tax expense</b>		<b>3,039</b>	<b>5,833</b>
<b>VI Profit for the year (III-V)</b>		<b>7,190</b>	<b>17,122</b>
<b>VII Other Comprehensive Income</b>	27		
<u>Items that will not to be reclassified to profit or loss</u>			
Remeasurement gain/(loss) on defined benefit plans		(10)	33
Income tax effect		3	(9)
<u>Items that will be reclassified to profit or loss</u>			
Cash flow hedging reserve		(122)	-
Income tax effect		43	-
Costs of hedging reserve		(318)	-
Income tax effect		111	-
<b>Other comprehensive income for the year, net of tax</b>		<b>(293)</b>	<b>24</b>
<b>VIII Total Comprehensive Income for the year, net of tax ( VI+VII)</b>		<b>6,897</b>	<b>17,146</b>
<b>IX Earnings/ (loss) per share (₹)</b>			
Basic (Nominal value of shares ₹ 10/-)	28	9.80	23.33
Diluted (Nominal value of shares ₹ 10/-)	28	9.80	23.33
Summary of significant accounting policies	2		

The accompanying notes are an integral part of the financial statements.  
As per our report of even date

**For Price Waterhouse & Co Chartered Accountants LLP**  
Firm Registration Number: 304026E/ E300009

**Anupam Dhawan**  
Partner  
Membership No. 084451

Place: New Delhi  
Date: May 9, 2019

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

**Tridib Barat**  
Company Secretary

**Sandeep Gulati**  
Chief Financial Officer

**Rajeev Beotra**  
Chief Executive Officer

**Shamit Bhartia**  
Managing Director  
(DIN: 00020623)

**Shobhana Bhartia**  
Chairperson  
(DIN: 00020648)

## CASH FLOW STATEMENT

for the year ended March 31, 2019

(₹ Lacs)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
<b>Profit before taxation</b>	<b>10,229</b>	<b>22,955</b>
<u>Non-cash adjustment for reconciling profit before tax to net cash flows:-</u>		
Depreciation and Amortization expense	2,076	1,966
Provision for diminution in value of investment properties	220	-
Loss/(Gain) on disposal of Property, Plant and Equipment	(30)	14
Unrealized foreign exchange loss/(gain)	143	26
Unclaimed balances/unspent liabilities written back (net)	(35)	(408)
Income from investments, bank deposits and others	(7,777)	(6,057)
Fair value (gain)/ loss on equity Investments at fair value through profit and loss ( Including (profit)/Loss on sale of Investment)	(124)	(41)
Profit on sale of shares of an associate	-	(225)
Interest cost on debts and borrowings	1,715	1,090
Impairment for doubtful debts and advances	1,275	264
<b>Changes in operating assets and liabilities</b>		
(Increase)/Decrease in trade receivables	(4,174)	(2,655)
(Increase)/Decrease in inventories	416	(150)
(Increase)/Decrease in loans	(112)	(26)
(Increase)/Decrease in current and non-current financial assets and other current and non-current assets	(678)	(773)
Increase/(Decrease) in current and non-current financial Liabilities and Other Current and non-current liabilities & Provision	5,067	1,155
<b>Cash generated from operations</b>	<b>8,211</b>	<b>17,135</b>
Direct taxes paid (net of refunds)	(3,332)	(4,916)
<b>Net cash from operating activities (A)</b>	<b>4,879</b>	<b>12,219</b>
<b>Cash flows from investing activities</b>		
Purchase of Property, Plant and Equipment and Intangible assets	(5,849)	(1,884)
Proceeds from sale of Property, Plant and Equipment and Intangible assets	94	11
Purchase of Investments	(54,780)	(23,899)
Sale/ Redemption of Investments	58,037	8,309
Disposal of investment in equity shares	-	90
Sale of Investment in associate	-	7,675
Inter-corporate deposits (given)	(2,000)	(1,000)
Inter-corporate deposits repayment received	540	-
Purchase of Investment properties	(2,829)	-
Income from investments, bank deposits and others	8,874	2,614
Proceeds/(Payment) of Margin Money deposits (net)	19	(2)
<b>Net cash from investing activities (B)</b>	<b>2,106</b>	<b>(8,086)</b>

# CASH FLOW STATEMENT

for the year ended March 31, 2019

(₹ Lacs)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
<b>Cash flows from financing activities</b>		
Dividend paid on equity shares	(881)	(881)
Tax on equity dividend paid	(180)	(179)
Interest Paid on debts and borrowings	(1,797)	(1,254)
Proceeds from borrowings	81,072	37,137
Repayment of borrowings	(85,248)	(37,134)
<b>Net cash from financing activities (C)</b>	<b>(7,034)</b>	<b>(2,311)</b>
<b>Net Increase/ (Decrease) in cash and cash equivalents (A + B + C)</b>	<b>(49)</b>	<b>1,822</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>5,614</b>	<b>3,792</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>5,565</b>	<b>5,614</b>
<b>Components of cash and cash equivalents as at end of the year</b>		
Cash and cheques on hand	3,767	3,754
With Scheduled banks - on current accounts	1,779	1,860
With Scheduled banks - on deposit accounts	19	-
<b>Cash &amp; Cash equivalents in Cash Flow Statement</b>	<b>5,565</b>	<b>5,614</b>

Refer Note 15A for debt reconciliation disclosure

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

As per our report of even date

**For Price Waterhouse & Co Chartered Accountants LLP**

Firm Registration Number: 304026E/ E300009

**Anupam Dhawan**

Partner

Membership No. 084451

Place: New Delhi

Date: May 9, 2019

**Tridib Barat**

Company Secretary

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

**Sandeep Gulati**

Chief Financial Officer

**Shamit Bhartia**

Managing Director  
(DIN: 00020623)

**Rajeev Beotra**

Chief Executive Officer

**Shobhana Bhartia**

Chairperson  
(DIN: 00020648)

# STATEMENT OF CHANGES IN EQUITY

for the year ended March 31, 2019

## A. Equity Share Capital (Refer Note 12)

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

Particulars	No of shares	₹ Lacs
<b>Balance as at March 31, 2017</b>	73,393,770	7,339
Changes in share capital during the year	-	-
<b>Balance as at March 31, 2018</b>	73,393,770	7,339
Changes in share capital during the year	-	-
<b>Balance as at March 31, 2019</b>	73,393,770	7,339

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

Particulars	Capital reserve	Capital redemption reserve	Securities premium	General Reserve	Retained earnings	Cash flow hedging reserve (Refer Note 36)	Costs of hedging reserve (Refer Note 36)	Total
<b>Balance as at March 31, 2017</b>	7,965	1	24,239	688	76,853	-	-	1,09,746
Change during the year	-	-	-	-	-	-	-	-
Profit for the year	-	-	-	-	17,122	-	-	17,122
Other comprehensive income	-	-	-	-	24	-	-	24
Dividend paid	-	-	-	-	(881)	-	-	(881)
Dividend distribution tax	-	-	-	-	(179)	-	-	(179)
<b>Balance as at March 31, 2018</b>	7,965	1	24,239	688	92,939	-	-	1,25,832

(₹ Lacs)

# STATEMENT OF CHANGES IN EQUITY

for the year ended March 31, 2019

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

Particulars	(₹ Lacs)							
	Capital reserve	Capital redemption reserve	Securities premium	General Reserve	Retained earnings	Cash flow hedging reserve (Refer Note 36)	Costs of hedging reserve (Refer Note 36)	Total
Profit for the year	-	-	-	-	7,190	-	-	7,190
Other comprehensive income	-	-	-	-	(7)	(79)	(207)	(293)
Dividend paid	-	-	-	-	(881)	-	-	(881)
Dividend distribution tax	-	-	-	-	(180)	-	-	(180)
<b>Balance as at March 31, 2019</b>	<b>7,965</b>	<b>1</b>	<b>24,239</b>	<b>688</b>	<b>99,061</b>	<b>(79)</b>	<b>(207)</b>	<b>1,31,668</b>

The accompanying notes are an integral part of the financial statements.  
As per our report of even date

### For Price Waterhouse & Co Chartered Accountants LLP

Firm Registration Number: 304026E/ E3000009

#### Anupam Dhawan

Partner

Membership No. 084451

Place: New Delhi

Date: May 9, 2019

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

#### Tridib Barat

Company Secretary

#### Sandeep Gulati

Chief Financial Officer

#### Rajeev Beotra

Chief Executive Officer

#### Shamit Bhartia

Managing Director  
(DIN: 00020623)

#### Shobhana Bhartia

Chairperson  
(DIN: 00020648)



## NOTES TO FINANCIAL STATEMENTS

for the year ended March 31, 2019

### 1. Corporate information

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

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

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

The financial statements of the Company for the year ended March 31, 2019 are authorised for issue in accordance with a resolution of the Board of Directors on May 9, 2019.

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

All amounts disclosed in the financial statements and notes have been rounded off to the nearest Lacs as per the requirement of Schedule III, unless otherwise stated. Rounding of errors has been ignored.

The standalone financial statements are presented in Indian Rupees (₹), which is also the Company's functional currency.

#### 2.2 Summary of significant accounting policies

##### a) Current versus non-current classification

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

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

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- 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.

# NOTES TO FINANCIAL STATEMENTS

for the year ended March 31, 2019

## b) Foreign currencies

### Transactions and Balances

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

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

Exchange differences arising on the settlement of monetary items or on restatement of the Company's monetary items at rates different from those at which they were initially recorded during the 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 31 March 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 1 April 2016:

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

## c) Fair value measurement

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

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

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

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

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

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

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

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

- Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

# NOTES TO FINANCIAL STATEMENTS

for the year ended March 31, 2019

- Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the 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)

## d) Revenue recognition

Effective April 1, 2018 the Company has adopted Ind AS 115 "Revenue from Contracts with Customers" using the cumulative catch-up transition method which is applied to contracts that were not completed as of April 1, 2018.

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government. The Company has concluded that it is the principal in all of its revenue arrangements since it is the primary obligor in all the revenue arrangements as it has pricing latitude and is also exposed to inventory and credit risks.

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.

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 at the fair value of the consideration received or receivable, net of allowances, trade discounts and volume rebates.

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

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

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 at the fair value of the consideration received or receivable, net of allowances, trade discounts and volume rebates, if any.

# NOTES TO FINANCIAL STATEMENTS

for the year ended March 31, 2019

## Interest income

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

## Dividends

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

## Rental Income

Rental Income arising from operating leases on investment properties is accounted for on a straight-line basis over the lease terms and is included in revenue in the Statement of Profit and Loss due to its operating nature unless either:

- Another systematic basis is more representative of the time pattern in which use benefit derived from the leased asset is diminished, even if the rentals are not on that basis, or
- The rentals are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases. If rentals vary according to factors other than inflation, then this condition is not met.

## e) Taxes

### Current income tax

Tax expense comprises current and deferred tax.

Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961.

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

### Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

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

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

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred

# NOTES TO FINANCIAL STATEMENTS

for the year ended March 31, 2019

taxes relate to the same taxable entity and the same taxation authority.

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

## **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 GST included

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

## **f) Discontinued operations**

A disposal group qualifies as discontinued operation if it is a component of an entity that either has been disposed, 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 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.

## **g) Property, plant and equipment**

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

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

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

### **Recognition:**

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

- it is probable that future economic benefits associated with the item will flow to the entity; and
- 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.

# NOTES TO FINANCIAL STATEMENTS

for the year ended March 31, 2019

## 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.

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

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

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

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

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

## h) Investments in associates

An associate is an entity over which the Company has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

The considerations made in determining significant influence are similar to those necessary to determine control over subsidiaries.

The Company has elected to recognize its investments in associate companies at cost in accordance with the option available in Ind-AS 27, 'Separate Financial Statements'. Except where investments accounted for at cost shall be accounted for in accordance with Ind-AS 105, Non-current Assets Held for Sale and Discontinued Operations, when they are classified as held for sale.

## i) Investment properties

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

# NOTES TO FINANCIAL STATEMENTS

for the year ended March 31, 2019

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.

## j) Intangible assets

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

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

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its Intangible assets recognised as at 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

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

## k) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

# NOTES TO FINANCIAL STATEMENTS

for the year ended March 31, 2019

## l) Leases

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

### Company as a lessee

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

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

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

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

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

### Company as a lessor

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

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

## m) Inventories

Inventories are valued as follows :

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



# NOTES TO FINANCIAL STATEMENTS

for the year ended March 31, 2019

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

## n) Impairment of non-financial assets

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

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

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

industries, or country or countries in which the entity operates, or for the market in which the asset is used.

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

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

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

## o) Provisions

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

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability.

# NOTES TO FINANCIAL STATEMENTS

for the year ended March 31, 2019

When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

## p) Retirement and other employee benefits

### Short term employee benefits and defined contribution plans:

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

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

### Gratuity

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

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

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

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

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

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

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

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

### Compensated Absences

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

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.

# NOTES TO FINANCIAL STATEMENTS

for the year ended March 31, 2019

## q) Share-based payments

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

### Equity-settled transactions

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

That cost is recognised, together with a corresponding increase in share-based payment (SBP) reserves in 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 for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee as measured at the date of modification. Where an award is cancelled by the entity or by the counterparty, any remaining element of the fair value of the award is expensed immediately through profit or loss.

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

## r) Financial instruments

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

### Financial assets

#### Initial recognition and measurement

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

#### Subsequent measurement

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

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

#### Debt instruments at amortised cost

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

# NOTES TO FINANCIAL STATEMENTS

for the year ended March 31, 2019

- 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.

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

# NOTES TO FINANCIAL STATEMENTS

for the year ended March 31, 2019

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 17

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of

a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

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

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

As a practical expedient, the Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss (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.

# NOTES TO FINANCIAL STATEMENTS

for the year ended March 31, 2019

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. 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

# NOTES TO FINANCIAL STATEMENTS

for the year ended March 31, 2019

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 through 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.

## s) 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.

### 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 gains/(losses).

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

# NOTES TO FINANCIAL STATEMENTS

for the year ended March 31, 2019

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 gains/(losses).

## t) Cash and cash equivalents

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

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

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

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

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

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

## v) Contingent Liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the

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

## w) Measurement of EBITDA

The Company has elected to present earnings before interest expense, tax, depreciation and amortization (EBITDA) as a separate line item on the face of the statement of profit and loss. The Company measures EBITDA on the face of profit/ (loss) from continuing operations. In the measurement, the Company does not include depreciation and amortization expense, finance costs and tax expense.

## x) Earnings per Share

### Basic earnings per share

Basic earnings per share are calculated by dividing:

- the profit attributable to owners of the Company
- by the weighted average number of equity shares outstanding during the financial year, adjusted for 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, 2019

## 2.3. Significant accounting judgements, estimates & assumptions

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

**The areas involving critical estimates or Judgement 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.

### 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.

### Assessment of lease contracts

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

### Fair value measurements

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

### Taxes

Uncertainties exist with respect to the interpretation of complex tax regulations, changes in tax laws, and the amount and timing of future taxable income. Given the wide range of business relationships and the long-term nature and complexity of existing contractual agreements, differences arising between the actual results and the assumptions made, or future changes to such assumptions, could necessitate future adjustments to tax income and expense already recorded. The Company establishes provisions, based on reasonable estimates. The amount of such provisions is based on various factors, such as experience of previous tax assessments and differing interpretations of tax regulations by the taxable entity and the responsible tax authority. Such differences of interpretation may arise on a wide variety of issues depending on the conditions prevailing in the respective domicile of the Companies.

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be

# NOTES TO FINANCIAL STATEMENTS

for the year ended March 31, 2019

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

Further details on taxes are disclosed in Note 14.

## Share Based Payment

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

## Defined benefit plans

The cost of the defined benefit gratuity plan and other post-employment medical benefits and the present value

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

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

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

Further details about gratuity obligations are given in Note 31.

# NOTES TO FINANCIAL STATEMENTS

for the year ended March 31, 2019

## Note 3 : Property, Plant and Equipment and Capital Work-in-Progress

(₹ Lacs)

Particulars	Land Freehold (Refer Note II)	Land Leasehold	Buildings (Refer Note II)	Improvement to Leasehold Premises	Plant and Machinery (Refer Note II)	Office Equipments	Furniture	Vehicles	Total
<b>Cost or Valuation</b>									
<b>As at March 31, 2017</b>	981	1,240	4,270	1,011	13,063	329	147	54	21,095
Additions	-	-	6	2	137	33	303	-	481
Disposals/ Adjustments	-	-	-	-	1	1	-	19	21
<b>As at March 31, 2018</b>	981	1,240	4,276	1,013	13,199	361	450	35	21,555
Additions	-	2,535	650	76	3,150	107	27	-	6,545
Disposals/ Adjustments	-	-	-	43	102	36	14	35	230
<b>As at March 31, 2019</b>	981	3,775	4,926	1,046	16,247	432	463	-	27,870
<b>Depreciation/ Impairment</b>									
<b>As at March 31, 2017</b>	-	30	436	378	2,996	162	56	9	4,067
Charge for the year	-	15	224	163	1,410	61	18	5	1,896
Impairment	-	-	-	-	14	-	-	-	14
Disposals	-	-	-	-	1	1	-	8	10
<b>As at March 31, 2018</b>	-	45	660	541	4,419	222	74	6	5,967
Charge for the year	-	44	241	157	1,466	73	60	1	2,042
Disposals	-	-	-	23	91	34	11	7	166
<b>As at March 31, 2019</b>	-	89	901	675	5,794	261	123	-	7,843
<b>Net Block</b>									
<b>As at March 31, 2019</b>	981	3,686	4,025	371	10,453	171	340	-	20,027
<b>As at March 31, 2018</b>	981	1,195	3,616	472	8,780	139	376	29	15,588

# NOTES TO FINANCIAL STATEMENTS

for the year ended March 31, 2019

## Note 3 : Property, Plant and Equipment and Capital Work-in-Progress (Contd..)

(₹ Lacs)

Particulars	March 31, 2019	March 31, 2018
Property, Plant and Equipment	20,027	15,588
Capital Work In Progress	1,152	959
<b>Total</b>	<b>21,179</b>	<b>16,547</b>

### I. Capital work in progress (CWIP)

The capital work in progress as at March 31, 2019 and March 31, 2018 comprises mainly expenditure for Buildings & Plant and Machinery.

### II. Details of assets given under operating lease are as under

(₹ Lacs)

Particulars	March 31, 2019			March 31, 2018		
	Plant and Machinery	Freehold Land	Buildings	Plant and Machinery	Freehold Land	Buildings
Gross Block	1,194	296	808	1,072	296	808
Accumulated Depreciation	358	-	134	258	-	98
<b>Net Block</b>	<b>836</b>	<b>296</b>	<b>674</b>	<b>814</b>	<b>296</b>	<b>710</b>
Depreciation For the Year	100	-	36	93	-	36

For further disclosures on assets given under operating lease, refer Note 33.

## Note 4 : Investment Property

(₹ Lacs)

Particulars	Amount
<b>Cost</b>	
<b>Opening balance at March 31, 2017</b>	<b>618</b>
Additions	-
Disposals	-
<b>Closing balance at March 31, 2018</b>	<b>618</b>
Additions	2,829
Disposals	-
<b>Closing balance at March 31, 2019</b>	<b>3,447</b>

## NOTES TO FINANCIAL STATEMENTS

for the year ended March 31, 2019

### Note 4 : Investment Property (Contd..)

(₹ Lacs)

Particulars	Amount
<b>Depreciation and impairment</b>	
<b>Opening balance at March 31, 2017</b>	-
Depreciation	-
Impairment	-
<b>Closing balance at March 31, 2018</b>	-
Depreciation	-
Impairment	220
<b>Closing balance at March 31, 2019</b>	<b>220</b>
<b>Net Block</b>	
<b>As at March 31, 2019</b>	<b>3,227</b>
<b>As at March 31, 2018</b>	<b>618</b>

As at March 31, 2019 and March 31, 2018, the fair values of the properties are ₹ 3,390 lacs and ₹ 727 lacs respectively. These valuations are based on valuations performed by an accredited independent valuer who is a 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 ₹ 83 lacs (March 31, 2018: ₹ 19 lacs) to purchase the investment property whereas there are no contractual obligation to develop investment property or for repairs and enhancements.

#### Estimation of Fair Value

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

### Note 5 : Intangible Assets and Intangible Assets under development

(₹ Lacs)

Particulars	Website Development	Software Licenses	Brand #	Total (Intangible Assets)
<b>Cost or Valuation</b>				
<b>As at March 31, 2017</b>	<b>2</b>	<b>236</b>	<b>6,696</b>	<b>6,934</b>
Additions	-	42	-	42
Disposals/ Adjustments	-	2	-	2
<b>As at March 31, 2018</b>	<b>2</b>	<b>276</b>	<b>6,696</b>	<b>6,974</b>
Additions	-	26	-	26
Disposals/ Adjustments	-	-	-	-
<b>As at March 31, 2019</b>	<b>2</b>	<b>302</b>	<b>6,696</b>	<b>7,000</b>

# NOTES TO FINANCIAL STATEMENTS

for the year ended March 31, 2019

## Note 5 : Intangible Assets and Intangible Assets under development (Contd..)

(₹ Lacs)

Particulars	Website Development	Software Licenses	Brand #	Total (Intangible Assets)
<b>Amortization</b>				
<b>As at March 31, 2017</b>	2	82	-	84
Charge for the year	-	70	-	70
Disposals	-	2	-	2
<b>As at March 31, 2018</b>	<b>2</b>	<b>150</b>	<b>-</b>	<b>152</b>
Charge for the year	-	35	-	35
Disposals	-	-	-	-
<b>As at March 31, 2019</b>	<b>2</b>	<b>185</b>	<b>-</b>	<b>187</b>
<b>Net Block</b>				
<b>As at March 31, 2019</b>	<b>-</b>	<b>117</b>	<b>6,696</b>	<b>6,813</b>
<b>As at March 31, 2018</b>	<b>-</b>	<b>126</b>	<b>6,696</b>	<b>6,822</b>

(₹ Lacs)

Particulars	March 31, 2019	March 31, 2018
Intangible assets	6,813	6,822
Intangible asset under development	-	7
<b>Total</b>	<b>6,813</b>	<b>6,829</b>

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

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

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

## Note 6A : Financial Assets- Investments

(₹ Lacs)

Particulars	March 31, 2019	March 31, 2018
<b>I. Investment at fair value through other comprehensive income</b>		
<b>Unquoted</b>		
<b>Investment in equity instruments</b>		
Jasper Infotech Private Limited	1,485	-
(99 warrants of ₹ 150 lacs each, ₹ 15 lacs paid up per warrant)		
<b>Total I</b>	<b>1,485</b>	<b>-</b>

## NOTES TO FINANCIAL STATEMENTS

for the year ended March 31, 2019

### Note 6A : Financial Assets- Investments (Contd..)

(₹ Lacs)

Particulars	March 31, 2019	March 31, 2018
<b>II. Investment at fair value through profit and loss</b>		
<b>Quoted</b>		
Investment in mutual funds*	1,05,393	1,10,588
<b>Total II</b>	<b>1,05,393</b>	<b>1,10,588</b>
<b>III. Investment at amortised cost</b>		
<b>Quoted</b>		
Investment in Bonds	194	840
<b>Total III</b>	<b>194</b>	<b>840</b>
<b>Total Investments (I+II+III)</b>	<b>1,07,072</b>	<b>1,11,428</b>
<b>Non - Current</b>	<b>56,852</b>	<b>67,310</b>
<b>Current</b>	<b>50,220</b>	<b>44,118</b>
Aggregate book value of quoted investments	1,05,587	1,11,428
Aggregate market value of quoted investments	1,05,603	1,11,438
Aggregate book value of unquoted investments	1,485	-

\*₹ 16,673 Lacs (Fair value) of mutual fund (Original cost: ₹ 14,900 Lacs) are pledged in favour of banks against Overdraft and ECB facility in F.Y. 18-19 (F.Y 17-18 - Fair value : ₹ 7,085 Lacs & Original Cost : ₹ 5,800 Lacs ).

### Note 6B :Financial assets- Loans

(₹ Lacs)

Particulars	March 31, 2019	March 31, 2018
<b>Unsecured considered good (at amortised cost)</b>		
Inter-Corporate Deposits (Refer Note 34A)	2,460	1,000
Security Deposit	602	490
<b>Total Loans</b>	<b>3,062</b>	<b>1,490</b>
<b>Non - Current</b>	<b>1,402</b>	<b>950</b>
<b>Current</b>	<b>1,660</b>	<b>540</b>

### Note 6C :Other Financial Assets

(₹ Lacs)

Particulars	March 31, 2019	March 31, 2018
<b>I. Derivatives at Fair Value through profit and loss</b>		
- Forex derivative contract	-	69
<b>Total I</b>	<b>-</b>	<b>69</b>

**Derivative instruments** at fair value through profit and loss reflect the positive change in fair value of those foreign exchange forward contracts that are not designated in hedge relationships, but are, nevertheless, intended to reduce the level of foreign currency risk for expected purchases.

# NOTES TO FINANCIAL STATEMENTS

for the year ended March 31, 2019

## Note 6C :Other Financial Assets (Contd..)

(₹ Lacs)

Particulars	March 31, 2019	March 31, 2018
<b>II. Derivatives at Fair Value through other comprehensive income</b>		
- Forex derivative contract	170	-
<b>Total II</b>	<b>170</b>	<b>-</b>
<b>Derivative instruments</b> 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)		
<b>III. Other Financial Assets at Amortised Cost</b>		
Balance with Banks :		
- Margin money (held as security in form of fixed deposit)	-	19
Interest accrued on inter corporate deposits and others	177	50
Other Receivables #	22	916
<b>Total III</b>	<b>199</b>	<b>985</b>
<b>Total Other Financial Assets (I)+(II)+(III)</b>	<b>369</b>	<b>1,054</b>
<b>Non - Current</b>	<b>25</b>	<b>22</b>
<b>Current</b>	<b>344</b>	<b>1,032</b>

#Included in Other receivables above is receivable from related parties ₹ 18 Lacs (Previous year March 31, 2018: ₹ 916 Lacs)

**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.

### Break up of financial assets carried at amortised cost

(₹ Lacs)

Particulars	March 31, 2019	March 31, 2018
Investments in Bonds (Note 6A)	194	840
Trade receivables (Note 10A)	16,920	14,021
Cash and cash equivalents (Note 10B)	5,565	5,614
Other bank balances (Note 10 C)	2,168	6
Loans (Note 6B)	3,062	1,490
Other financial assets (Note 6C)	199	985
<b>Total financial assets carried at amortised cost</b>	<b>28,108</b>	<b>22,956</b>

## Note 7: Income tax assets (net)

(₹ Lacs)

Particulars	March 31, 2019	March 31, 2018
Current tax assets (net)	127	115
<b>Non- Current</b>	<b>127</b>	<b>115</b>
<b>Current</b>	<b>-</b>	<b>-</b>



## NOTES TO FINANCIAL STATEMENTS

for the year ended March 31, 2019

### Note 8 : Other non- current assets

(₹ Lacs)

Particulars	March 31, 2019	March 31, 2018
Capital Advance	286	1,223
<b>Advances other than capital advances</b>		
Prepaid expenses	146	3
Deferred premium call spread	59	-
<b>Total</b>	<b>491</b>	<b>1,226</b>

### Note 9 : Inventories

(₹ Lacs)

Particulars	March 31, 2019	March 31, 2018
Raw Materials {includes stock in transit of ₹ 413 lacs (March 31, 2018: ₹ 792 lacs) (valued at lower of cost and net realisable value)}	3,432	3,946
Work- in- Progress (valued at lower of cost and net realisable value)	20	2
Stores and spares (valued at lower of cost and net realisable value)	954	870
Scrap and waste papers (At net realizable value)	37	38
Finished stock (valued at lower of cost and net realisable value)	-	3
<b>Total</b>	<b>4,443</b>	<b>4,859</b>

### Note 10 A : Trade Receivables

(₹ Lacs)

Particulars	March 31, 2019	March 31, 2018
Trade receivables	16,192	13,281
Receivables from related parties (Refer Note 34A)	728	740
<b>Total</b>	<b>16,920</b>	<b>14,021</b>

(₹ Lacs)

Particulars	March 31, 2019	March 31, 2018
Secured, considered good	1,000	1,045
Unsecured, considered good	15,920	12,976
Unsecured, considered doubtful	2,965	1,932
	<b>19,885</b>	<b>15,953</b>
Impairment of unsecured doubtful debts	(2,965)	(1,932)
<b>Total</b>	<b>16,920</b>	<b>14,021</b>

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

# NOTES TO FINANCIAL STATEMENTS

for the year ended March 31, 2019

## Note 10 B : Cash and cash equivalents

(₹ Lacs)

Particulars	March 31, 2019	March 31, 2018
<b>Balance with banks :</b>		
- On current accounts	1,779	1,860
- Deposits with original maturity of less than three months	19	-
Cheques in hand	3,550	3,606
Cash on hand	217	148
<b>Total</b>	<b>5,565</b>	<b>5,614</b>

## Note 10 C: Other bank balances

(₹ Lacs)

Particulars	March 31, 2019	March 31, 2018
- Deposits with original maturity of more than three months	2,161	-
- Unclaimed dividend account#	7	6
<b>Total</b>	<b>2,168</b>	<b>6</b>

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

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

(₹ Lacs)

Particulars	March 31, 2019	March 31, 2018
Balance with banks :		
- On current accounts	1,779	1,860
- Deposits with original maturity of less than three months	19	-
Cheques in hand	3,550	3,606
Cash on hand	217	148
	<b>5,565</b>	<b>5,614</b>

## Note 11 : Other current assets

(₹ Lacs)

Particulars	March 31, 2019	March 31, 2018
Prepaid expenses	641	44
Advances given (net)	447	678
Deferred premium call spread	37	-
Balance with government authorities	1,308	442
<b>Total</b>	<b>2,433</b>	<b>1,164</b>

## NOTES TO FINANCIAL STATEMENTS

for the year ended March 31, 2019

### Note 12 : Share Capital

#### Authorised Share Capital

Particulars	No. of shares	Amount (₹ Lacs)
<b>At March 31, 2017</b>	<b>87,000,000</b>	<b>8,700</b>
Increase during the year	-	-
<b>At March 31, 2018</b>	<b>87,000,000</b>	<b>8,700</b>
Increase during the year	-	-
<b>At March 31, 2019</b>	<b>87,000,000</b>	<b>8,700</b>

#### Terms/ rights attached to equity shares

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

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

#### Issued, subscribed and paid-up share capital

Equity shares of ₹ 10 each issued, subscribed and fully paid-up	No. of shares	Amount (₹ Lacs)
<b>At March 31, 2017</b>	<b>73,393,770</b>	<b>7,339</b>
Changes during the year	-	-
<b>At March 31, 2018</b>	<b>73,393,770</b>	<b>7,339</b>
Changes during the year	-	-
<b>At March 31, 2019</b>	<b>73,393,770</b>	<b>7,339</b>

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

Particulars	March 31, 2019		March 31, 2018	
	No. of shares	Amount (₹ Lacs)	No. of shares	Amount (₹ Lacs)
<b>Shares outstanding at the beginning of the year</b>	<b>73,393,770</b>	<b>7,339</b>	<b>73,393,770</b>	<b>7,339</b>
Shares Issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
<b>Shares outstanding at the end of the year</b>	<b>73,393,770</b>	<b>7,339</b>	<b>73,393,770</b>	<b>7,339</b>

# NOTES TO FINANCIAL STATEMENTS

for the year ended March 31, 2019

## 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:

(₹ Lacs)

Particulars	March 31, 2019	March 31, 2018
HT Media Limited, the holding company		
54,533,458 (previous year 54,533,458) equity shares of ₹ 10 each fully paid	5,453	5,453

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

Particulars	March 31, 2019		March 31, 2018	
	No. of shares	% holding	No. of shares	% holding
Equity shares of ₹ 10 each fully paid				
HT Media Limited, the holding company	54,533,458	74.30%	54,533,458	74.30%
Kotak Mahindra (International) Limited	4,279,952	5.83%	4,279,952	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

(₹ Lacs)

Particulars	March 31, 2019	March 31, 2018
Securities Premium	24,239	24,239
Capital Redemption Reserve	1	1
Capital Reserve	7,965	7,965
General Reserve	688	688
Retained Earnings	99,061	92,939
Cash flow hedging reserve (Refer Note 36)	(79)	-
Costs of hedging reserve (Refer Note 36)	(207)	-
<b>Total</b>	<b>1,31,668</b>	<b>1,25,832</b>

## NOTES TO FINANCIAL STATEMENTS

for the year ended March 31, 2019

### Securities Premium

Particulars	Amount (₹ Lacs)
<b>At March 31, 2017</b>	<b>24,239</b>
Changes during the year	-
<b>At March 31, 2018</b>	<b>24,239</b>
Changes during the year	-
<b>At March 31, 2019</b>	<b>24,239</b>

### Capital Redemption Reserve

Particulars	Amount (₹ Lacs)
<b>At March 31, 2017</b>	<b>1</b>
Changes during the year	-
<b>At March 31, 2018</b>	<b>1</b>
Changes during the year	-
<b>At March 31, 2019</b>	<b>1</b>

### Capital Reserve

Particulars	Amount (₹ Lacs)
<b>At March 31, 2017#</b>	<b>7,965</b>
Changes during the year	-
<b>At March 31, 2018</b>	<b>7,965</b>
Changes during the year	-
<b>At March 31, 2019</b>	<b>7,965</b>

#This mainly includes Pursuant to Scheme of Arrangement between the Company and HT Digital Streams Limited (HTDSL) during the year ended March 31, 2017, an amount of ₹ 7,727 lacs, being difference of purchase consideration and book value of net assets transferred to HTDSL was recorded as Capital Reserve.

### General Reserve

Particulars	Amount (₹ Lacs)
<b>At March 31, 2017</b>	<b>688</b>
Changes during the year	-
<b>At March 31, 2018</b>	<b>688</b>
Changes during the year	-
<b>At March 31, 2019</b>	<b>688</b>

# NOTES TO FINANCIAL STATEMENTS

for the year ended March 31, 2019

## Retained Earnings

(₹ Lacs)

Particulars	March 31, 2019	March 31, 2018
Opening Balance	92,939	76,853
Net Profit for the year	7,190	17,122
Items of other comprehensive income (OCI) recognised directly in retained earnings		
- Remeasurements of post-employment benefit obligation, net of tax	(7)	24
Less: Final Dividend Paid for March 2018: ₹ 1.2 per share (March 2017: ₹ 1.2 per share)	881	881
Less: Tax on Dividend	180	179
<b>Closing Balance</b>	<b>99,061</b>	<b>92,939</b>

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

## Cash flow hedging reserve

Particulars	Amount (₹ Lacs)
<b>At March 31, 2017</b>	-
Changes during the year	-
<b>At March 31, 2018</b>	-
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)
<b>At March 31, 2019</b>	<b>(79)</b>

## Costs of hedging reserve

Particulars	Amount (₹ Lacs)
<b>At March 31, 2017</b>	-
Changes during the year	-
<b>At March 31, 2018</b>	-
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
Amount reclassified from cost of hedging reserve to profit or loss	-
<b>At March 31, 2019</b>	<b>(207)</b>

## NOTES TO FINANCIAL STATEMENTS

for the year ended March 31, 2019

### Note 14 : Income Tax

The major components of income tax expense for the year ended March 31, 2019 and March 31, 2018 are :

#### Statement of Profit and Loss :

##### Profit and loss section

(₹ Lacs)

Particulars	March 31, 2019	March 31, 2018
<b>Current income tax :</b>		
Current income tax charge	2,482	5,868
Adjustments in respect of current income tax of previous years	(187)	(140)
<b>Deferred tax :</b>		
Relating to origination and reversal of temporary differences	721	46
Adjustments in respect of deferred tax of previous years	23	59
<b>Income tax expense reported in the Statement of Profit and Loss</b>	<b>3,039</b>	<b>5,833</b>

##### OCI section :

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

(₹ Lacs)

Particulars	March 31, 2019	March 31, 2018
Income tax charge/(credit) on Cash flow hedging reserve	(43)	-
Income tax charge/(credit) on Costs of hedging reserve	(111)	-
Income tax charge/(credit) on remeasurement gain/(loss) on defined benefit plans	(3)	9
<b>Income tax charged to OCI</b>	<b>(157)</b>	<b>9</b>

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for March 31, 2019 and March 31, 2018:

(₹ Lacs)

Particulars	March 31, 2019	March 31, 2018
<b>Accounting profit before income tax</b>	10,229	22,955
At India's statutory income tax rate of 34.944 % (March 31, 2018: 34.608 %)	3,574	7,944
<b>Non-Taxable Income for tax purposes:</b>		
Income from Investments	(872)	(1,647)
Deduction u/s 80 IC	-	(144)
<b>Non-deductible expenses for tax purposes:</b>		
Other non-deductible expenses	285	4
Adjustments in respect of current income tax of previous years	(187)	(140)
Adjustments in respect of deferred income tax of previous years	23	59
Adjustments in respect of change in tax rate for next financial year	5	13

# NOTES TO FINANCIAL STATEMENTS

for the year ended March 31, 2019

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for March 31, 2019 and March 31, 2018:  
(Contd..)

(₹ Lacs)

Particulars	March 31, 2019	March 31, 2018
Income Taxable at Lower rate	(413)	(137)
Difference in Tax Base and Book Base of Investments	624	(119)
<b>At the effective income tax rate</b>	<b>3,039</b>	<b>5,833</b>
<b>Income tax expense reported in the Statement of Profit and Loss</b>	<b>3,039</b>	<b>5,833</b>

Deferred tax relates to the following:

(₹ Lacs)

Particulars	March 31, 2019	March 31, 2018	Movement during the year
<b>Deferred tax liabilities</b>			
Differences in depreciation in block of fixed assets as per tax books and financial books	2,824	2,354	470
Difference between tax base and book base on Investments	1,822	1,199	623
<b>Gross deferred tax liabilities</b>	<b>4,646</b>	<b>3,553</b>	<b>1,093</b>
<b>Deferred tax assets</b>			
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	398	264	134
Allowance for doubtful debts and advances	1,071	698	373
<b>Gross deferred tax assets</b>	<b>1,469</b>	<b>962</b>	<b>507</b>
<b>Deferred tax liabilities (net)</b>	<b>3,177</b>	<b>2,591</b>	<b>586</b>

Reconciliation of deferred tax liabilities (net):

(₹ Lacs)

Particulars	March 31, 2019	March 31, 2018
<b>Opening balance as of April 1</b>	<b>2,591</b>	<b>2,486</b>
Tax expense/( income) during the period recognised in Statement of Profit and Loss	586	105
<b>Closing balance as at March 31</b>	<b>3,177</b>	<b>2,591</b>

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

During the year ended March 31, 2019 and March 31, 2018, the Company has paid dividend to its shareholders. This has resulted in payment of Dividend Distribution Tax to the taxation authorities. The company believes that Dividend Distribution Tax represents additional payment to taxation authority on behalf of the shareholders. Hence Dividend Distribution Tax paid is charged to equity.



## NOTES TO FINANCIAL STATEMENTS

for the year ended March 31, 2019

### Note 15 A : Borrowings

(₹ Lacs)

Particulars	Effective Interest Rate %	Maturity	March 31, 2019	March 31, 2018
<b>Non-current Borrowings</b>				
<b>From Banks</b>				
<b>Secured</b>				
ECB from banks	Refer Note I	Refer Note I	6,051	-
			<b>6,051</b>	<b>-</b>
<b>Current Borrowings</b>				
<b>From Banks</b>				
<b>Secured</b>				
Buyer's credit from banks	Refer Note II	Refer Note II	-	3,921
ECB from banks	Refer Note I	Refer Note I	864	-
<b>Unsecured</b>				
Buyer's credit from Bank	Refer Note III	Refer Note III	539	3,635
Overdraft from Bank			-	1
Commercial Papers from Bank			-	3,930
			<b>1,403</b>	<b>11,487</b>
<b>Less : Amount clubbed under "other current financial liabilities" (Current maturities of Long Term Borrowing)</b>			864	-
			<b>539</b>	<b>11,487</b>
<b>Net Current Borrowings</b>			<b>539</b>	<b>11,487</b>
<b>Aggregate Secured Loans</b>			6,915	3,921
<b>Aggregate Unsecured Loans</b>			539	7,566

#### Note I - External Commercial Borrowing from Bank (secured)

External commercial borrowing of USD 100 Lacs 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 Lacs starting from November 29, 2019. The loan is secured by Pledge of Debt Mutual Funds investment of company. Refer Note 36 for further details.

#### Note II- Buyer's credit from Bank (Secured)

Outstanding Buyer's Credit loan from Bank (Secured) was drawn in various tranches from August 4, 2017 till October 16, 2017 @ average Interest Rate of 2.43% p.a. (Applicable LIBOR+Margin from time to time) and were repaid on respective due dates starting from April 30, 2018 till July 13, 2018. This facility was secured by first Pari Passu charge on all current assets (both present & future) and closed during the financial year 2018-19.

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

Outstanding Buyer's Credit loan from Bank was drawn in various tranches from July 20, 2018 till October 15, 2018 @ average Interest Rate of 3.81% p.a. (Applicable LIBOR+Margin from time to time) and are due for repayment on respective due dates starting from April 16, 2019 till July 12, 2019.

For investments pledged in order to fulfil the collateral requirements for Borrowings, refer Note 38.

# NOTES TO FINANCIAL STATEMENTS

for the year ended March 31, 2019

## Loan covenants

The Company has complied with all the loan covenants.

## Debt Reconciliation:

(₹ Lacs)

Particulars	Current Borrowings (including Current Portion of Long-term Borrowings)	Non Current Borrowings (excluding Bank Overdraft classified as part of Cash and Cash Equivalent )	Total
<b>Opening Balance as at April 1,2017</b>	<b>11,394</b>	<b>-</b>	<b>11,394</b>
<b>Cash Flows:</b>			
- Proceeds from short term borrowings	37,137	-	37,137
- Repayment of short term borrowings	(37,134)	-	(37,134)
<b>Non-Cash movements:</b>			
- Foreign exchange adjustments	90	-	90
<b>Opening Balance as at April 1,2018</b>	<b>11,487</b>	<b>-</b>	<b>11,487</b>
<b>Cash Flows:</b>			
- Proceeds from short term borrowings	74,327	6,745	81,072
- Repayment of short term borrowings	(85,248)	-	(85,248)
<b>Non-Cash movements:</b>			
- Foreign exchange adjustments	(27)	170	143
- Re-classification of Long-term Borrowing	864	(864)	-
<b>Closing Balance as at March 31, 2019</b>	<b>1,403</b>	<b>6,051</b>	<b>7,454</b>

## Note 15 B : Trade Payables

(₹ Lacs)

Particulars	March 31, 2019	March 31, 2018
<b>Trade Payables</b>		
- Micro, Small and Medium Enterprises (Refer Note 40)	43	2
-Related Parties (Refer Note 34A)	1,328	412
-Others	11,010	9,384
<b>Total</b>	<b>12,381</b>	<b>9,798</b>
<b>Non- Current</b>	<b>-</b>	<b>-</b>
<b>Current</b>	<b>12,381</b>	<b>9,798</b>

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

## NOTES TO FINANCIAL STATEMENTS

for the year ended March 31, 2019

### Note 15 C : Other financial liabilities

(₹ Lacs)

Particulars	March 31, 2019	March 31, 2018
<b>Other financial liabilities at amortized cost</b>		
Current maturity of long term loans	864	-
Book Overdraft	-	1
Sundry deposits (Refer Note 34A)	8,279	4,587
Interest accrued but not due on borrowings and others	32	114
Unclaimed dividend #	7	6
Liability-Premium Call Option	430	-
Others	193	223
<b>Other financial liabilities at fair value through profit and loss</b>		
<b>Derivatives designated as hedges</b>		
Derivative Liability-IRS (Refer Note 36)	122	-
<b>Total other financial liabilities</b>	<b>9,927</b>	<b>4,931</b>
<b>Non- Current</b>	<b>263</b>	<b>-</b>
<b>Current</b>	<b>9,664</b>	<b>4,931</b>
# Amount payable to Investor Education and Protection Fund	Nil	Nil

### Break up of financial liabilities carried at amortized cost

(₹ Lacs)

Particulars	Note No	March 31, 2019	March 31, 2018
Borrowings (current)	15A	539	11,487
Borrowings (non- current)	15A	6,051	-
Trade payables	15B	12,381	9,798
Current maturity of long term loans	15C	864	-
Book Overdraft	15C	-	1
Sundry deposits	15C	8,279	4,587
Interest accrued but not due on borrowings and others	15C	32	114
Unclaimed dividend	15C	7	6
Liability-Premium Call Option	15C	430	-
Others	15C	193	223
<b>Total financial liabilities carried at amortised cost</b>		<b>28,776</b>	<b>26,216</b>

# NOTES TO FINANCIAL STATEMENTS

for the year ended March 31, 2019

## Note 15 D : Contract liabilities

(₹ Lacs)

Particulars	March 31, 2019	March 31, 2018
Advances from Customers	672	-
Deferred Revenue	742	-
<b>Total (Refer Note 45)</b>	<b>1,414</b>	<b>-</b>

## Note 16 : Provisions

(₹ Lacs)

Particulars	March 31, 2019	March 31, 2018
<b>Provision for employee benefits (Refer Note 31)</b>		
Provision for Leave Benefits	87	136
Provision for Gratuity	119	83
<b>Total</b>	<b>206</b>	<b>219</b>
<b>Non- Current</b>	<b>-</b>	<b>-</b>
<b>Current</b>	<b>206</b>	<b>219</b>

## Note 17 : Income tax liabilities (net)

(₹ Lacs)

Particulars	March 31, 2019	March 31, 2018
Income Tax Liability (net)	401	1,425
<b>Total</b>	<b>401</b>	<b>1,425</b>

## Note 18 : Other current liabilities

(₹ Lacs)

Particulars	March 31, 2019	March 31, 2018
Advances from Customers	2	644
Customer credit balances	529	456
Statutory dues	235	227
Deferred Revenue	-	22
<b>Total</b>	<b>766</b>	<b>1,349</b>

## NOTES TO FINANCIAL STATEMENTS

for the year ended March 31, 2019

### Note 19 : Revenue from operations

(₹ Lacs)

Particulars	March 31, 2019	March 31, 2018
<b>Sale of products</b>		
- Sale of newspaper and publications	20,599	20,197
<b>Sale of services</b>		
- Advertisement Revenue	64,160	66,037
- Job work revenue and commission income	439	524
<b>Other operating revenues</b>		
- Sale of scrap, waste papers and old publication	1,297	1,187
- Others	88	65
<b>Total</b>	<b>86,583</b>	<b>88,010</b>

### Reconciliation of revenue recognised with the contracted price is as follows:

(₹ Lacs)

Particulars	March 31, 2019
Contract Price	88,635
Adjustments to the contract price	(2,052)
<b>Revenue recognised</b>	<b>86,583</b>

The adjustments made to the contract price comprises of volume discounts, returns, credits, etc under the head "Revenue from Operations".

### Note 20 : Other Income

(₹ Lacs)

Particulars	March 31, 2019	March 31, 2018
Interest income on		
- Bank deposits	252	5
- Loan to fellow subsidiary	212	47
- Others	66	58
<b>Other non - operating income</b>		
Foreign exchange difference	-	13
Profit on sale of shares of an associate	-	225
Unclaimed balances/unspent liabilities written back (net)	35	408
Rental income	775	755
Net gain on disposal of property, plant and equipment and intangibles	30	-
Finance income from debt instruments at FVTPL*	7,244	5,935
Profit on sale of investments	124	41
Unwinding of discount on security deposit	3	12
Income from Government Grant**	142	-
Miscellaneous Income	125	447
<b>Total</b>	<b>9,008</b>	<b>7,946</b>

\*Gain on account of fair value movement (refer note 2.2 (r) Debt instruments at FVTPL)

\*\*includes ₹ 142 Lacs (Previous year: ₹ Nil) towards Electricity duty exemption

# NOTES TO FINANCIAL STATEMENTS

for the year ended March 31, 2019

## Note 21 : Cost of materials consumed

(₹ Lacs)

Particulars	March 31, 2019	March 31, 2018
<b>Consumption of raw material</b>		
Inventory at the beginning of the year	3,946	3,785
Add: Purchase during the year	39,951	36,143
Less : Sale of damaged newsprint	231	170
	<b>43,666</b>	<b>39,758</b>
Less: Inventory at the end of the year	3,432	3,946
<b>Total</b>	<b>40,234</b>	<b>35,812</b>

## Note 22 : (Increase)/ decrease in inventories

(₹ Lacs)

Particulars	March 31, 2019	March 31, 2018
<b>Inventory at the beginning of the year</b>		
- Finished Goods	3	3
- Work -in- progress	2	5
- Scrap and waste papers	38	32
<b>Inventory at the end of the year</b>		
- Finished Goods	-	3
- Work -in- progress	20	2
- Scrap and waste papers	37	38
<b>(Increase)/ decrease in inventories</b>		
- Finished Goods	3	-
- Work -in- progress	(18)	3
- Scrap and waste papers	1	(6)
<b>Total</b>	<b>(14)</b>	<b>(3)</b>

## Note 23 : Employee benefits expense

(₹ Lacs)

Particulars	March 31, 2019	March 31, 2018
Salaries, wages and bonus	10,383	8,545
Contribution to provident and other funds (Refer Note 31)	400	413
Gratuity expense (Refer Note 31)	109	117
Workmen and Staff welfare expenses	206	280
<b>Total</b>	<b>11,098</b>	<b>9,355</b>

## NOTES TO FINANCIAL STATEMENTS

for the year ended March 31, 2019

### Note 24 : Finance costs

(₹ Lacs)

Particulars	March 31, 2019	March 31, 2018
Interest on debts and borrowings	1,587	948
Exchange difference regarded as an adjustment to borrowing costs	128	142
Bank charges	43	43
<b>Total</b>	<b>1,758</b>	<b>1,133</b>

### Note 25 : Depreciation and amortization expense

(₹ Lacs)

Particulars	March 31, 2019	March 31, 2018
Depreciation of tangible assets (Note 3)	2,041	1,896
Amortization of intangible assets (Note 5)	35	70
<b>Total</b>	<b>2,076</b>	<b>1,966</b>

### Note 26 : Other expenses

(₹ Lacs)

Particulars	March 31, 2019	March 31, 2018
Consumption of stores and spares	2,546	2,588
Printing and service charges (Refer Note 33)	3,643	3,685
News service and dispatches	429	464
News Content Sourcing Fees	7,594	6,868
Service Charges on Ad Revenue	602	597
Power and fuel	1,409	1,330
Advertising and sales promotion (Refer Note 42)	4,456	2,050
Freight and Forwarding charges	1,274	1,203
Rent (Refer Note 33)	877	755
Rates and taxes	50	47
Insurance	216	173
Repairs and maintenance:		
- Plant and machinery	629	456
-Building	110	39
-Others	17	9
Travelling and conveyance	1,515	1,284
Communication costs	280	314
Legal and professional fees	1,530	1,356
Payment to auditors*	50	61
Director's sitting fees	12	14

# NOTES TO FINANCIAL STATEMENTS

for the year ended March 31, 2019

## Note 26 : Other expenses (contd..)

(₹ Lacs)

Particulars	March 31, 2019	March 31, 2018
Exchange differences	182	-
Impairment for doubtful debts and advances ( includes bad debts written off)	1,275	264
Loss on sale of fixed assets (includes impairment of fixed asset)	-	14
Provision for diminution in value of investment properties	220	-
Donations/ Contributions (Refer Note 42)	58	39
Miscellaneous expenses	1,236	1,128
<b>Total</b>	<b>30,210</b>	<b>24,738</b>

## \*Payment to auditors

(₹ Lacs)

Particulars	March 31, 2019	March 31, 2018
<b>As auditor :</b>		
- Audit fee	23	23
- Limited Review	15	17
- Tax audit fee	3	3
<b>In other capacities :</b>		
- Certification fees	4	11
Reimbursement of expenses	5	7
<b>Total</b>	<b>50</b>	<b>61</b>

## 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, 2019

(₹ Lacs)

Particulars	Retained earnings	Cash flow hedging reserve	Costs of hedging reserve	Total
Remeasurement gain/(loss) on defined benefit plans	(10)	-	-	(10)
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
<b>Total</b>	<b>(7)</b>	<b>(79)</b>	<b>(207)</b>	<b>(293)</b>



## NOTES TO FINANCIAL STATEMENTS

for the year ended March 31, 2019

For the year ended March 31, 2018

(₹ Lacs)

Particulars	Retained earnings	Cash flow hedging reserve	Costs of hedging reserve	Total
Remeasurement gain/ (loss) on defined benefit plans	33	-	-	33
Income tax effect	(9)	-	-	(9)
<b>Total</b>	<b>24</b>	<b>-</b>	<b>-</b>	<b>24</b>

### Note 28 : Earnings per share (EPS)

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the Company by the weighted average number of Equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

The following reflects the income and share data used in the basic and diluted EPS computations:

Particulars	March 31, 2019	March 31, 2018
<b>Profit attributable to equity holders (₹ Lacs)</b>	<b>7,190</b>	<b>17,122</b>
<b>Weighted average number of Equity shares for basic and diluted EPS (lacs)</b>	<b>733.90</b>	<b>733.90</b>
<b>Earnings per share (In ₹)</b>		
Basic EPS	9.80	23.33
Diluted EPS	<b>9.80</b>	<b>23.33</b>

### Note 29 : Distribution made and proposed

(₹ Lacs)

Particulars	March 31, 2019	March 31, 2018
<b>Dividend on equity shares declared and paid :</b>		
Final dividend for the year ended on March 31, 2018 : ₹ 1.20 per share	881	881
Dividend Distribution tax on final dividend	180	179
	<b>1,061</b>	<b>1,060</b>
<b>Proposed dividends on Equity shares*:</b>		
"Dividend proposed for the year ended on March 31, 2019: ₹ 1.20 per share (March 31, 2018: ₹ 1.20 per share)	881	881
Dividend Distribution tax on proposed dividend	181	180
	<b>1,062</b>	<b>1,061</b>

\*Proposed dividends on equity shares are subject to approval at the annual general meeting and are not recognised as a liability (including DDT thereon) as at March 31.

# NOTES TO FINANCIAL STATEMENTS

for the year ended March 31, 2019

## 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. 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.

(₹ Lacs)

Particulars	March 31, 2019	March 31, 2018
Borrowings ( Refer Note 15A)	7,454	11,487
<b>Sub-Total</b>	<b>7,454</b>	<b>11,487</b>
Less: Cash and cash equivalents (Note 10B)	(5,565)	(5,614)
Less: Other Bank Balances (Note 10C)	(2,161)	-
<b>Net Debt</b>	<b>(272)</b>	<b>5,873</b>
Equity Share Capital & Other Equity	1,39,007	1,33,171
<b>Total capital</b>	<b>1,39,007</b>	<b>1,33,171</b>
<b>Capital and net debt</b>	<b>1,38,735</b>	<b>1,39,044</b>
<b>Gearing ratio</b>	<b>0.00%</b>	<b>4.22%</b>

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2019 and March 31, 2018.

## Note 31 : Gratuity

(₹ Lacs)

Particulars	March 31, 2019	March 31, 2018
Gratuity plan	119	83
<b>Total</b>	<b>119</b>	<b>83</b>
<b>Non- Current</b>	<b>-</b>	<b>-</b>
<b>Current</b>	<b>119</b>	<b>83</b>

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of services gets a gratuity on separation at 15 days salary (last drawn salary) for each completed year of service. The Company has formed a Gratuity Trust to which contribution is made based on actuarial valuation done by independent valuer.

The following tables summarise the components of net benefit expense recognised in the statement of profit or loss and the funded status and amounts recognised in the balance sheet for the respective plans:

### Gratuity Plan

Changes in the defined benefit obligation and fair value of plan assets as at March 31, 2019 :

## NOTES TO FINANCIAL STATEMENTS

for the year ended March 31, 2019

### Present value of Obligation

(₹ Lacs)

Particulars	March 31, 2019	March 31, 2018
Opening Balance	1,140	1,146
Current Service Cost	102	106
Interest Expense or cost	91	86
Re-measurement (or Actuarial)(gain) / loss arising from:		
- change in financial assumptions	21	(35)
- experience variance (i.e. Actual experience vs assumptions)	(2)	(22)
Benefits Paid	(233)	(141)
<b>Total</b>	<b>1,119</b>	<b>1,140</b>

### Fair Value of Plan Assets

(₹ Lacs)

Particulars	March 31, 2019	March 31, 2018
Opening Balance	1,057	998
Investment Income	84	75
Employer's contribution	83	148
Benefits Paid	(233)	(141)
Return on plan assets, excluding amount recognised in net interest expenses	9	(23)
<b>Total</b>	<b>1,000</b>	<b>1,057</b>

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

Particulars	Defined Gratuity Plan	
	March 31, 2019	March 31, 2018
Investment in Funds managed by Trust	100%	100%

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

Particulars	March 31, 2019	March 31, 2018
Discount Rate	7.75%	8.00%
Salary Growth Rate	5%	5%
Withdrawal Rate		
Up to 30 years	3%	3%
31 - 44 years	2%	2%
Above 44 years	1%	1%

# NOTES TO FINANCIAL STATEMENTS

for the year ended March 31, 2019

A quantitative sensitivity analysis for significant assumption is as shown below:

(₹ Lacs)

Particulars	March 31, 2019	March 31, 2018
Defined Benefit Obligation (Base)	1,119	1,140

(₹ Lacs)

Particulars Assumptions	March 31, 2019		March 31, 2018	
	Decrease	Increase	Decrease	Increase
Discount Rate (-/+ 1%)	93	(81)	70	(61)
Salary Growth Rate (-/+ 1%)	(84)	95	(64)	72
Attrition Rate (-/+ 50%)	(8)	9	(8)	8

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:

(₹ Lacs)

Particulars	March 31, 2019	March 31, 2018
Within the next 12 months (next annual reporting period)	69	69
Between 2 and 5 years	322	765
Between 6 and 10 years	1,023	391
Beyond 10 years	873	875
<b>Total expected payments</b>	<b>2,287</b>	<b>2,100</b>

Average duration of the defined benefit plan obligation

Particulars	March 31, 2019	March 31, 2018
Weighted Average duration	8 years	6 years

## NOTES TO FINANCIAL STATEMENTS

for the year ended March 31, 2019

### Defined Contribution Plan

(₹ Lacs)

Particulars	March 31, 2019	March 31, 2018
<b>Contribution to Provident and Other funds</b>		
Charged to Statement of Profit and Loss	400	413

### 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 :

(₹ Lacs)

Particulars	March 31, 2019	March 31, 2018
Liability at the beginning of the year	136	137
Paid during the year	(34)	(9)
Acquisition Adjustment	-	-
Provided during the year	(15)	8
<b>Liability at the end of the year</b>	<b>87</b>	<b>136</b>

### 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, 2019 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	193,782	16.07	¼ of the shares vest each year over a period of four years starting from one year after the date of grant	2.46	Equity

# NOTES TO FINANCIAL STATEMENTS

for the year ended March 31, 2019

## A. Details of Options granted as on March 31, 2019 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	4.14	Equity
Employee Stock Option	February 4, 2010	150,729	87.01	50% on the date of grant and 25% vest each year over a period of 2 years starting from the date of grant	5.14	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	4.94	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	5.01	Equity

Weighted average fair value of the options outstanding is ₹ 56.38 per option (Previous Year ₹ 46.86 per option).

## B. Summary of activity under the plans is given below :

	March 31, 2019		March 31, 2018	
	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	141,826	22.73
Granted during the year	-	-	-	-
Forfeited during the year	-	-	-	-
Exercised during the year	-	-	132,016	19.96
Expired during the year	-	-	-	-
Outstanding at the end of the period	9810	59.99	9,810	59.99

## NOTES TO FINANCIAL STATEMENTS

for the year ended March 31, 2019

### B. Summary of activity under the plans is given below :(Contd..)

	March 31, 2019		March 31, 2018	
	Number of options	Weighted Average Exercise Price(₹)	Number of options	Weighted Average Exercise Price(₹)
Exercisable at the end of the period	9810	59.99	9,810	59.99
Weighted average remaining contractual life (in years)	4.94		5.94	

### C. The details of exercise price for stock options outstanding at the end of the year ended March 31, 2019 are:

A stock option gives an employee, the right to purchase equity shares of the Company at a fixed price within a specific period of time. The details of exercise price for stock options outstanding at the end of the year are as under:

	Range of exercise prices	Number of options outstanding	Weighted average remaining contractual life of options (in years)	Weighted average exercise price (₹)
2018-19	₹ 1.35 to ₹ 60	9,810	4.94	59.99
2017-18	₹ 1.35 to ₹ 60	9,810	5.94	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 intrinsic value of stock options is ₹ NIL (March 31, 2018: ₹ NIL)

**II. Pursuant to purchase of Hindi Business, certain employees of HT Media Limited (the parent company) have become employees of the Company on continued service basis under HT ESOS –Plan A (Plan A) and HT ESOS – Plan C (Plan C). These employees continue to hold the Employee Stock Options (ESOPs) of parent company which were granted to them during their employment with the parent company.**

# NOTES TO FINANCIAL STATEMENTS

for the year ended March 31, 2019

Details of these plans are given below:

## Employee Stock Options

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

### A. Details of Options granted as on March 31, 2019 are given below:

Type of Arrangement	Date of Grant	Options granted (nos.)	Fair Value on the date of Grant (₹)	Vesting conditions	Weighted average remaining contractual life (in years)	Method of Settlement
Employee Stock Options	January 9, 2006	91,280	50.5	1/4 of the shares vest each year over a period of four years starting from one year after the date of grant	0.00	Equity
Employee Stock Options	October 8, 2009	83,838	68.9	50% on the date of grant and 25% vest each year over a period of 2 years starting from the date of grant	0.00	Equity

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

### B. Summary of activity under the plans for the period ended March 31, 2019 and March 31, 2018 are given below:

#### PLAN A

	March 31, 2019			March 31, 2018		
	Number of options	Weighted-average exercise price (₹)	Weighted-average remaining contractual life (in years)	Number of options	Weighted-average exercise price (₹)	Weighted-average remaining contractual life (in years)
Outstanding at the beginning of the year	91,280	92.30	1.78	91,280	92.30	2.78
Granted during the year	-	-	-	-	-	-
Forfeited/Cancelled during the year	91,280	92.30	1.78	-	-	-
Exercised during the year	-	-	-	-	-	-
Expired during the year	-	-	-	-	-	-
Outstanding at the end of the year	-	-	-	91,280	92.30	1.78



## NOTES TO FINANCIAL STATEMENTS

for the year ended March 31, 2019

### PLAN C

	March 31, 2019			March 31, 2018		
	Number of options	Weighted-average exercise price (₹)	Weighted-average remaining contractual life (in years)	Number of options	Weighted-average exercise price (₹)	Weighted-average remaining contractual life (in years)
Outstanding at the beginning of the year	61,448	117.55	3.53	61,448	117.55	4.53
Granted during the year	-	-	-	-	-	-
Forfeited/Cancelled during the year	61,448	117.55	3.53	-	-	-
Exercised during the year	-	-	-	-	-	-
Expired during the year	-	-	-	-	-	-
Outstanding at the end of the year	-	-	-	61,448	117.55	3.53

### C. The details of exercise price for stock options outstanding at the end of the current year ended March 31, 2019 are:

Particulars	Range of exercise prices (₹)	Number of options outstanding	Weighted average remaining contractual life of options (in years)	Weighted average exercise price (₹)
Plan A	-	-	-	-
Plan C	-	-	-	-

Weighted average fair value of the options outstanding is:

- Plan A – ₹ NIL
- Plan C – ₹ NIL

### The details of exercise price for stock options outstanding at the end of the year ended March 31, 2018 are:

Particulars	Range of exercise prices (₹)	Number of options outstanding	Weighted average remaining contractual life of options (in years)	Weighted average exercise price (₹)
Plan A	92.30	91,280	1.78	92.30
Plan C	117.55	61,448	3.53	117.55

Weighted average fair value of the options outstanding is:

- Plan A – ₹ 50.05
- Plan C – ₹ 68.90

# NOTES TO FINANCIAL STATEMENTS

for the year ended March 31, 2019

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, 2018: ₹ NIL).

### III. 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:

(₹ Lacs)

Type of Arrangement	Date of Grant	Options granted (nos.)	Fair Value on the date of Grant (₹)	Vesting conditions	Weighted average remaining contractual life (in years)	Method of Settlement
Employee Stock Options	October 16, 2009	224,700	4.82	Starts from the date of listing of Firefly e-Ventures Limited as per the following vesting schedule <hr/> 25% 12 months from the date of grant <hr/> 25% 24 months from the date of grant <hr/> 25% 36 months from the date of grant <hr/> 25% 48 months from the date of grant	4.55	Equity

# NOTES TO FINANCIAL STATEMENTS

for the year ended March 31, 2019

C. Summary of activity under the plan for the year ended March 31, 2019 and March 31, 2018 are given below:

	March 31, 2019		March 31, 2018	
	Number of options	Weighted-average exercise price (₹)	Number of options	Weighted-average exercise price (₹)
Outstanding at the beginning of the year	224,700	10	224,700	10
Granted during the year	-	-	-	-
Forfeited during the year	-	-	-	-
Exercised during the year	-	-	-	-
Expired during the year	-	-	-	-
Outstanding at the end of the year	224,700	10	224,700	10
Weighted average remaining contractual life (in years)	4.55		5.55	

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, 2018: ₹ NIL).

## Note 33 : Commitments and contingencies

### (a) Leases

#### Operating lease commitments - Company as lessee

The Company has taken various residential, office and godown premises under operating lease agreements. These are generally cancellable leases and are renewable by mutual consent on mutually agreed terms with or without rental escalations.

The Company has paid ₹ 877 lacs (March 31, 2018: ₹ 755 lacs) during the year towards minimum lease payment and infrastructure charges and the same is disclosed as rent under Note 26.

The Company has entered into certain printing agreements which are in substance in the nature of operating lease. Currently, the Company has booked such expenses in the income statement under the head printing charges. The total of such expenses booked under printing charges amounts to ₹ 882 Lacs (previous year ₹ 996 Lacs).

# NOTES TO FINANCIAL STATEMENTS

for the year ended March 31, 2019

Future minimum rentals payable under non-cancellable operating leases as at March 31, are, as follows:

(₹ Lacs)

Particulars	March 31, 2019	March 31, 2018
Within one year	183	173
After one year but not more than five years	262	334
More than five years	150	36

## Operating lease commitments - Company as lessor

Future minimum rentals receivable under non-cancellable operating leases as at March 31, are, as follows:

(₹ Lacs)

Particulars	March 31, 2019	March 31, 2018
Within one year	-	13
After one year but not more than five years	-	-
More than five years	-	-

## (b) Commitments

(₹ Lacs)

Particulars	March 31, 2019	March 31, 2018
<b>Capital Commitments</b>		
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of capital advances)	522	3,400

## (c) Contingent Liabilities

### A. Claims against the company not acknowledged as debts

(₹ Lacs)

Particulars	March 31, 2019	March 31, 2018
a) The Company has filed a petition before the Hon'ble Patna High Court against an initial claim for additional contribution of ₹ 73 lacs made by Employees State Insurance Corporation (ESIC) relating to the years 1989-90 to 1999-00. The Company has furnished a bank guarantee amounting to ₹ 13 lacs to ESIC. The Hon'ble High Court had initially stayed the matter and on July 18, 2012 disposed of the Petition with the Order of "No Coercive Step shall be taken against HMVL" with direction to move for ESI Court. Matter is still pending in Lower Court. There is no further progress in the matter during the year.	73	73

## NOTES TO FINANCIAL STATEMENTS

for the year ended March 31, 2019

### A. Claims against the company not acknowledged as debts (Contd..)

(₹ Lacs)

Particulars	March 31, 2019	March 31, 2018
b) The Company has filed a petition before the Hon'ble Patna High Court against the demand of ₹ 10 lacs (including interest) for short payment of ESI dues pertaining to the years from 2001 to 2005. The Hon'ble High Court had initially stayed the matter and on July 18, 2012 disposed of the Petition with the Order of "No Coercive Step shall be taken against HMVL" with direction to move for ESI Court. Matter is still pending in Lower Court. There is no further progress in the matter during the year.	10	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, 2019.

- C. Income- tax authorities have raised additional demands for ₹ 293 lacs (Previous Year: ₹ 91 lacs) 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:-

Name of related parties where control exists whether transactions have occurred or not.	HT Media Limited (Holding Company)
	The Hindustan Times Limited #
	Earthstone Holding (Two) Private Limited ##
	Firefly e-Ventures Limited
	HT Mobile Solutions Limited
Fellow Subsidiaries (with whom transactions have occurred during the year)	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
Associate	HT Digital Streams Limited (ceased to be an Associate on December 28, 2017)
Joint Venture of group company	India Education Services Private Limited (upto July 17, 2017)

# NOTES TO FINANCIAL STATEMENTS

for the year ended March 31, 2019

## i) List of Related Parties and Relationships:- (Contd..)

Entities which are post employment benefit plans (with whom transactions have occurred during the year)	HMVL Editorial Employees Gratuity Fund HMVL Non Editorial & Other Employees Gratuity Fund
Key Management Personnel and their relatives (with whom transactions have occurred during the year)	Mr. Priyavrat Bhartia (ceased to be Managing Director w.e.f July 17, 2018) Mr. Shamit Bhartia Mr. Praveen Someshwar (appointed as Managing Director w.e.f. August 01, 2018) Mr. Ashwani Windlass (Non-Executive Independent Director) Mr. Piyush G Mankad (Non-Executive Independent Director) Mr. Shardul S. Shroff (Non-Executive Independent Director) Dr. Mukesh Aghi (Non-Executive Independent Director) Mr. 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. 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, 2019

### Note 34A TRANSACTIONS DURING THE YEAR WITH RELATED PARTIES (Refer Note A)

(₹ Lacs)

Particulars	Holding Company		Fellow Subsidiaries		Key Managerial Personnel (KMP) Refer Note B		Relatives of Key Managerial Personnel/(KMPs)		Entities which are post employment benefit plans		Total	
	Mar-19	Mar-18	Mar-19	Mar-18	Mar-19	Mar-18	Mar-19	Mar-18	Mar-19	Mar-18	Mar-19	Mar-18
<b>REVENUE TRANSACTIONS</b>												
<b>INCOME</b>												
Jobwork Revenue	314	303	-	2	-	-	-	-	-	-	314	305
Sale of Advertisement Space in Publication	165	1,033	355	491	-	-	-	-	-	-	520	1,524
Sale of Newspaper for Circulation	2,193	2,338	-	-	-	-	-	-	-	-	2,193	2,338
Infrastructure Support Services (Seats) Given	33	37	653	629	-	-	-	-	-	-	686	666
Media Marketing Commission & Collection Charges Received	88	66	-	-	-	-	-	-	-	-	88	66
Rent Received	29	29	-	-	-	-	-	-	-	-	29	29
Interest on Inter Corporate Loan	-	-	212	47	-	-	-	-	-	-	212	47
Share of Revenue on Joint Sale	235	155	-	-	-	-	-	-	-	-	235	155
<b>EXPENSE</b>												
Purchase of Stores & Spares Material	14	-	-	-	-	-	-	-	-	-	14	-
Printing / Service Charges Paid	1,453	1,447	-	-	-	-	-	-	-	-	1,453	1,447
Advertisement Expenses*	833	84	27	3	-	-	-	-	-	-	860	87
Purchase of Newspaper for Circulation	304	356	-	-	-	-	-	-	-	-	304	356
Infrastructure Support Services (Seats) Taken	121	123	-	-	-	-	-	-	-	-	121	123
Media Marketing Commission & Collection Charges Paid	325	368	-	-	-	-	-	-	-	-	325	368
Share of Revenue Given on Joint Sale	-	-	-	13	-	-	-	-	-	-	-	13
Rent and maintenance Charges*	133	-	-	-	-	-	-	-	-	-	133	-
Remuneration paid to Key managerial personnel	-	-	-	-	-	-	1,014	1,060	-	-	1,014	1,060

# NOTES TO FINANCIAL STATEMENTS

for the year ended March 31, 2019

## Note 34A TRANSACTIONS DURING THE YEAR WITH RELATED PARTIES (Refer Note A)(Contd..)

(₹ Lacs)

Particulars	Holding Company		Fellow Subsidiaries		Key Managerial Personnel (KMP) Refer Note B		Relatives of Key Managerial Personnel/(KMPs)		Entities which are post employment benefit plans		Total	
	Mar-19	Mar-18	Mar-19	Mar-18	Mar-19	Mar-18	Mar-19	Mar-18	Mar-19	Mar-18	Mar-19	Mar-18
Non Executive Director's Sitting Fee and Commission	-	-	-	-	62	54	-	-	-	-	62	54
Fee for Newsprint Procurement Support Services	-	-	5	168	-	-	-	-	-	-	5	168
News Content Procurement Fees	-	-	7,419	6,763	-	-	-	-	-	-	7,419	6,763
Payment of Car Lease	-	-	-	-	-	-	9	-	-	-	9	-
Purchase of Newsprint	-	-	-	911	-	-	-	-	-	-	-	911
<b>OTHERS</b>												
Reimbursement of expenses incurred on behalf of the company by parties	104	90	1	-	-	-	-	-	-	-	105	90
Reimbursement of expenses incurred on behalf of the party by company	19	19	-	123	-	-	-	-	-	-	19	142
Inter Corporate Deposit given by the Company	-	-	2,000	1,000	-	-	-	-	-	-	2,000	1,000
Inter Corporate Deposit Refunded Back	-	-	540	-	-	-	-	-	-	-	540	-
Purchase of Property, Plant and Equipment & Intangible Assets by Company	57	41	-	-	-	-	-	-	-	-	57	41
Sale of Property, Plant and Equipment by Company	3	-	-	-	-	-	-	-	-	-	3	-
Material on loan taken and subsequently given back	10	-	-	-	-	-	-	-	-	-	10	-
Security Deposit Paid	127	60	-	-	-	-	-	-	-	-	127	60
Receipt of Security Deposit Given	20	50	-	-	-	-	-	-	-	-	20	50
Security Deposit Received	210	62	-	-	-	-	-	-	-	-	210	62
Sale of Investment in Associate Company	-	-	-	7,675	-	-	-	-	-	-	-	7,675
Contribution to Gratuity Trust	-	-	-	-	-	-	-	-	83	148	83	148

Corporate Overview

Statutory Reports

Financial Statements

Notes to Financial Statements



## NOTES TO FINANCIAL STATEMENTS

for the year ended March 31, 2019

### Note 34A TRANSACTIONS DURING THE YEAR WITH RELATED PARTIES (Refer Note A)(Contd..)

(₹ Lacs)

Particulars	Holding Company		Fellow Subsidiaries		Key Managerial Personnel (KMP) Refer Note B		Relatives of Key Managerial Personnel/(KMPs)		Entities which are post employment benefit plans		Total	
	Mar-19	Mar-18	Mar-19	Mar-18	Mar-19	Mar-18	Mar-19	Mar-18	Mar-19	Mar-18	Mar-19	Mar-18
	Payment made by parties for the Company	-	1	-	-	-	-	-	-	-	-	-
Dividend Paid	654	654	-	-	-	-	-	-	-	-	654	654
Payment made by Company for parties	-	2	-	-	-	-	-	-	-	-	-	2
<b>BALANCE OUTSTANDING</b>												
Trade and Other Receivables	1,063	931	248	725	-	-	-	-	-	-	1,311	1,656
Trade Payables	692	401	636	11	-	-	-	-	-	-	1,328	412
Inter Corporate Deposit & Interest accrued on it	-	-	2,606	1,042	-	-	-	-	-	-	2,606	1,042
Security deposits paid by the Company	237	130	-	-	-	-	-	-	-	-	237	130
Security deposits received by the Company	635	425	-	-	-	-	-	-	-	-	635	425

\*Paid to the agent on behalf of the Company

Note A:-The transactions above do not include GST, service tax, VAT etc.

Note B:-Key Managerial Personnel and Relatives of Promoters who are under the employment of the Company are entitled to post employment benefits and other long term employee benefits recognised as per Ind AS 19 - 'Employee Benefits' in the financial statements. As these employee benefits are lump sum amounts provided on the basis of actuarial valuation, the same is not included above.

# NOTES TO FINANCIAL STATEMENTS

for the year ended March 31, 2019

## Note 35 : Segment information

The Company's operations comprise of only one segment i.e. "Printing and Publishing of Newspaper". The management also reviews and measure the operating results taking the whole business as one segment and accordingly make decision about the resources allocation. In view of the same separate segment information is not required to be given as per the requirement of Ind 108 on "Operating Segments".

The analysis of geographical segment is based on the geographical location of the customers. The Company sells its products mostly within India with insignificant export income and does not have any operations in economic environments with different risks and returns and hence, it has been considered as to be operating in a single geographical segment.

## Note 36 : Hedging

### 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

#### For year ended 31 March 2019

The Company has taken USD 100 lacs 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 lacs 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

#### 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 ₹ Lacs	Liabilities in ₹ Lacs				

#### Cash flow hedge

##### Foreign exchange risk

Foreign currency options	USD 100 lacs	170	-	Financial Asset at FVOCI (Refer Note 6C)	31 May 2018 to 31 May 2023	1:1	68.2985
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# NOTES TO FINANCIAL STATEMENTS

for the year ended March 31, 2019

## 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 ₹ Lacs	Liabilities in ₹ Lacs				
<b>Fixed Interest rate</b>							
<b>Interest rate risk</b>							
Interest rate swap	USD 100 lacs	-	122	Financial Liability at FVTPL (Refer Note 15C)	31 May 2018 to 31 May 2023	1:1	3.66%

(₹ Lacs)

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
<b>Cash flow hedge</b>								
<b>Foreign exchange risk</b>								
Foreign currency options	170	-		170	Foreign Exchange Loss	465	146	Interest Cost
<b>Interest rate risk</b>								
Interest rate swap	122	-						

# NOTES TO FINANCIAL STATEMENTS

for the year ended March 31, 2019

## Movements in cash flow hedging reserve :

(₹ Lacs)

Risk category	Foreign currency risk	Interest rate risk	Total
	Foreign currency options	Interest rate swaps	
<b>Derivative instruments</b>			
<b>Cash flow hedging reserve</b>			
As at 1 April 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)
Gross as at 31 March 2019	-	(122)	(122)
Less: Deferred tax relating to above (net)	-	(43)	(43)
Net as at 31 March 2019	-	(79)	(79)

## Movements in costs of hedging reserve :

(₹ Lacs)

	Foreign currency risk Foreign currency options
<b>Costs of hedging reserve</b>	
As at 1 April 2018	-
Add: Deferred costs of hedging-transaction related- Deferred time value of foreign currency option contracts	(464)
Less: Amount reclassified from cost of hedging reserve to profit or loss	146
Gross as at 31 March 2019	(318)
Less: Deferred tax relating to above (net)	(111)
Net as at 31 March 2019	(207)

## 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.

## NOTES TO FINANCIAL STATEMENTS

for the year ended March 31, 2019

### 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:

(₹ Lacs)

Particulars	Carrying value		Fair value		Fair Value measurement hierarchy level
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	
<b>Financial assets measured at Amortised Cost</b>					
Investment in Bonds (Refer Note 6A)	194	840	210	850	Level 1
Loans (Refer Note 6B)	3,062	1,490	3,062	1,490	Level 2
<b>Financial assets measured at fair value through other comprehensive income</b>					
Investment in equity instruments (Refer Note 6A)	1,485	-	1,485	-	Level 3*
Forex derivative contract (designated as hedge) (Refer Note 6C)	170	-	170	-	Level 2
<b>Financial assets measured at fair value through profit and loss</b>					
Investment in mutual funds (Refer Note 6A)	1,05,393	1,10,588	1,05,393	1,10,588	Level 1
Forex derivative contract (not designated as hedge) (Refer Note 6C)	-	69	-	69	Level 2
<b>Financial Liabilities measured at Amortised Cost</b>					
ECB Loan from Bank (Refer Note 15A)	6,915	-	6,915	-	Level 2
Liability-Premium Call Option (Refer Note 15C)	430	-	430	-	Level 2
<b>Financial Liabilities measured at fair value through profit and loss</b>					
Derivative Liability-IRS (Refer Note 15C)	122	-	122	-	Level 2

\*The sensitivity analysis disclosures of fair value measurement in relation to Unquoted equity instruments carried at FVTOCI is not been disclosed since the acquisition has been done close to year end and the management believes that there is no movement in the fair value on the reporting date.

The management assessed that cash and cash equivalents, trade receivables, trade payables, short-term borrowings, other current non-derivative financial assets 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 Company has investment in quoted mutual funds being valued at Net Asset value.
- The Company invests in quoted equity shares valued at closing price of stock on recognized stock exchange.

# NOTES TO FINANCIAL STATEMENTS

for the year ended March 31, 2019

- 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.
- The loans and investment in bonds are evaluated by the company based on parameters such as interest rate, risk factors, risk characteristics and individual credit-worthiness of the counterparty. Based on this evaluation, allowances are taken into account for the expected losses.

The fair value of financial instruments as referred to in note above have been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and lowest priority to unobservable inputs (Level 3 measurements).

The categories used are as follows:

- Level 1: Quoted prices for identical instruments in an active market;
- Level 2: Directly or indirectly observable market inputs, other than Level 1 inputs; and
- Level 3: Inputs which are not based on observable market data.

## Reconciliation of fair value measurement of FVTOCI investment :

(₹ Lacs)

Particulars	Total
<b>As at March 31, 2017</b>	-
Re-measurement recognised in OCI	-
Purchases	-
<b>As at March 31, 2018</b>	-
Re-measurement recognised in OCI	-
Purchases	1,485
<b>As at March 31, 2019</b>	<b>1,485</b>

There were no significant changes in the classification and no significant movements between the fair value hierarchy classifications of assets and liabilities during FY 2018-19 and FY 2017-18.

## Note 38: Financial risk management objectives and policies

The company's principal financial liabilities, other than derivatives, comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the company's operations and to support its operations. The company's principal financial assets include loans, trade and other receivables, and cash and cash equivalents that derive directly from its operations. The company also enters into foreign exchange derivative transactions.

The company is exposed to market risk, credit risk and liquidity risk. The company's senior management oversees the mitigation of these risks. The company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the company's policies and risk objectives. All derivative activities for risk management purposes are carried out by specialist teams that have the appropriate skills, experience and supervision. It is the company's policy that no trading in foreign exchange derivatives for speculative purposes will be undertaken. The policies for managing each of these risks, which are summarised below:-

## NOTES TO FINANCIAL STATEMENTS

for the year ended March 31, 2019

### Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits and derivative financial instruments.

The sensitivity analysis in the following sections relate to the position as at March 31, 2019 and March 31, 2018.

The analysis excludes the impact of movements in market variables on: the carrying values of gratuity and other post-retirement obligations and provisions.

The sensitivity of the relevant profit and loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at March 31, 2019 and March 31, 2018.

### Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The company's exposure to the risk of changes in market interest rates relates primarily to the ECB Borrowings with floating interest rates.

The Company manages interest rate risk by taking interest rate swap (floating to fixed).

### Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The company's exposure to the risk of changes in foreign exchange rates relates primarily to the company's operating activities (when revenue or expense is denominated in a foreign currency), investments & borrowing in foreign currency etc.

The company manages its foreign currency risk by hedging foreign currency transactions with forward covers and option contracts. These transactions generally relates to purchase of imported newsprint & borrowings in foreign currency.

When a derivative is entered into for the purpose of being a hedge, the company negotiates the terms of those derivatives to match the terms of the underlying exposure. For hedges of forecast transactions the derivatives cover the period of exposure from the point the cash flows of the transactions up to the point of settlement of the resulting receivable or payable that is denominated in the foreign currency.

### Foreign currency sensitivity- 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	Change in Foreign Currency rate		Effect on profit before tax (₹ Lacs)	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
<b>Change in USD rate</b>				
Trade Payables	+/(-)1%	+/(-)1%	4	6
Buyer's credit	+/(-)1%	+/(-)1%	5	34
Balance on current account	+/(-)1%	+/(-)1%	-	-

# NOTES TO FINANCIAL STATEMENTS

for the year ended March 31, 2019

## Foreign currency sensitivity- Unhedged Foreign Currency Exposure (Contd..)

Particulars	Change in Foreign Currency rate		Effect on profit before tax (₹ Lacs)	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
	Income Accrued on Investments	+/(-)1%	+/(-)1%	-
Interest Payable (Buyer's credit)	+/(-)1%	+/(-)1%	-	1
Interest Payable (ECB Loan)	+/(-)1%	+/(-)1%	-	-
<b>Change in SGD rate</b>				
Trade Payables	+/(-)1%	+/(-)1%	-	-

### Equity price risk

The company's listed and non-listed equity securities are susceptible to market price risk arising from uncertainties about future values of the investment securities. The Company manages the equity price risk through diversification and by placing limits on individual and total equity instruments. Reports on the equity portfolio are submitted to the company's senior management on a regular basis. The company's Investment Committee approves all equity investment decisions.

### Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

### Trade receivables

An impairment analysis is performed at each reporting date on an individual basis for major clients. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in Note 10A.

The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets.

### 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.

19% (₹ 1,403 lacs) of the Company's debt will mature in less than one year at March 31, 2019 (March 31, 2018: 100%) based on the carrying value of borrowings reflected in the financial statements.



## NOTES TO FINANCIAL STATEMENTS

for the year ended March 31, 2019

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 had available undrawn borrowing facilities of ₹ 53,663 lacs (March 31, 2018: ₹ 44,735 lacs).

**The table below summarizes the maturity profile of the Company's financial liabilities:**

(₹ Lacs)

Particulars	With in 1 year	More than 1 years	Total
<b>As at March 31, 2019</b>			
Borrowings (Refer Note 15A)	539	6,051	6,590
Trade and other payables (Refer Note 15B)	12,381	-	12,381
Other financial liabilities (Refer Note 15C)	9,664	263	9,927
<b>As at March 31, 2018</b>			
Borrowings (Refer Note 15A)	11,487	-	11,487
Trade and other payables (Refer Note 15B)	9,798	-	9,798
Other financial liabilities (Refer Note 15C)	4,931	-	4,931

### Collateral

The Company has pledged part of its Investment in Mutual Funds in order to fulfil the collateral requirements for Borrowing. At March 31, 2019 and March 31, 2018, the invested values of the Investment in Mutual Funds pledged were ₹ 14,900 lacs and ₹ 5,800 lacs respectively. The counterparties have an obligation to return the securities to the company and the company has an obligation to repay the borrowing to the counterparties upon maturity/ Due Date / mutual agreement. There are no other significant terms and conditions associated with the use of collateral. Securities except pledge given against outstanding Bank facilities details is provided in borrowing note.

### Note 39 : Standards issued but not yet effective

As on the date of approval of these accounts there are no standards which have been issued but not effective, except as given below.

#### A. Ind AS 116 Leases

Ministry of Corporate Affairs has issued Ind AS 116 Leases on March 30, 2019 effective from annual periods beginning on or after April 01, 2019. Ind AS 116 will supersede the existing Ind AS 17.

The new standard requires lessees to recognize most leases on their balance sheets. Lessees will have a single accounting model for all leases, with two exemptions (low value assets and short term leases). Lessor accounting is substantially unchanged as compared to existing Lease Standard Ind AS 17. There will be additional disclosure requirements. Either a so called full retrospective application or a modified retrospective application is required for annual periods beginning on or after April 1, 2019.

The Company is in the process of finalising its analysis at the date of issuing of these financial statements. The Company would disclose the known or reasonably estimable information relevant to assessing the possible impact that application of Ind AS 116 will have on their financial statements in the period of initial application.

# NOTES TO FINANCIAL STATEMENTS

for the year ended March 31, 2019

## **B. Companies (Indian Accounting Standards) Second Amendment Rules, 2019 notified on March 30, 2019 brings the following amendments to Ind AS. The amendments are effective from accounting periods beginning on or after 1 April 2019.**

- Appendix C to Ind AS 12, Income Taxes has been inserted. The appendix provides accounting for uncertainty over income tax treatments. The appendix corresponds to FRIC 23, Uncertainty over Income Tax Treatments issued by the IFRS Interpretations Committee. Appendix C explains how to recognize and measure deferred and current income tax assets and liabilities where there is uncertainty over a tax treatment.

The Company is assessing the potential effect of the above mentioned amendment on its financial statements

- Paragraph 57A has been added to Ind AS 12 to clarify that the income tax consequences of dividends on financial instruments classified as equity should be recognized according to where the past transactions or events that generated distributable profits were recognized.

This amendment is not applicable to the Company.

- Amendment to Ind AS 19, Employee Benefits requires an entity to: (i) use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement; and (ii) recognize in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognized because of the impact of the asset ceiling.

The application of this amendment is not expected to have a material impact on the Company's financial statements.

- Amendment to Ind AS 23, Borrowing Costs to clarify that if a specific borrowing remains outstanding after a qualifying asset is ready for its intended use or sale, it becomes part of general borrowings.

The application of this amendment is not expected to have a material impact on the Company's financial statements.

- Amendment to Ind AS 28, Investments in Associates and Joint Ventures clarifies that long-term interests in an associate or joint venture to which the equity method is not applied should be accounted for using Ind AS 109, Financial Instruments.

This amendment is not applicable to the Company.

- Amendment has been made to Ind AS 103, Business Combinations and Ind AS 111, Joint Arrangements to clarify measurement of previously held interest in obtaining control/ joint control over a joint operation: (i) On obtaining control of a business that is a joint operation, previously held interest in joint operation is re-measured at fair value at the acquisition date; (ii) A party obtaining joint control of a business that is joint operation shall not re-measure its previously held interest in the joint operation.

This amendment is not applicable to the Company.

- Amendment to Ind AS 109 enables entities to measure at amortized cost some pre-payable financial assets with negative compensation.

This amendment is not applicable to the Company.

## NOTES TO FINANCIAL STATEMENTS

for the year ended March 31, 2019

### 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

(₹ Lacs)

Particulars	As at March 31, 2019	As at March 31, 2018
Principal Amount	43	2
Interest due thereon at the end of the accounting year	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	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.	-	-

### Note 41 : Capitalized Expenditure

During the year, the company has capitalized the following expenses of revenue nature to the cost of fixed asset/capital work in progress (CWIP). Consequently, expenses disclosed under the respective notes are net of amounts capitalized by the company.

(₹ Lacs)

Particulars	As at March 31, 2019	As at March 31, 2018
Raw Material Consumption	11	-
Travelling and conveyance	31	-
Miscellaneous Expenses	15	6
<b>Total</b>	<b>57</b>	<b>6</b>

# NOTES TO FINANCIAL STATEMENTS

for the year ended March 31, 2019

## Note:- 42 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 ₹ 490 Lacs ( Previous Year ₹ 465 lacs).**

**(b) Details of amount spent during the year ended March 31, 2019:**

(₹ Lacs)

CSR Project or activity identified	Amount spent/ contributed on the projects or programs (₹ lacs)	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 (previous year FY2017-18)	130	Direct contribution**
<b>Total</b>	<b>547</b>	

The shortfall in amount spent in previous year 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 current year. The shortfall for the year ended March 31, 2019 is ₹ 73 lakhs .

\*Included in Donations/ Contribution expenses

\*\*Included in Advertisement and sales promotion expenses

## NOTES TO FINANCIAL STATEMENTS

for the year ended March 31, 2019

### (c) Details of amount spent during the year ended March 31, 2018:

(₹ Lacs)

CSR Project or activity identified	Amount spent/ contributed on the projects or programs (₹ lacs)	Amount spent : Direct or through implementing agency
Healthy Uttarakhand. Promoting healthcare by holding preventive healthcare camps	18	Through Manorama Devi Birla Charitable Trust*
Swachh Bharat Initiative to promote sanitation	15	Direct contribution**
Kabaddi League to promote Rural sports	84	Direct contribution**
Hindustan Olympiad to promote education	25	Direct contribution**
Jago Ghaziabad to create mass awareness and empower women	9	Direct contribution**
Integrated and transformational village development	69	Direct contribution**
Promoting healthcare by holding preventive healthcare camps	44	Direct contribution**
Promoting healthcare by holding preventive healthcare camps	50	Direct contribution**
Promoting education	21	Through HT Foundation for Change (HTFFC)*
<b>Total</b>	<b>335</b>	

\*Included in Donations/ Contribution expenses

\*\*Included in Advertisement and sales promotion expenses

**Note 43:** The Board of Directors of the Company at its meeting held on October 16, 2017 had approved a Scheme of Arrangement u/s 230 to 232 and other applicable provisions of the Companies Act, 2013, between Hindustan Media Ventures Limited ("the Company") and India Education Services Private Limited ("IESPL") (fellow subsidiary company) and their respective shareholders, which provides for demerger of IESPL's B2C business, and transfer and vesting thereof into the Company ("Scheme").

Pursuant to the orders of the Hon'ble National Company Law Tribunal, Kolkata Bench (NCLT) dated August 28, 2018 and January 4, 2019, meetings of Unsecured Creditors and Shareholders of the Company were convened on October 15, 2018 and March 8, 2019 respectively, wherein the Unsecured Creditors and Equity Shareholders of the Company have considered and approved the Scheme with the requisite majority as required under the Companies Act, 2013 and Securities Exchange Board of India Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017.

Following the above, the Company has filed the 2nd Motion Petition with NCLT on March 18, 2019 for sanction of the Scheme which has been admitted and fixed for hearing on June 04, 2019.

Pending requisite approval(s) and sanction(s) of the Scheme, impact thereof has not been considered in the financial statements.

# NOTES TO FINANCIAL STATEMENTS

for the year ended March 31, 2019

## Note 44: Details of Loans and Advances to subsidiaries, associates and firm/companies in which directors are interested (as required by Regulation 34(3) of (Listing Obligations and Disclosure Requirements) Regulations, 2015)

(₹ Lacs)

Particulars	March 31, 2019	March 31, 2018
Loans and Advances to company in which director is interested - India Education Services Private Limited		
Maximum amount due at any time during the year (including accrued Interest)	3,194	1,042
Closing Balance including interest accrued at the end of the year	2,606	1,042

### Note 44A

#### Disclosure required under Section 186(4) of the Companies Act, 2013

The particulars of loans and advances excluding interest accrued are disclosed below:

(₹ Lacs)

Name of the Loanee	Rate of Interest	Due Date	Secured/ Unsecured	March 31, 2019	March 31, 2018
India Education Services Private Limited	9% -12.5% p.a. compounded annually	On or before 18 months from the date of disbursement	Unsecured	2,460	1,000

For further details of loans and advances provided to related parties, refer note 34A

### Note 45A Disclosure: Ind AS 115 Revenue from Contracts with Customers

#### Transition disclosure

Effective April 1, 2018, the Company has adopted Ind AS 115 "Revenue from Contracts with Customers" using the cumulative catch-up transition method applicable to contracts to be completed as on April 1, 2018. Accordingly, the comparative figures in the above results have not been adjusted retrospectively. The effect of adoption of Ind AS 115 on the above Statement of Profit and Loss is insignificant.

## NOTES TO FINANCIAL STATEMENTS

for the year ended March 31, 2019

### Contract Assets and Contract Liabilities

The Company has changed the presentation of certain amounts in the balance sheet to reflect terminology of Ind AS 115:

- (a) Deferred revenue amounting to ₹ 742 lakhs as at March 31, 2019 is shown as "Contract Liability" in current year. In year ended March 31, 2018, these amounts aggregating to ₹ 1,436 Lakhs was netted off with Trade Receivables. The same has been reclassified to Contract liabilities as on April 01, 2018 (transition date to Ind AS 115).
- (b) Advance from certain Customers amounting to ₹ 672 lakhs as at March 31, 2019 is shown as "Contract Liability" in current year. In year ended March 31, 2018, these amounts aggregating to ₹ 643 Lakhs were shown under the head other Current Liabilities. The same has been reclassified to Contract liabilities as on April 01, 2018 (transition date to Ind AS 115).

**46.** Previous year figures have been regrouped and reclassified wherever necessary to conform to the current year classification.

As per our report of even date

#### For Price Waterhouse & Co Chartered Accountants LLP

Firm Registration Number: 304026E/ E300009

#### Anupam Dhawan

Partner

Membership No. 084451

Place: New Delhi

Date: May 9, 2019

#### Tridib Barat

Company Secretary

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

#### Hindustan Media Ventures Limited

#### Sandeep Gulati

Chief Financial Officer

#### Shamit Bhartia

Managing Director

(DIN: 00020623)

#### Rajeev Beotra

Chief Executive Officer

#### Shobhana Bhartia

Chairperson

(DIN: 00020648)

**THE FINAL VERDICT OF IRS Q1 2019**

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# हिन्दुस्तान

C-164, 1<sup>st</sup> Floor

Sector - 63, Noida - 201 307

Distt. Gautam Budh Nagar (U.P.)

E-mail: [hmvlinvestor@livehindustan.com](mailto:hmvlinvestor@livehindustan.com)



# 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 (2<sup>nd</sup> 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.hmv.in

### Notice of Annual General Meeting

**NOTICE** is hereby given that an Annual General Meeting (9<sup>th</sup> post- IPO) of the Members of **Hindustan Media Ventures Limited** will be held on Thursday, the 19<sup>th</sup> September, 2019 at 2.00 P.M. at Hotel Maurya, South Gandhi Maidan, Patna - 800 001, to transact the following businesses:

#### **ORDINARY BUSINESS**

##### **ITEM NO. 1**

To consider and adopt the audited financial statements of the Company for the financial year ended March 31, 2019, and the reports of the Board of Directors and Auditors thereon.

##### **ITEM NO. 2**

To declare dividend of Rs. 1.20 per equity share of Rs. 10/- (i.e. @ 12%) for the financial year ended on March 31, 2019.

##### **ITEM NO. 3**

To appoint Shri Priyavrat Bhartia (DIN: 00020603) as a Director, who retires by rotation, and being eligible, offers himself for re-appointment.

##### **ITEM NO. 4**

**To appoint B S R and Associates, Chartered Accountants [Firm Registration No. 128901W] as Statutory Auditor of the Company, and in this regard, to pass the following resolution(s) as Ordinary Resolution:**

**“RESOLVED THAT** pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014, and on recommendation of Audit Committee and the Board of Directors, B S R and Associates, Chartered Accountants, [Firm Registration No. 128901W] be and is hereby appointed as Statutory Auditor of the Company w.e.f. July 11, 2019, to fill the casual vacancy arising out of resignation of Price Waterhouse & Co Chartered Accountants LLP [Firm Registration No. 304026E/E-300009], and to hold office till the conclusion of this Annual General Meeting, on such remuneration and reimbursement of expenses as may be fixed by the Board of Directors.

**RESOLVED FURTHER THAT** pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014, B S R and Associates, Chartered Accountants, [Firm Registration No. 128901W] be and is hereby appointed as Statutory Auditor of the Company to hold office for a period of 5 (five) consecutive years from the conclusion of this Annual General Meeting till the conclusion of Annual General Meeting to be held in the calendar year 2024, on a remuneration of Rs. 41,00,000/- payable in one or more installments and reimbursement of expenses, to conduct the audit for the financial year 2019-20, and thereafter, on payment of such remuneration and reimbursement of expenses, as may be mutually agreed between the Company and the said Statutory Auditor, and as may be further approved by the Board of Directors from time to time, with power to the Board of Directors, to alter and vary the terms and conditions of appointment, etc., in such manner and to such extent as may be mutually agreed with the Statutory Auditor.

**RESOLVED FURTHER THAT** for the purpose of giving effect to the foregoing resolutions, the Board of Directors (which term shall be deemed to include any Committee of the Board authorised in the said behalf) be and is hereby authorised to do all such acts, deeds and things, as it may in its absolute discretion deem necessary, proper or desirable, and to settle any question, difficulty or doubt that may arise in respect of aforesaid, without being required to seek any further consent or approval of Members of the Company, or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution.”

#### **SPECIAL BUSINESS**

##### **ITEM NO. 5**

**To re-appoint Dr. Mukesh Aghi as an Independent Director, not liable to retire by rotation, and in this regard, to pass the following resolution(s) as Special Resolution:**

**“RESOLVED THAT** pursuant to the provisions of Sections 149, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013, rules made thereunder and the applicable regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Dr. Mukesh Aghi (DIN: 00292205), who holds office as Independent Director upto March 31, 2020, and in respect of whom the Company has received notice in writing from a member signifying his intention to propose the candidature of Dr. Mukesh Aghi for the office of Director of the Company, be and is hereby re-appointed as an Independent Director, not liable to retire by rotation, to hold office for second term of 5 (five) consecutive years from April 1, 2020 till March 31, 2025.

**RESOLVED FURTHER THAT** for the purpose of giving effect to the foregoing resolution, the Board of Directors (which term shall be deemed to include any Committee of the Board authorised in the said behalf) be and is hereby authorised to do all such acts, deeds and things, as it may in its absolute discretion deem necessary, proper or desirable, and to settle any question, difficulty or doubt that may arise in respect of aforesaid, without being required to seek any further consent or approval of Members of the Company, or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution.”

By Order of the Board  
For Hindustan Media Ventures Limited



(Tridib Barat)  
Company Secretary

Place: New Delhi  
Date: August 20, 2019

**NOTES:**

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (“MEETING” OR “AGM”) IS ENTITLED TO APPOINT A PROXY TO ATTEND THE MEETING AND VOTE IN HIS/HER STEAD, AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING A PROXY, IN ORDER TO BE EFFECTIVE, MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY, DULY COMPLETED, STAMPED AND SIGNED, NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING. A BLANK PROXY FORM IS ANNEXED TO THIS NOTICE.**  
**A PERSON CAN ACT AS PROXY ON BEHALF OF MEMBERS NOT EXCEEDING 50 IN NUMBER, AND HOLDING IN AGGREGATE, NOT MORE THAN 10% OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. A MEMBER HOLDING MORE THAN 10% OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS, MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS A PROXY FOR ANY OTHER MEMBER. PROXIES EXECUTED/SUBMITTED ON BEHALF OF LIMITED COMPANIES, SOCIETIES, ETC., MUST BE SUPPORTED BY APPROPRIATE RESOLUTION/ AUTHORITY, AS APPLICABLE. THE PROXY-HOLDER SHALL PROVE HIS IDENTITY AT THE TIME OF ATTENDING THE MEETING.**
2. Attendance slip, proxy form and the route map of the venue of the Meeting are annexed hereto.
3. Corporate Member intending to depute their authorised representative to attend the Meeting are requested to forward to the Company, certified copy of the Board Resolution/Power of Attorney together with specimen signature of the representative(s), authorising the said person to attend and vote on their behalf at the Meeting.
4. 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 Meeting.
5. Smt. Shobhana Bhartia and Shri Shamit Bhartia, being related to Shri Priyavrat Bhartia may be deemed to be interested in the resolution set out at Item No. 3 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 to 4 of the Notice.
6. The Statement pursuant to Section 102 of the Companies Act, 2013 relating to item nos. 4 and 5 of the Notice is annexed hereto.
7. Pursuant to the provisions of Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI Listing Regulations) and Secretarial Standard on General Meeting (SS-2) issued by the Institute of Company Secretaries of India, details of Directors seeking appointment/re-appointment at this Annual General Meeting, are annexed herewith.
8. **Register of Members and Share Transfer Books of the Company shall remain closed from Thursday, September 12, 2019 to Thursday, September 19, 2019 (both days inclusive).**
9. The dividend on Equity Shares for the financial year ended on March 31, 2019 as recommended by the Board of Directors, if declared by the Members at this Annual General Meeting, will be credited / paid on or after September 21, 2019:
  - (a) in respect of shares held in electronic form, to those members whose name appear as Beneficial Owners as at the end of the business hours on Wednesday, September 11, 2019 in the list of Beneficial Owners to be furnished by National Securities Depository Limited and Central Depository Services (India) Limited; and
  - (b) in respect of shares held in physical form, to those members whose name appear in the Register of Members of the Company as at the end of the business hours on Thursday, September 19, 2019 after giving effect to:
    - (i) valid request(s) received for transmission/ transposition of shares; and
    - (ii) valid requests of transfer of shares in physical form (re-lodgment cases i.e. requests for transfer(s) which were received prior to April 1, 2019 and returned due to deficiency in the documents) lodged with the Company/its Registrar & Share Transfer Agents on or before Wednesday, September 11, 2019.
10. The certificate of Auditors that the ‘HT Group Companies - Employee Stock Option Rules for Listed Companies’ is implemented in accordance with the SEBI (Share Based Employee Benefits) Regulations, 2014 (read with SEBI’s circular no. CIR/CFD/POLICY CELL/2/2015 dated June 16, 2015), and in accordance with the resolutions passed by the Members, shall be available for inspection by Members at the venue of AGM.
11. Members are requested to visit the website of the Company viz. [www.hmvl.in](http://www.hmvl.in) for viewing the quarterly and annual financial results and other information on the Company.
12. Pursuant to Sections 101 and 136 of the Companies Act, 2013 read with the Rules framed thereunder, the Notice calling this AGM along with the Annual Report for FY-19 is being sent by electronic mode to those Members whose e-mail addresses are registered with the Depository or the Company’s Registrar and Share Transfer Agent, unless the Member(s) has requested for a physical copy of the same. Members who have not registered their e-mail address are being provided physical copy of Notice of AGM and Annual Report by the permitted mode.  
Members are requested to participate in the green initiative in Corporate Governance by providing their name, shareholding details, e-mail id and consent to receive the notice calling AGM, Annual Report & other documents permissible to be sent through electronic mode, by sending e-mail at [einward.ris@karvy.com](mailto:einward.ris@karvy.com). For any other investor related queries, communication may be sent by e-mail to [hmvlinvestor@livehindustan.com](mailto:hmvlinvestor@livehindustan.com).
13. Karvy Fintech Private Limited (Karvy) is the Registrar & Share Transfer Agent of the Company. All investor related communication may be addressed to Karvy at the following address:  
Karvy Fintech Private Limited  
Unit: Hindustan Media Ventures Limited  
Karvy Selenium Tower B  
Plot No. 31 & 32  
Financial District, Nanakramguda  
Serilingampally Mandal  
Hyderabad – 500 032  
Tel : + 91-40-67162222  
Fax : + 91-40-23001153  
E-mail : [einward.ris@karvy.com](mailto:einward.ris@karvy.com)

14. Pursuant to the provisions of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, the Company has uploaded the details of unpaid and unclaimed dividend amounts lying with the Company as on September 18, 2018 (date of last Annual General Meeting) on the website of the Company ([www.hmvl.in](http://www.hmvl.in)) and also on the website of the Ministry of Corporate Affairs (MCA). Members who have not encashed/received dividend so far in respect of financial years ended on March 31, 2012 to March 31, 2018, are requested to write to Karvy, who shall arrange to remit the unclaimed dividend amount on completion of necessary formalities.
15. Members may note that shares as well as unclaimed dividends 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 Karvy for lodging claim for refund of shares and / or dividend from the IEPF Authority.
16. Members holding shares in physical form can avail the facility of nomination pursuant to the provisions of Section 72 of the Companies Act, 2013, and for the same they are advised to send their nomination in the prescribed Form No. SH-13 to Karvy at the above mentioned address. Members holding shares in electronic form may contact their respective Depository Participant for availing this facility.
17. Members who are holding shares in physical form in identical order of names in more than one folio are requested to send to the Company or Karvy, details of such folios together with the share certificates for consolidating their holding in one folio. The share certificates will be returned to the members after making requisite changes, thereon. Members are requested to use the share transfer form SH-4 for this purpose.
18. **In terms of SEBI circular dated April 20, 2018, Members holding shares in physical form and whose PAN and Bank details are not updated with Karvy, 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.**
19. The Securities and Exchange Board of India (SEBI) has mandated the 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 Participants with whom they are maintaining their demat accounts. Members holding shares in physical mode can submit their PAN to the Company / Karvy.
20. For effecting change in address/bank details/NECS (National Electronic Clearing Services) mandate; members are requested to notify:
  - (i) Karvy, if shares are held in physical form; and
  - (ii) their respective Depository Participant (DP), if shares are held in electronic form.
21. In terms of the 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 dematerialised 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 dematerialise the shares held by them in physical form.
22. Members/Proxies/ Authorised Representative(s) are requested to kindly note the following:
  - (i) Copies of Annual Report will not be distributed at the venue of the meeting;
  - (ii) Attendance Slip, sent herewith, is required to be produced at the venue of AGM duly filled-in and signed, for attending the meeting;
  - (iii) Entry to the hall will be in exchange for duly completed and signed Attendance Slip(s); and
  - (iv) Folio No. or DP & Client ID No., as the case may be, must be quoted in all correspondence with the Company and/or Karvy.
23. Members may send their queries, if any, on the financial statements/operations of the Company at [hmvlinvestor@livehindustan.com](mailto:hmvlinvestor@livehindustan.com), at least 7 days before the meeting, so that the information can be compiled in advance.
24. Register of Directors and Key Managerial Personnel and their shareholding; and the Register of Contracts and Arrangements in which the Directors are interested, maintained under the provisions of the Companies Act, 2013, will be available for inspection by the members at the AGM.
25. Relevant documents referred to in this Notice are available for inspection without any fee by the Members on all business days (except Saturday, Sunday and Public Holidays) during 10.00 A.M. to 4.00 P.M. upto the date of AGM at the Registered Office/Corporate Office of the Company, and during the AGM at the venue of the meeting.
26. The Notice and Annual Report for FY-19 are available on the Company's website, viz. [www.hmvl.in](http://www.hmvl.in).
27. **Members may please note:**
  - (i) **briefcase, bag, mobile phone, and/or eatables shall not be allowed to be taken inside the hall for security reasons; and**
  - (ii) **No gifts, gift coupons, or cash in lieu of gifts will be distributed at or in connection with the Meeting.**
28. Pursuant to the provisions of Section 108 and other applicable provisions, if any, of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended, and the provisions of Regulation 44 of the SEBI Listing Regulations, Members are provided with the facility to cast their vote on all items/resolutions set forth in this Notice, through remote e-voting (i.e. facility of casting votes by using an electronic voting system from a place other than the venue of AGM) on Karvy's e-voting platform.

The Company shall also provide facility for voting through polling paper at the venue of AGM to the Members attending the AGM who have not already cast their vote by remote e-voting.
29. Persons whose name appears in the Register of Member/list of Beneficial Owners as on Thursday, September 12, 2019 (cut-off date) shall be entitled to vote by way of voting through polling paper at the venue of AGM/remote e-voting on the Resolutions set forth in this Notice. Any person who is not a Member as on the above cut-off date should treat this Notice for information purpose only.

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

<b>Commencement of remote e-voting</b>	<b>From 9.00 a.m. (Server time) on September 15, 2019 (Sunday)</b>
<b>End of remote e-voting</b>	<b>Up to 5.00 p.m. (Server time) on September 18, 2019 (Wednesday)</b>

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

31. The Board of Directors has appointed Shri Sanket Jain, Company Secretary in practice (C.P. No. 12583) and/or Shri Robin Kumar, Chartered Accountant in practice (C.P. No. 427812), as Scrutinizers to scrutinize the voting at AGM and remote e-voting process in a fair and transparent manner.
32. The Scrutinizer(s) shall, after conclusion of voting at the AGM, count the votes cast at the meeting. Thereafter, they will unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and make, not later than 48 hours from the conclusion of the Meeting, a consolidated Scrutinizer's Report of the total votes cast in favour or against the resolution, invalid votes, if any and whether the resolution(s) has/have been carried or not, to the Chairperson or any other person authorised by Chairperson in writing, who shall countersign the same and declare the result of the voting.
33. The result of voting along with the scrutinizers' report shall be placed on the website of the Company ([www.hmvl.in](http://www.hmvl.in)) and on Karvy's website (<https://evoting.karvy.com>) immediately after the same is declared, and shall be simultaneously forwarded to the stock exchanges where the Company's shares are listed. The results shall also be displayed at the Registered Office of the Company.
34. The resolutions 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).
35. Members are requested to carefully read the "Procedure and Instructions for remote e-voting" given below.

**PROCEDURE AND INSTRUCTIONS FOR REMOTE E-VOTING**

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

**(A) In case a Member receives an email from Karvy [whose email address is registered with the Company/Depository Participant(s)]:**

- i. Launch internet browser by typing the URL: <https://evoting.karvy.com>.
- ii. Enter the login credentials (i.e. User ID and password mentioned in the e-mail). In case of physical folio, User ID will be **EVEN** (E-voting Event Number) followed by folio number. In case of Demat account, User ID will be your DP ID and Client ID. However, if you are already registered with Karvy for e-voting, you can use your existing User ID and password for casting your vote.
- iii. After entering these details appropriately, click on "**LOGIN**".
- iv. You will now reach password change menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A- Z), one lower case (a-z), one numeric value (0-9) and a special character (@, #, \$, etc.). The system will prompt you to change your password and update your contact details like mobile number, email ID 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.**
- v. You need to login again with the new credentials.
- vi. On successful login, the system will prompt you to select the "**EVEN**" i.e., "Hindustan Media Ventures Limited".
- vii. On the voting page, enter the number of shares (which represents the number of votes) as on the Cut-off Date under "FOR/AGAINST" or alternatively, you may partially enter any number under "FOR" or partially "AGAINST" but the total number in "FOR/AGAINST" taken together shall not exceed your total shareholding as mentioned herein above. You may also choose the option "ABSTAIN" and the shares held will not be counted under either head.
- viii. Members holding multiple folios/demat accounts shall choose the voting process separately for each folio/demat accounts.
- ix. 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 "ABSTAIN"**.
- x. You may then cast your vote by selecting an appropriate option and click on "SUBMIT".
- xi. A confirmation box will be displayed. Click "OK" to confirm or/else "CANCEL" to modify. Once you have voted on the resolution, you will not be allowed to modify.
- xii. Corporate/Institutional Members (i.e. other than Individuals, HUF, NRI etc.) are also required to send scanned certified true copy (PDF Format) of the Board Resolution/Authority Letter/ Power of Attorney, etc., together with attested specimen signature(s) of the duly authorised representative(s), to the Scrutinizer at email address: [sanketjaincs@gmail.com](mailto:sanketjaincs@gmail.com) with a copy marked to [evoting@karvy.com](mailto:evoting@karvy.com). They may also upload the same in the e-voting module in their login. The scanned image of the above mentioned documents should be in the naming format "**Corporate Name Event No.**"
- xiii. During the voting period, Members can login any number of times till they have voted on the Resolution(s). Once the vote on a resolution is cast by a Member, it cannot be changed subsequently.
- xiv. You can update your mobile number and e-mail address in the user profile details which may be used for sending future communication(s).
- xv. Voting rights of Members shall be in proportion to their share in the paid up equity share capital of the Company as on the Cut-off date i.e. September 12, 2019.

**(B) In case of members receiving physical copy of Notice [for Members whose email addresses are not registered with the Company/Depository Participant(s)]:**

- i. **EVEN**, User ID and Password are mentioned in a separate communication annexed to this Notice.
- ii. Please follow all steps from Sl. No. (i) to (xv) above to cast your vote by electronic means.

**(C) Any person who is a Member of the Company may obtain the User ID and Password in the manner as mentioned below:**

- i. 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
  - ii. If e-mail address or mobile number of the member is registered against Folio No./DPID Client ID, then on the home page of <https://evoting.karvy.com>, the member may click "Forgot Password" and enter Folio No. or DPID Client ID and PAN to generate a new password.
  - iii. Member may call Karvy's toll free number 1800-345-4001 Monday to Saturday (from 8.00 A.M. to 8.00 P.M).
  - iv. Member may send an e-mail to [evoting@karvy.com](mailto:evoting@karvy.com) requesting User ID and Password. However, Karvy shall endeavor to send User ID and Password to those new Members whose mail ids are available.
36. In case of any query/grievance, in respect of remote e-voting, Members may refer to Help & FAQ's section / E-voting user manual available at the "Downloads" section of Karvy's website: <https://evoting.karvy.com> or contact Mr. G. Ramesh Desai, Manager at Karvy Fintech Private Limited, Karvy Selenium, Tower B, Plot No. 31-32, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad - 500 032 or at email address: [evoting@karvy.com](mailto:evoting@karvy.com) or contact no. 040-6716 2222 or Karvy's toll free No. 1800-345-4001 (from 8.00 A.M. to 8.00 P.M.).

**STATEMENT UNDER SECTION 102 (1) OF THE COMPANIES ACT, 2013**

**ITEM NO. 4**

The Board of Directors on recommendation of Audit Committee and subject to approval of members, appointed B S R and Associates, Chartered Accountants [*Firm Registration No. 128901W*] ("BSR") as Statutory Auditor of the Company w.e.f. July 11, 2019, to fill the casual vacancy arising out of resignation of Price Waterhouse & Co Chartered Accountants LLP (*Firm Registration No. 304026E/E-300009*).

BSR was shortlisted on evaluation of proposal(s) of renowned Chartered Accountant firms on various criteria viz. competency, technical capability, approach on transition, overall audit approach, sector expertise and understanding of the Company & its business. BSR was constituted on March 31, 2008 and is registered with the Institute of Chartered Accountants of India (ICAI). BSR has 20 partners across India and their peer review certificate is valid up to January 10, 2020.

In terms of the provisions of Section 139 of the Companies Act, 2013 read with rules made thereunder, appointment of Statutory Auditor in causal vacancy caused due to resignation of the existing Auditor, shall also be approved by the Company in a general meeting convened within three months of appointment/recommendation of the Board, and such Auditor shall hold office till the conclusion of the next Annual General Meeting (AGM).

Accordingly, the Board of Directors has recommended for approval of the members, appointment of BSR as Statutory Auditor of the Company –

- (i) to fill the casual vacancy arising out of resignation of the existing statutory auditor, w.e.f. July 11, 2019 and to hold office till the conclusion of this AGM; and
- (ii) for a period of 5 years commencing from the conclusion of this AGM till conclusion of the AGM to be held in calendar year 2024.

BSR has given consent to act as Statutory Auditor of the Company, and have confirmed that their appointment, if made, will be in accordance with the conditions prescribed under Sections 139 and 141 of the Companies Act, 2013.

None of the Directors, Key Managerial Personnel and/or their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution.

The Board commends the Ordinary Resolutions set out at Item No. 4 of the Notice for approval by the Members.

**ITEM NO. 5**

Members may kindly recall, at their Annual General Meeting held on August 28, 2015, Dr. Mukesh Aghi was appointed as Independent Director of the Company w.e.f. June 21, 2015 for a term of 5 (five) years. His present term will come to an end on March 31, 2020.

In terms of the provisions of Section 149 of the Companies Act, 2013 ("the Act"), Dr. Mukesh Aghi is eligible for re-appointment as Independent Director for one more term of 5 years, *inter-alia*, on passing of a Special Resolution by the Members.

The Board of Directors of the Company at its meeting held on July 22, 2019 have, upon recommendation of Nomination & Remuneration Committee and after due consideration of the report(s) of performance evaluation, approved the re-appointment of Dr. Mukesh Aghi as Independent Director of the Company w.e.f. from April 1, 2020 for another term of 5 (five) years until March 31, 2025, subject to approval of Members of the Company. The Board of Directors is of the opinion that the continued association of Dr. Mukesh Aghi as Independent Director, will benefit the Company.

Dr. Mukesh Aghi is the President & CEO of the US-India Strategic Partnership Forum. Dr. Aghi has extensive experience of working with business and government leaders in the U.S. and India to promote trade and strengthen ties between the two countries. He also serves as a trustee at Claremont Graduate University. Previously, Dr. Aghi served as CEO and Member of the Board at L&T Infotech where he expanded the business on a global level. During his tenure at Steria, Inc. (India), Dr. Aghi served as Chairman and CEO of the Asia-Pacific region. Additionally, Dr. Aghi was the founding CEO of Universitas 21 Global, the world's largest consortium of research-led universities and global leader in providing post-graduate online education. He was also the President of IBM India for IBM Corporation, and spent time working with Ariba, Inc. and JD Edwards & Co.

Dr. Aghi holds several degrees, including an advanced management diploma from Harvard Business School, a Ph.D. in international relations from Claremont Graduate University, an MBA in international marketing from Andrews University, and a BA in business administration from the Middle East College, Beirut, Lebanon. As a fluent speaker in many international languages, Dr. Aghi was recognized by Esquire Magazine as a Global Leader and has won many awards over the course of his professional career, including the J. R. D. Tata Leadership Award.

The Company has received notice in writing under Section 160 of the Act from a Member signifying his intention to propose the candidature of Dr. Mukesh Aghi for the office of Director of the Company. The Company has also received - (a) declaration of independence from Dr. Mukesh Aghi; (b) his consent to act as Director; and (c) declaration that he is not disqualified from being appointed as Director in terms of Section 164 (2) of the Companies Act, 2013.

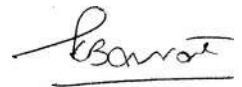
In the opinion of the Board, Dr. Mukesh Aghi possesses appropriate skills, experience & knowledge, and fulfills the conditions specified in the Companies Act, 2013, the Companies (Appointment and Qualification of Directors) Rules, 2014 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, for re-appointment as Independent Director of the Company. Dr. Mukesh Aghi is independent of the management and is not related to any Director(s) or Key Managerial Personnel(s) of the Company. As Non-executive Director, Dr. Mukesh Aghi will be entitled to sitting fee for attending Board/ Committee meeting(s) and commission on profits of the Company, as approved by the Board of Directors from time to time.

Draft letter of appointment of Dr. Mukesh Aghi as Independent Director of the Company, setting out terms & conditions of his appointment is available for inspection by Members without any fee at the Registered Office and Corporate Office of the Company, on all business days (except Saturday, Sunday and Public Holidays) during 10.00 a.m. to 4.00 p.m. upto the date of Annual General Meeting.

Dr. Mukesh Aghi is interested in the resolutions set out at Item No. 5 of the Notice. His relative(s) may also be deemed to be interested in the resolution, to the extent of their shareholding interest, if any, in the Company. Save and except the above, none of the other Directors or Key Managerial Personnel and/ or their relatives are, in any way, concerned or interested, financially or otherwise, in these resolutions.

The Board commends the Special Resolutions set out at Item No. 5 of the Notice for approval by the Members.

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



**(Tridib Barat)**  
**Company Secretary**

**Place:** New Delhi  
**Date:** August 20, 2019

Details of the Directors pursuant to the provisions of 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

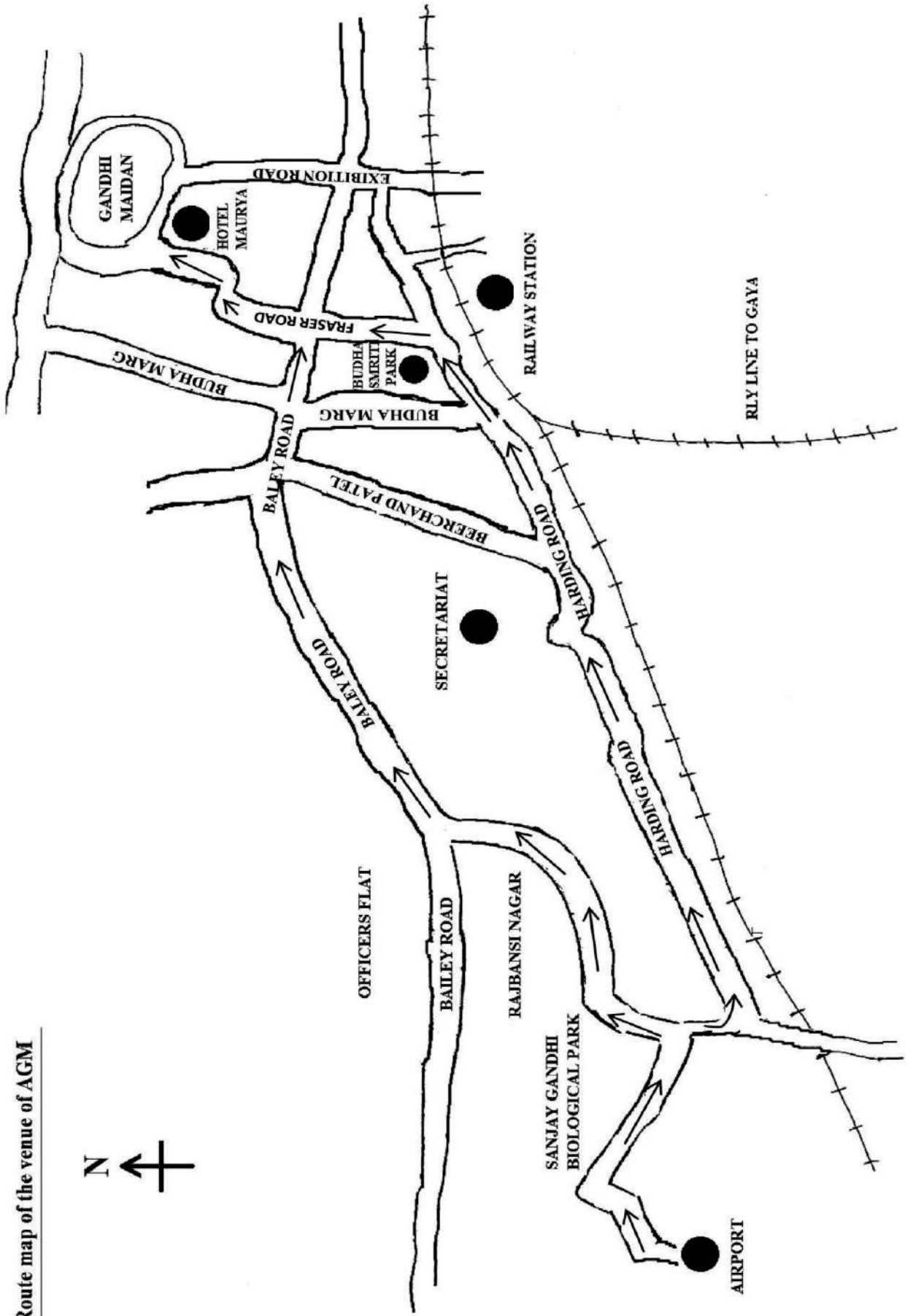
Name of Director	Shri Priyavrat Bhartia	Dr. Mukesh Aghi
Age (Years)	42	63
Relationship with other Directors <i>inter-se</i> and Key Managerial Personnel	Son of Smt. Shobhana Bhartia, <i>Chairperson</i> and Brother of Shri Shamit Bhartia, <i>Managing Director</i>	None
Date of Appointment	January 6, 2010 (Managing Director from May 18, 2017 to July 16, 2018)	June 21, 2015
Expertise in specific functional areas	General Management, Strategic Planning and Business Development	General Management, Strategic Planning and Academics
Qualification	MBA (Stanford University, USA)	BA in Business Administration (Middle East College, Beirut, Lebanon); MBA in International Marketing (Andrews University, Michigan); Ph.D in International Relations (Claremont Graduate University, California); Advanced Management Diploma (Harvard Business School)
Terms and conditions of appointment/re-appointment	Director, liable to retire by rotation	Independent Director, not liable to retire by rotation
No. of Equity Shares of Rs.10/- each held in the Company	6,719	NIL
Remuneration last drawn (during FY 19)	Rs. 121.44 Lac	Rs. 10 Lac ( <i>Director's Commission</i> )
Directorship held in other companies (excluding foreign companies)#	(i) HT Media Limited (Listed Company) (ii) Jubilant Life Sciences Limited (Listed Company) (iii) Jubilant Industries Limited (Listed Company) (iv) Digicontent Limited (Listed Company) (v) The Hindustan Times Limited (vi) Jubilant Agri and Consumer Products Limited (vii) Earthstone Holding (Two) Private Limited (viii) Jubilant Enpro Private Limited (ix) ARS Trustee Company Private Limited (x) Jubilant Realty Private Limited (xi) PSB Trustee Company Private Limited (xii) SPB Trustee Company Private Limited (xiii) SSP Trustee Company Private Limited (xiv) SB Trusteeship Services Private Limited (xv) SSBPB Investment Holding Private Limited (xvi) SSB Consultants and Management Services Private Limited (xvii) Jubilant Stock Holding Private Limited	(i) USIN Foundation
List of the Committees of Board of Directors (across all companies) in which Chairmanship/ Membership is held*#	<b>Hindustan Media Ventures Limited</b> (i) Audit Committee - Member (ii) Stakeholders' Relationship Committee-Member <b>HT Media Limited</b> Stakeholders' Relationship Committee – Member <b>The Hindustan Times Limited</b> Audit Committee – Member <b>Jubilant Industries Limited</b> Stakeholders' Relationship Committee – Member <b>Jubilant Life Sciences Limited</b> Audit Committee – Member	NIL
No. of Board Meetings attended during FY- 19	4	1

#As per disclosure received from the Director(s).

\*In terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, only two Committees viz. Audit Committee and Stakeholders' Relationship Committee have been considered.



Route map of the venue of AGM



# हिन्दुस्तान

ATTENDANCE SLIP

## 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 (2<sup>nd</sup> 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

Please complete this Attendance Slip and hand it over at the entrance of the meeting hall

Ledger Folio/DP & Client ID No.:	No. of Shares held:
Name:	
Address:	

I hereby record my presence at the **Annual General Meeting** of the Company held on Thursday, the 19<sup>th</sup> September, 2019 at 2.00 p.m. at Hotel Maurya, South Gandhi Maidan, Patna - 800 001.

\*I hereby give my consent to receive the Annual Reports and Accounts and other documents permissible to be sent through electronic mode instead of physical mode, on my e-mail ID – .....

Signature of Member/Proxy

\*Strike through, if not required.

### Form No. MGT-11

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

# हिन्दुस्तान

PROXY FORM

## 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 (2<sup>nd</sup> 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

Name of the member(s): .....

Registered address: .....

E-mail Id: .....

Folio No./Client Id: ..... DP ID: .....

I/We, being the member(s) of ..... shares of the above named company, hereby appoint

1. Name: ..... E-mail ID: .....

Address: .....

Signature .....

or failing him,

2. Name: ..... E-mail Id: .....

Address: .....

Signature .....

or failing him/her,

3. Name: ..... E-mail Id: .....

Address: .....

Signature .....

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Annual General Meeting of the Company, to be held on the Thursday, the 19<sup>th</sup> September, 2019 at 2:00 p.m. at Hotel Maurya, South Gandhi Maidan, Patna - 800 001 and at any adjournment thereof in respect of such resolutions as are indicated below:

Item No.	Resolution	For	Against
<b>Ordinary Business:</b>			
1.	To consider and adopt the audited financial statements of the Company for the financial year ended March 31, 2019, and the reports of the Board of Directors and Auditors thereon.		
2.	To declare dividend of Rs. 1.20 per equity share of Rs. 10/- (i.e. @ 12%) for the financial year ended on March 31, 2019.		
3.	To appoint Shri Priyavrat Bhartia (DIN: 00020603) as a Director, who retires by rotation, and being eligible, offers himself for re-appointment.		
4.	To appoint B S R and Associates, Chartered Accountants [Firm Registration No. 128901W] as Statutory Auditor of the Company.		
<b>Special Business:</b>			
5.	To re-appoint Dr. Mukesh Aghi as an Independent Director, not liable to retire by rotation.		

Signed this ..... day of ....., 2019

Affix  
Revenue  
Stamp

Signature of Member

Signature of Proxy holder(s)

#### Notes:

- It is optional to indicate your preference. If you leave 'For' or 'Against' column blank against any one or all resolutions, your proxy will be entitled to vote in the manner as he/she may deem appropriate.
- This form of proxy, in order to be effective, should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
- The Proxy form should be signed across the stamp as per specimen signature registered with the Registrar & Share Transfer Agent/Depository.
- If Company receives multiple proxies for the same holding of a Member, the Proxy which is dated last shall be considered valid; if they are not dated or bear the same date without specific mention of time, all such multiple Proxies shall be treated as invalid.