

NOTICE - EQUITY SHAREHOLDERS

HT MEDIA LIMITED

Registered Office : 18-20, Kasturba Gandhi Marg, New Delhi – 110001, India
Tel. No. : +91 11 6656 1234
CIN : L22121DL2002PLC117874
E-mail : investor@hindustantimes.com

MEETING OF THE EQUITY SHAREHOLDERS

OF

HT MEDIA LIMITED

*(Convened pursuant to orders dated March 6, 2018 and April 13, 2018, passed by the
Hon'ble National Company Law Tribunal, New Delhi Bench)*

MEETING:

Day	:	Saturday
Date	:	June 9, 2018
Time	:	11:00 a.m.
Venue	:	Siri Fort Auditorium-II, A-25, Balbir Saxena Marg, Siri Fort Institutional Area, Gulmohar Park, New Delhi-110049

E-VOTING:

Start Date and Time	:	From 9.00 a.m. (Server Time) on May 10, 2018 (Thursday)
End Date and Time	:	Up to 5.00 p.m. (Server Time) on June 8, 2018 (Friday)

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**BEFORE THE HON'BLE NATIONAL COMPANY
LAW TRIBUNAL**

NEW DELHI BENCH

COMPANY APPLICATION NO. (CAA) - 24 (ND) / 2018

In the matter of the Companies Act, 2013;

And

In the matter of Sections 230 to 232 read with Section 66 and other applicable provisions of the Companies Act, 2013;

And

In the matter of Scheme of Arrangement between HT Media Limited and Digicontent Limited (Formerly known as HT Digital Ventures Limited) and their respective shareholders and creditors.

HT Media Limited,

A company incorporated under the provisions of the Companies Act, 1956 and having its registered office at 18-20, Kasturba Gandhi Marg, New Delhi – 110001.

-----Applicant 1/ Demerged Company/HTML

**NOTICE CONVENING THE MEETING OF THE EQUITY
SHAREHOLDERS (WHICH INCLUDES PUBLIC
SHAREHOLDERS) OF HT MEDIA LIMITED**

To,

The Equity Shareholders of HT Media Limited (HTML)

NOTICE is hereby given that pursuant to Order dated March 6, 2018 and April 13, 2018 ("**Orders**"), the Hon'ble National Company Law Tribunal, New Delhi Bench has directed a meeting to be held of Equity Shareholders of HTML for the purpose of considering, and if thought fit, approving with or without modification(s), the Scheme of Arrangement between HTML and Digicontent Limited (Resulting Company) and their respective shareholders and creditors.

In pursuance of the said Orders and as directed therein, further notice is hereby given that the meeting of Equity Shareholders of HTML will be held at Siri Fort Auditorium-II, A-25, Balbir Saxena Marg, Siri Fort Institutional Area, Gulmohar Park, New Delhi - 110049, on Saturday, June 9, 2018 at 11:00 a.m., at which time and place the said Equity Shareholders are requested to attend.

At the meeting, following resolutions will be considered and if thought fit, be passed, with or without modification(s):

"RESOLVED THAT pursuant to the provisions of Sections 230 to 232 read with Section 66 and other applicable provisions, if any, of the Companies Act, 2013, applicable rules and regulations made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the Securities and Exchange Board of India's Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as may be amended from time to time), No objection letter / observation letter dated December 22, 2017 and December 26, 2017 issued by National Stock Exchange

of India Limited and the BSE Limited, respectively, relevant provisions of the Memorandum and Articles of Association of the Company, and subject to sanction/approval(s) of National Company Law Tribunal ("Tribunal" or "NCLT"), and such other approvals, sanctions and permissions of other regulatory or government bodies/tribunals or institutions as may be applicable, and subject to such conditions and modification(s) as may be prescribed or imposed by NCLT or by any regulatory or other authorities, while granting such consents, approvals and permissions, which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the "Board"), the Scheme of Arrangement between HT Media Limited ("HTML" or "Demerged Company") and Digicontent Limited ("Resulting Company") (presently wholly owned subsidiary company of HTML) and their respective shareholders and creditors ("Scheme"), which provides for demerger of 'Entertainment & Digital Innovation Business' of the Company and transfer and vesting thereof into the Resulting Company, a copy of which is enclosed with this Notice and placed before this Meeting and initialed by the Chairperson or the Alternate Chairperson of the Meeting, as the case may be, for the purpose of identification, be and is hereby approved.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds, matters and things, as it may, in its absolute discretion deem requisite, desirable, appropriate or necessary to give effect to this resolution and effectively implement the Scheme and to accept such modifications, amendments, limitations and/or conditions, if any, which may be required and/or imposed by NCLT while sanctioning the Scheme or by any authorities under law, including passing of such accounting entries and/or making such adjustments in the books of accounts as considered necessary in giving effect to the Scheme, as the Board may deem fit and proper, 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 the Equity Shareholders of 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."

TAKE FURTHER NOTICE that the Equity Shareholders may attend and vote at the said Meeting in person or by proxy provided that a proxy in the prescribed form, duly signed by them or their authorised representative, is deposited at the registered office of HTML at 18-20, Kasturba Gandhi Marg, New Delhi – 110001, India, not later than 48 (forty eight) hours before the time fixed for the aforesaid Meeting. The form of proxy can be obtained free of charge from the Registered Office of HTML, on all working days (except Saturdays, Sundays and public holidays) during 10.00 a.m. to 4.00 p.m.

TAKE FURTHER NOTICE that in compliance with the provisions of (i) Section 230(4) read with Section 108 of the Companies Act, 2013; (ii) Rule 6(3)(xi) of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016; (iii) Rule 20 and other applicable provisions of the Companies (Management and Administration) Rules, 2014; (iv) Regulation 44 and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; and (v) Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017 issued by the Securities and Exchange Board of India (as

may be amended from time to time), HTML has provided the facility of e-voting so as to enable the Equity Shareholders, which includes Public Shareholders (as defined in the Notes below), to consider and approve the Scheme by way of aforesaid resolution(s). Accordingly, voting by Equity Shareholders of HTML to the Scheme shall be carried out through (a) E-voting; and (b) Ballot paper at the venue of the Meeting, to be held on June 9, 2018.

Copy of the said Scheme of Arrangement, and of the statement under Sections 230(3), 232(1) & (2) and 102 of the Companies Act 2013 read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 ("**Explanatory Statement**") can be obtained free of charge at the registered office of HTML on all working days (except Saturdays, Sundays and public holidays) during 10.00 a.m. to 4.00 p.m.

NCLT has appointed Shri Dhritiman Bhattacharyya, Advocate, as the Chairperson and failing him, Shri Girish Gupta, Chartered Accountant, as the Alternate Chairperson of the said Meeting, including for any adjournment or adjournments thereof.

A copy of the above mentioned Explanatory Statement, the said Scheme of Arrangement and other enclosures including the Form of Proxy and the Attendance Slip are enclosed and form part of the Notice.

The above mentioned Scheme of Arrangement, if approved by the meeting, will be subject to subsequent approval of the NCLT.

Date: April 30, 2018

Place: New Delhi

Sd/-
Dhritiman Bhattacharyya
Chairperson appointed for the meeting

Registered Office:

18-20, Kasturba Gandhi Marg, New Delhi – 110001

Notes:

1. **An Equity Shareholder of HTML entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend the meeting and vote in his/her stead, and the proxy need not to be an Equity Shareholder 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 scheduled time for holding the Meeting. A blank proxy form is annexed to this Notice and can also be obtained free of charge from the registered office of HTML. All alterations made in the form of proxy should be initialled.**

A person can act as proxy on behalf of Equity Shareholders not exceeding 50 (fifty) in number, and holding in aggregate, not more than 10% of the total share capital of the Company carrying voting rights. An Equity Shareholder 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 Equity Shareholder. 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. Corporate / Institutional Shareholders intending to depute their authorized representative(s) to attend the Meeting are requested to forward at the Registered Office of the Company, certified copy of the Board Resolution/Power of Attorney together with specimen signature(s) of the representative(s), authorizing the said person to attend and vote on their behalf at the Meeting, not later than 48 hours before the meeting.

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.

3. The Statement under Sections 230(3), 232(1) & (2) and 102 of the Companies Act, 2013 read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 ("**Explanatory Statement**") is annexed hereto.
4. NCLT by its Order dated March 6, 2018 and April 13, 2018 ("**Orders**") has directed that the Meeting of the Equity Shareholders of HTML shall be convened and held at Siri Fort Auditorium-II, A-25, Balbir Saxena Marg, Siri Fort Institutional Area, Gulmohar Park, New Delhi - 110049, on Saturday, June 9, 2018 at 11:00 a.m. for the purpose of considering, and if thought fit, approving, with or without modification(s), the Scheme.
5. The Notice, Explanatory Statement together with the accompanying documents, is being sent to all the Equity Shareholders whose names appear in the Register of Members / List of Beneficial Owners received from National Securities Depository Limited

("NSDL") / Central Depository Services (India) Limited ("CDSL") as on Thursday, May 3, 2018 ("**Cut-off date**"). The Notice will be displayed on the website of HTML viz. www.htmmedia.in and on the website of Karvy viz. <https://evoting.karvy.com>.

6. The Notice, Explanatory Statement together with the accompanying documents, is being sent to the Equity Shareholders in electronic form whose e-mail addresses are registered with the Depository Participants (in case of electronic shareholding) or the Company's Registrar and Share Transfer Agent (in case of physical shareholding), unless the Equity Shareholder(s) has requested for a physical copy of the same. For Equity Shareholders whose e-mail addresses are not registered, physical copies of the Notice are being sent by the permitted mode.

7. Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017 ("SEBI Circular") issued by the Securities and Exchange Board of India ("SEBI") as amended from time to time, inter alia, provides that approval of Public Shareholders of HTML to the Scheme shall be obtained by way of e-voting. Since, HTML is seeking approval of all its equity shareholders (which include the Public Shareholders) to the Scheme by way of e-voting, no separate procedure for e-voting would be required to be carried out by HTML for seeking the approval to the Scheme by its Public Shareholders in terms of SEBI Circular. The aforesaid Notice sent to the Equity Shareholders (which includes Public Shareholders) of HTML would be deemed to be the notice sent to the Public Shareholders of HTML. For this purpose, the term "Public" shall have the meaning assigned to it in Rule 2(d) of the Securities Contracts (Regulations) Rules, 1957 and the term "Public Shareholders" shall be construed accordingly.

8. In compliance with the provisions of (i) Section 230(4) read with Section 108 of the Companies Act, 2013; (ii) Rule 6(3)(xi) of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016; (iii) Rule 20 and other applicable provisions of the Companies (Management and Administration) Rules, 2014; (iv) Regulation 44 and other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015; and (v) SEBI Circular, the Equity Shareholders have been provided with the facility to cast their vote on the resolution(s) to consider and approve the Scheme set forth in this Notice, through e-voting. The Company has engaged the services of Karvy Computershare Private Limited (Karvy), the Registrar & Share Transfer Agent of the Company, as the authorized agency to provide the e-voting facility. The Company will also provide facility to vote through ballot paper at the venue of the Meeting.

Accordingly, voting by the Equity Shareholders of HTML to the Scheme shall be carried out through (a) E-voting; and (b) Ballot paper at the venue of the Meeting to be held on Saturday, June 9, 2018.

Kindly note that the Equity Shareholders (which include the Public Shareholders) can opt for only single mode of voting i.e. through e-voting or voting at the venue of the Meeting. If an Equity Shareholder casts votes by both modes, then voting done through e-voting shall prevail and voting at the Meeting shall be treated as invalid.

Further, the Equity Shareholders who have cast their vote through e-voting, may attend the Meeting but shall not be allowed to vote again thereat.

9. Any person, whose name appears in the Register of Equity Shareholders / list of Beneficial Owners as on the Cut-off date i.e. May 3, 2018, shall only be entitled to vote through e-voting or through ballot paper at the venue of Meeting on the resolution(s) set forth in the Notice. The voting rights of Equity Shareholders shall be reckoned on the paid-up value of shares registered in the name of Equity Shareholders / Beneficial Owners as on the Cut-off date.

10. The quorum of the Meeting of the Equity Shareholders of HTML shall be 75% in value. In case the quorum as noted above for the Meeting is not complete at the scheduled time, then the Meeting shall be adjourned by half an hour, and thereafter, the person present at the Meeting shall be deemed to constitute the quorum.

11. Equity Shareholders / Proxies / Authorised representative(s) may kindly note the following:

- (i) Copies of the Notice will not be distributed at the venue of the Meeting;
- (ii) Attendance Slip, sent herewith, is required to be produced at the venue duly filled-in and signed, for attending the Meeting;
- (iii) Entry to the hall will be in exchange for duly completed and signed Attendance Slips; and
- (iv) In all correspondence with the Company and/or Karvy, please quote Folio No. or DP & Client Id No., as the case may be.

12. The documents referred to in the Notice and accompanying Explanatory Statement shall be available for inspection without any fee by the Equity Shareholders on all working days (except Saturdays, Sundays and Public holidays) during 10.00 a.m. to 4.00 p.m. at the Registered Office of HTML, from the date of dispatch of this Notice till the date of the Meeting.

13. Karvy Computershare 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 Computershare Private 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

14. During the period beginning 24 (twenty four) hours before the time fixed for the commencement of the Meeting and ending with the conclusion of the Meeting, an Equity Shareholder would be entitled to inspect the proxies lodged at any time during the business hours of HTML, provided that not less than 3 (three) days of notice in writing is given at the Registered Office of HTML.

15. The e-voting facility will be available during the following period:

Commencement of e-voting	From 9.00 a.m. (Server time) on May 10, 2018 (Thursday)
End of e-voting	Up to 5.00 p.m. (Server time) on June 8, 2018 (Friday)

During the aforesaid period, the Equity Shareholders (which includes Public Shareholders) of HTML holding shares either in physical form or in dematerialized form, as on the Cut-off date, i.e. May 3, 2018, may cast their vote electronically. The e-voting module 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. Once the vote on the resolution is cast by an Equity Shareholder, he or she will not be allowed to change it subsequently. **Equity Shareholders are requested to carefully read the "Procedure and instructions for e-voting" outlined hereunder.**

16. In terms of the directions contained in the Orders, the advertisement will be published in (i) 'Hindustan Times' newspaper in the English and Hindi Language (Delhi edition); and (ii) 'Hindustan' newspaper in Hindi language (Delhi edition) indicating the day, date, place and time of the Meeting and stating that the copies of the Scheme, the Explanatory Statement and the form of Proxy can be obtained free of charge on all working days (except Saturdays, Sundays and Public Holidays) during 10.00 a.m. to 4.00 p.m. from the Registered Office of HTML.

17. In accordance with the provisions of Sections 230 to 232 of the Companies Act, 2013, the Scheme shall be acted upon only if a majority of persons representing three-fourth in value of the Equity Shareholders of HTML, voting in person or by proxy or e-voting, agree to the Scheme.

18. NCLT has appointed, Ms. Deeti Ojha, Advocate as the Scrutinizer to scrutinize the voting through e-voting process and voting at the venue of the Meeting.

19. The Scrutinizer, shall on conclusion of e-voting period, unblock the votes in the presence of at least two witnesses not in employment of HTML. Thereafter, the Scrutinizer will submit her report to the Chairman of the Meeting, after completion of scrutiny of votes cast by Equity Shareholders (which includes Public Shareholders) of HTML, through (i) e-voting, and (ii) ballot paper at the venue of the Meeting, who shall countersign the same. The Scrutinizer's decision on the validity of the votes (including e-votes) shall be

- final. The results of the voting on the resolution(s) set out in the Notice, will be announced on or before June 11, 2018. The results, together with the Scrutinizer's report, will be displayed on the Notice Board of HTML at its registered office, on the website of HTML viz. www.htmedia.in and on Karvy's website viz. <https://evoting.karvy.com>, besides being communicated to BSE Limited and National Stock Exchange of India Limited.
20. **Equity Shareholders may please note that briefcase, bag, mobile phone, and/or eatables shall not be allowed to be taken inside the hall for security reasons.**
 21. The resolutions shall be deemed to be passed on the date of Meeting, subject to receipt of requisite number of votes being cast in favour of the resolution(s).
 22. Route map of the venue of the Meeting is annexed to the Notice.
 23. **PROCEDURE AND INSTRUCTIONS FOR E-VOTING**
 - (A) **In case of Equity Shareholders receiving copy of Notice via email [whose e-mail 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 should 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., "HT Media Limited".
 - (B) **In case of Equity Shareholders receiving physical copy of Notice [whose e-mail 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 (xii) of para 23(A) above to cast your vote by electronic means.
 24. **In case of any query/grievance, in respect of e-voting, Equity Shareholders may refer to Help & FAQ's section / E-voting user manual available under the "Downloads" section of Karvy's website viz. <https://evoting.karvy.com> or contact Mr. G. Ramesh Desai, Manager at Karvy Computershare Private Limited, Karvy Selenium Tower B, Plot No. 31-32, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad - 500 032 or at email address viz. evoting@karvy.com or contact no. 040-6716 2222 or Karvy's toll free No. 1800-345-4001 (from 9.00 a.m. to 6.00 p.m.).**
- 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 should 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. Equity Shareholders 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 else "CANCEL" to modify. Once you have voted on the resolution, you will not be allowed to modify.
 - xii. Corporate/Institutional Equity Shareholders (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: deeti.ojha@unitylegal.com with a copy marked to 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."**

**BEFORE THE HON'BLE NATIONAL COMPANY LAW
TRIBUNAL**

NEW DELHI BENCH

COMPANY APPLICATION NO. (CAA) - 24 (ND) / 2018

In the matter of the Companies Act, 2013;

And

In the matter of Sections 230 to 232 read with Section 66 and other applicable provisions of the Companies Act, 2013;

And

In the matter of Scheme of Arrangement between HT Media Limited and Digicontent Limited (Formerly known as HT Digital Ventures Limited) and their respective shareholders and creditors.

HT Media Limited,

A company incorporated under the provisions of the Companies Act, 1956 and having its registered office at 18-20, Kasturba Gandhi Marg, New Delhi – 110001.

---Applicant-1/ Demerged Company/HTML

Statement under Sections 230(3), 232(1) & (2) and 102 of the Companies Act, 2013 read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 ("Explanatory Statement")

1. Pursuant to the Orders dated March 6, 2018 and April 13, 2018, passed by the Hon'ble National Company Law Tribunal, New Delhi Bench (the "Tribunal" or "NCLT") in Company Application Number (CAA) - 24 (ND) / 2018, filed jointly by HT Media Limited ("HTML") and Digicontent Limited ("Resulting Company"), a meeting of the Equity Shareholders of HTML, is being convened and to be held at Siri Fort Auditorium-II, A-25, Balbir Saxena Marg, Siri Fort Institutional Area, Gulmohar Park, New Delhi - 110049, on Saturday, June 9, 2018 at 11:00 a.m., for the purpose of considering and if thought fit, approving, with or without modification(s), the proposed Scheme of Arrangement between the joint applicants and their respective shareholders and creditors (hereinafter referred to as the "Scheme" or "Scheme of Arrangement") under Sections 230 to 232 read with Section 66 and other applicable provisions of the Companies Act, 2013 (the "Act"). A copy of the Scheme setting out details of parties involved in the proposed Scheme, Appointed Date, Effective Date, Share Entitlement Ratio etc., is enclosed as **Annexure 1**. Capitalised terms used herein but not defined shall have the meaning assigned to them in the Scheme, unless otherwise stated.
2. In terms of the Order dated March 6, 2018, the quorum for the said Meeting shall be 75% in value. In case the quorum as noted above for the meeting is not complete at the scheduled time, then the meeting

shall be adjourned by half an hour and thereafter, the person(s) present at the meeting shall be deemed to constitute the quorum. Further, in terms of the Order dated March 6, 2018, the Tribunal has appointed Shri Dhritiman Bhattacharyya, Advocate as the Chairperson of the Meeting and failing him, Shri Girish Gupta, Chartered Accountant, as the Alternate Chairperson of the said meeting, including for any adjournment or adjournments thereof.

3. This Explanatory Statement is being furnished as required under Sections 230(3), 232(1) & (2) and 102 of the Companies Act, 2013 (the "Act"), read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016.
4. As stated earlier, NCLT by its Order dated March 6, 2018 and April 13, 2018, has, inter alia, directed that a meeting of the Equity Shareholders of HTML shall be convened and held at Siri Fort Auditorium-II, A-25, Balbir Saxena Marg, Siri Fort Institutional Area, Gulmohar Park, New Delhi - 110049, on Saturday, June 9, 2018 at 11:00 a.m. (1100 hours) for the purpose of considering, and if thought fit, approving, with or without modification(s), the arrangement embodied in the Scheme. Equity shareholders shall be entitled to vote in the said Meeting either in person or through proxy.

In addition, HTML is seeking the approval of its Equity Shareholders to the Scheme by way of e-voting. Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017 ("SEBI Circular") issued by the Securities and Exchange Board of India ("SEBI") as amended from time to time, inter alia, provides that approval of Public Shareholders of HTML to the Scheme shall be obtained by way of voting through e-voting. Since, HTML is seeking the approval of its Equity Shareholders (which includes Public Shareholders) to the Scheme by way of e-voting, no separate procedure for e-voting would be required to be carried out by HTML for seeking the approval to the Scheme by its Public Shareholders in terms of SEBI Circular. The aforesaid Notice sent to the Equity Shareholders (which includes Public Shareholders) of HTML would be deemed to be the Notice sent to the Public Shareholders of HTML. For this purpose, the term "Public" shall have the meaning assigned to it in Rule 2(d) of the Securities Contracts (Regulations) Rules, 1957 and the term "Public Shareholders" shall be construed accordingly.

5. In accordance with the provisions of Sections 230 to 232 of the Act, the Scheme shall be acted upon only if a majority in number representing three-fourths in value of the Equity Shareholders, of HTML, voting in person or by proxy or e-voting, agree to the Scheme.
6. If the entries in the records/registers of HTML in relation to the number or value, as the case may be, of the equity shares are disputed, the Chairman of the Meeting shall determine the number or value, as the case may be, for the purposes of the said Meeting, subject to the Orders of NCLT in the petition seeking sanction of the Scheme.

BACKGROUND OF THE COMPANIES

Particulars of HT Media Limited (HTML)

7. HT Media Limited (hereinafter referred to as "HTML"), was incorporated on December 3, 2002 as a public company limited by shares. The Corporate Identification Number of the HTML is L22121DL2002PLC117874. The Registered Office of HTML is situated at 18-20, Kasturba Gandhi Marg, New Delhi – 110001.
 8. The email and website address of HTML is investor@hindustantimes.com and www.htmedia.in, respectively.
 9. HTML is engaged in Printing and publication of newspapers and periodicals; FM Radio Broadcasting; Entertainment & Digital Innovation Business and Online job portal "shine.com". The objects of HTML set out under Clause III(A) of its Memorandum of Association are as under:
 - (a) To print, publish, conduct for sale or deal in one or more newspapers, periodicals, magazines books, pamphlets etc., either daily or otherwise, in English, Hindi or any other language.
 - (b) To manufacture, produce, exhibit, distribute, buy and sell, assign, licence, telecast, broadcast news and current affairs, television films, commercial films, video films, video magazines and to engage in other similar activities related thereto.
 - (c) To engage in the business of dissemination of news, knowledge and information of general interest, across the globe, through web-page design, creation, hosting and any business relating to the Internet or e-mail, networking and communication environments.
 - (d) To engage in the business of radio broadcast and all other allied activities including producing, buying, selling and distribution of radio programs.
 - (e) To carry on in India and elsewhere the business to produce, promote, manage, project, procure or acquire rights, participate, manufacture, process, prepare, alter, develop, expose, edit, exhibit, broadcast, transmit, make, remake, display, print, reprint, convert, duplicate, finish, buy, sell, run, import, export and deal in any manner, to act as broker, agent, distributor, proprietor, organizers, promoters, sponsors, copyright owners, audio & video right owners, media partners and media advisors of all kinds of live and recorded sports, entertainment events, news & current affair events, summits, pageants, concerts, shows, exhibitions, premiers in all languages in India or elsewhere.
 - (f) To carry on business as advertising agent, to purchase and sell advertising time or space on any media like, newspaper, magazine, pamphlet, publications, television, radio, mobile, internet, satellite in India or abroad or any other kind of media currently in vogue or which may be in vogue at any time, and to act as agent or representative for any person(s) or entities for soliciting/booking advertisements and/or any other promotional, commercial and other programmes on any form of media or medium including collection of charges and remittances thereof to principals and any other activities related to or necessary in the context of the said business.
 - (g) To act as manufacturers, importers, exporters and dealers in all kinds and classes of paper, board, or any other articles or things of a character similar or analogous to the foregoing.
 - (h) To provide managerial, consulting and/or advisory based services.
 - (i) To establish, purchase, acquire, operate, manage, maintain, develop, and /or run, either on its own, or in collaboration with others, coaching classes, training centers, schools, colleges, universities, bureaus, websites, research laboratories and other academic/non-academic institutions, for imparting primary, secondary and higher level education, in all disciplines of arts, science, commerce, engineering, medicine, para-medical, management, computers, management and information technology, in and outside India, by way of oral, written, correspondence, teleconferencing and online courses.
- Further, Sub Clause 9 of Clause III(B) of the Memorandum of Association of HTML authorizes arrangement, scheme, merger, demerger, etc. with any other company and the same is extracted below:
- "To amalgamate, enter into any arrangement, scheme or merger or demerger, with any other company or companies whose objects in whole or part are similar to or include objects similar to those of the Company or to demerge any unit of the company, on such terms as may be agreed upon between the several companies."
- Sub Clauses (a), (g), (h) and (i) of the aforesaid Clause III(A) of HTML were inserted/alterd and effective from February 22, 2018 pursuant to Certificate of registration issued by the Registrar of Companies, Delhi. Except as stated above, there has been no change in the main objects clause of HTML in the last 5 years.
10. During the last five years, there has been no change in the name and registered office of HTML.
 11. It may be noted that HTML is a public limited company and its securities are listed on BSE Limited (BSE) and National Stock Exchange of India Limited (NSE).
 12. The capital structure of HTML as on March 31, 2018 is as under:

Particulars	Amount (in Rs.)
Authorised Share Capital	
36,25,00,000 Equity Shares of Rs.2/-each	72,50,00,000/-
Total	72,50,00,000/-
Issued, Subscribed and Paid-up Share Capital	
23,27,48,314 Equity Shares of Rs.2/- each fully paid up	46,54,96,628/-
Total	46,54,96,628/-

13. The names and addresses of the Promoters of HTML including their shareholding in HTML and the Resulting Company as on March 31, 2018, is outlined below:

S. No.	Name and address of Promoters	No. of shares held in HTML	Percentage of shares held	No. of shares held in the Resulting Company	Percentage of shares held
1	Smt. Shobhana Bhartia 19, Friends Colony (West), Delhi - 110065	20*	0.00	0	0.00
2	Shri Priyavrat Bhartia 19, Friends Colony (West), Delhi – 110065	1	0.00	5 [#]	0.01
3	Shri Shamit Bhartia 19, Friends Colony (West), Delhi - 110065	1	0.00	5 [#]	0.01
4	The Hindustan Times Limited HT House, 18-20, Kasturba Gandhi Marg, New Delhi – 110001	16,17,54,490	69.50	0	0.00
5	Go4i.com (Mauritius) Limited IFS Court, Twenty Eight, Cybercity, Ebene, Mauritius	22,581	0.01	0	0.00

*19 shares held as nominee of Go4i.com (Mauritius) Limited

[#]held as nominee of HTML

14. The list of Directors of HTML as on March 31, 2018 along with their names and addresses is outlined below:

S. No.	Name, DIN and address of Directors	Designation
1	Smt. Shobhana Bhartia (DIN: 00020648) 19, Friends Colony (West), Delhi – 110065	Chairperson & Editorial Director
2	Shri Kashi Nath Memani (DIN: 00020696) 177C, Western Avenue Lane No. 7, Sainik Farms New Delhi – 110062	Independent Director
3	Shri Ajay Relan (DIN: 00002632) 191, Golf Links, New Delhi – 110003	Independent Director
4	Shri Vikram Singh Mehta (DIN: 00041197) 23, Friends Colony (West), New Delhi – 110065	Independent Director
5	Shri Vivek Mehra (DIN: 00101328) B-314, New Friends Colony, New Delhi -110025	Independent Director (Additional Director)
6	Shri Priyavrat Bhartia (DIN: 00020603) 19, Friends Colony (West), Delhi – 110065	Director
7	Shri Shamit Bhartia (DIN: 00020623) 19, Friends Colony (West), Delhi – 110065	Director
8	Shri Dinesh Mittal (DIN: 00105769) 228, Jagriti Enclave, IIIrd Floor, Delhi – 110092	Whole-time Director, Group General Counsel & Company Secretary

15. The details of shareholding of the Directors and Key Managerial Personnel of HTML, in HTML and the Resulting Company as on March 31, 2018 is outlined below:

S. No.	Name and Designation	No. of shares held in HTML	No. of shares held in the Resulting Company
1	Smt. Shobhana Bhartia (Chairperson & Editorial Director)	20*	0
2	Shri Kashi Nath Memani (Independent Director)	0	0
3	Shri Ajay Relan (Independent Director)	0	0
4	Shri Vikram Singh Mehta (Independent Director)	0	0
5	Shri Vivek Mehra (Independent Director - Additional Director)	0	0
6	Shri Priyavrat Bhartia (Director)	1	5 [#]
7	Shri Shamit Bhartia (Director)	1	5 [#]
8	Shri Dinesh Mittal (Whole-time Director, Group General Counsel & Company Secretary)	1	5 [#]
9	Shri Rajiv Verma (Chief Executive Officer)	1	0
10	Shri Piyush Gupta (Group Chief Financial Officer)	0	5 [#]

*19 shares held as nominee of Go4i.com (Mauritius) Limited

[#]held as nominee of HTML

Since, March 31, 2018 and till the date of this Notice, there has been no change in the capital structure, details of Promoters, Directors and Key Managerial Personnels of HTML (including their shareholding) as outlined under para 12, 13, 14 and 15 above.

Particulars of Digicent Limited (Resulting Company)

16. Digicent Limited (hereinafter referred to as the “Resulting Company”) was incorporated on August 14, 2017 as a public company limited by shares under the name of “HT Digital Ventures Limited”. Subsequently, the name was changed to “Digicent Limited” with effect from October 24, 2017. The Corporate Identification Number of the Resulting Company is U74999DL2017PLC322147. The Registered Office of the Resulting Company is situated at Hindustan Times House, 2nd Floor, 18-20, Kasturba Gandhi Marg, New Delhi – 110001.
17. The email and website address of the Resulting Company is secretarial@hindustantimes.com and www.digicent.co.in.
18. The Resulting Company is authorised under its Memorandum of Association to engage in entertainment and digital innovation business. The objects of the Resulting Company set out under Clause III(A) of its Memorandum of Association are as under:
- To engage in, deal, carry out any activity or business in the digital media space and electronic media, for creation, dissemination and/or integration of news, knowledge, information, entertainment, brand/event promotion and content of general interest, in English, Hindi or any other language, across the globe through networking, telecom, web-page design, creation, hosting, radio, television and/or any other mode of communication whether currently in vogue or which may be in vogue in the future.
 - To carry on in India or elsewhere, the business to produce, promote, manage, project, procure, acquire rights, develop digital and other tools, create, curate, edit, aggregate, digital content (including photo, audio and video content) and/or to participate in, manufacture, process, aggregate, accumulate, syndicate, prepare, alter, develop, edit, exhibit, broadcast, transmit, make, remake, display, print, reprint, convert, duplicate, finish, buy, sell, promote, run, import, export, act as broker, agent, distributor, proprietor, organizers, promoter, sponsors, copyright owner, audio & video right owner, media partners / advisors or deal in any manner, in all kinds of audio, video, photo or digital content, live and recorded sports, entertainment events, music, news & current affairs events, summits, pageants, concerts, shows, exhibitions, premiers, in all languages in India or elsewhere.

- (c) To carry on by itself, or through franchisees or licensees, classified advertisement business including but not limited to jobs, education, property, automobile, matrimonial, travel, sale or purchase of merchandise and/or providing services in relation thereto, through internet or any other digital medium; to provide web-based services, including but not limited to gaming, blogging, audio-video streaming etc. by designing, creating, hosting, servicing web-sites or any other platform, establishing, providing, operating and managing, e-commerce, direct-to-home, m-commerce platforms, for sale of all categories of products and / or services; to create, develop and market any technology for facilitation of mobile or electronic or internet based payments or any other technology based payments for transactions, whether currently in vogue or which may be in vogue in the future.
- (d) To carry on any business relating to Internet or e-mail, networking and communication environments, including but not limited to search engines, jobs, education, property, automobile, classifieds, matrimonial, travel, sale/purchase of merchandise and/or providing services etc. through internet/on-line medium and/or to provide various web-based services, including but not limited to gaming, blogging, audio/video streaming etc. by designing, creating, hosting, servicing etc. appropriate web-sites, merchandising the web-sites or any other internet based media, to be the licensee of different web-sites, to manage, operate and maintain web-sites of different types (content, technical or otherwise) web related products or internet related activities and to execute e-commerce, e-logic, e-solutions, business of internet service, electronic mail service, facsimile service, content marketing efficiency model, content and event aggregation for online medium and/or mobile applications, providing or engaging in business of m-commerce solutions, providing content for value added services in mobile telephones and/or other communication systems and to carry on any internet, web-based or any other prevalent or future technology based business.
- (e) To carry on the business to act as advisors, consultants, guides, executants, agents, liaison representatives or in any other manner, for marketing promotion and/or brand promotion, including business-to-business solutions of any product, person, entity, advertisement and public relations agency, government and non-governmental organization, through all communication mediums, including but not limited to newspaper, magazine, pamphlet, publications, television, events, conferences, radio, mobile, internet, satellite in India or abroad or any other kind of media currently in vogue or which may be in vogue in the future.

Further, Sub Clause 9 of Clause III(B) of the Memorandum of Association of the Resulting Company authorizes arrangement, merger, demerger, etc. with any other company and the same is extracted below:

“To enter into any merger, amalgamation, demerger or restructuring arrangement, with any other company or companies whose objects in whole or part are similar to or include objects similar to those of the Company or to demerge any unit of the company, on such terms as may be agreed upon between the several companies.”

19. There is no change in the main objects clause summarised under para 18 above of the Resulting Company since its incorporation. Also, there is no change in the registered office of the Resulting Company since its incorporation.
20. It may be noted that the Resulting Company is a public limited company and its securities are not listed on any stock exchange.
21. The capital structure of the Resulting Company as on March 31, 2018 is as under

Particulars	Amount (in Rs.)
Authorised Share Capital	
50,000 Equity Shares of Rs.2/- each	1,00,000/-
Total	1,00,000/-
Issued, Subscribed and Paid-up Share Capital	
50,000 Equity Shares of Rs.2/- each	1,00,000/-
Total	1,00,000/-

The face value of Equity Shares of the Resulting Company has been sub-divided from Rs.10/- per equity share to Rs. 2/- per equity share, w.e.f. January 4, 2018.

22. The names and address of the Promoter of the Resulting Company including its shareholding in HTML and the Resulting Company as on March 31, 2018, is outlined below:

S. No.	Name and address of Promoters	No. of shares held in HTML	Percentage of shares held	No. of shares held in the Resulting Company	Percentage of shares held
1	HT Media Limited 18-20, Kasturba Gandhi Marg, New Delhi – 110001	Not Applicable	-	50,000*	100.00

*Includes shares held alongwith its Nominee(s)

23. The list of Directors of the Resulting Company as on March 31, 2018 is outlined below:

S. No.	Name, DIN and address of Directors	Designation
1	Shri Priyavrat Bhartia (DIN: 00020603) 19, Friends Colony (West), Delhi – 110065	Director
2	Shri Rajiv Verma (DIN: 00017110) S-441, Greater Kailash - II, Delhi – 110048	Director
3	Shri Sharad Saxena (DIN: 02239469) 204 B, Beverly Park I, M.G. Road, Gurgaon -122001	Director

24. The details of shareholding of the Directors and Key Managerial Personnel of the Resulting Company in HTML and the Resulting Company as on March 31, 2018 is outlined below:

S. No.	Name	No. of shares held in HTML	No. of shares held in the Resulting Company
1	Shri Priyavrat Bhartia (Director)	1	5 [#]
2	Shri Rajiv Verma (Director)	1	0
3	Shri Sharad Saxena (Director)	0	5 [#]

[#]held as nominee of HTML

Note: The Resulting Company does not have any Key Managerial Personnel

Since, March 31, 2018 and till the date of this Notice, there is no change in the capital structure, details of Promoters and Directors of the Resulting Company (including their shareholding) as outlined under para 21, 22, 23 and 24 above.

RELATIONSHIP SUBSISTING BETWEEN PARTIES TO THE SCHEME

25. The Resulting Company is a wholly-owned subsidiary of HTML.

BOARD MEETING OF HTML AND THE RESULTING COMPANY FOR APPROVAL OF THE SCHEME

26. The Scheme has been unanimously approved by the Board of Directors of HTML vide resolution passed in the meeting held on August 25, 2017. Out of total 8 directors of HTML, 6 directors were present in the Meeting, all of whom voted in favour of the resolution. The details of voting by Directors on the resolution is as under:

S. No.	Name of Directors	Voting on the Resolution
1	Smt. Shobhana Bhartia	In Favour
2	Shri Kashi Nath Memani	In Favour
3	Shri Ajay Relan	In Favour
4	Shri N. K. Singh	Not Present
5	Shri Vikram Singh Mehta	Not Present*
6	Shri Priyavrat Bhartia	In Favour
7	Shri Shamit Bhartia	In Favour
8	Shri Dinesh Mittal	In Favour

**Participated via tele-conferencing*

27. The Scheme has been unanimously approved by the Board of Directors of the Resulting Company vide resolution passed in the meeting held on August 25, 2017. All the 3 directors of the Resulting Company were present in the Meeting, and voted in favour of the resolution. The details of voting by Directors on the resolution is as under:

S. No.	Name of Directors	Voting on the resolution
1	Shri Priyavrat Bhartia	In Favour
2	Shri Rajiv Verma	In Favour
3	Shri Sharad Saxena	In Favour

APPROVALS AND ACTIONS TAKEN IN RELATION TO THE SCHEME

28. National Stock Exchange of India Limited was appointed as the designated Stock Exchange by HTML for the purpose of co-ordinating with the SEBI, pursuant to the SEBI Circular.

29. HTML received No adverse observation letter and No-objection letter regarding the Scheme from NSE and BSE, respectively, each dated December 22, 2017 and December 26, 2017 conveying their No adverse observations and No-objection for filing the Scheme with NCLT.

Copies of the aforesaid No adverse observations and No-objection letters of NSE and BSE, respectively, are enclosed as **Annexures 4 and 5**.

30. As required by the SEBI Circular, HTML had filed the complaints report with BSE and NSE on October 24, 2017. These reports indicate that HTML has not received any complaints. A copy of the complaints report submitted by HTML to BSE and NSE, dated October 24, 2017 is enclosed as **Annexure 6**.

31. HTML and the Resulting Company, filed joint application being Company Scheme Application No. (CAA) - 24 (ND) / 2018 along with annexures thereto (which includes the Scheme) with the Hon'ble National Company Law Tribunal, Delhi Bench, Delhi, on February 5, 2018. The shareholding details (face value and holding pattern) mentioned in this Notice has been updated for changes from the date of filing of the application.

VALUATION AND ACCOUNTING TREATMENT

32. Copy of Share Entitlement Ratio Report obtained from M/s Jain Jindal & Co., Chartered Accountants, dated August 25, 2017 is enclosed as **Annexure 2**. No special valuation difficulties were reported by M/s Jain Jindal & Co., Chartered Accountants in their aforesaid report.

33. The accounting treatment as proposed in the Scheme is in conformity with the accounting standards prescribed under Section 133 of the Companies Act, 2013. The certificate issued by the Statutory Auditor of both HTML and the Resulting Company in this behalf, is open for inspection at the registered office of HTML.

SALIENT EXTRACTS OF THE SCHEME

34. The key terms of the Scheme of Arrangement have been reproduced herein below:

i. Clause 1.3 provides Appointed Date to be March 31, 2018 (at close of business hours).

ii. Clause 1.8 provides that "Effective Date" means the date on which the last of the conditions mentioned in Clause 18 of Part C of the Scheme is fulfilled and the Scheme is made effective with effect from the Appointed Date. Any references in this Scheme to the "date of coming into effect of this Scheme" or "effectiveness of the Scheme" or "Scheme taking effect" shall mean the Effective Date.

iii. Clause 5.1 provides that upon the coming into effect of this Scheme and with effect from the Appointed Date, the "Entertainment & Digital Innovation Business" (including all the estate, assets, rights, claims, title, interest and authorities including accretions and appurtenances of the "Entertainment & Digital Innovation Business") shall, without any further act, instrument, deed, matter or thing, be demerged from HTML and stand transferred to and vested in the Resulting Company or be deemed to have been demerged from HTML, and transferred to and vested in the Resulting Company as a going concern, so as to become as and from the Appointed Date, the estate, assets, rights, claims, title, interests and authorities of the Resulting Company, pursuant to Section 232 of the Act.

iv. Clause 6.1 provides that upon the coming into effect of this Scheme, all legal or other proceedings (including before any statutory or quasi-judicial authority or tribunal) by or against HTML, under any statute, whether pending on the Appointed Date, or which may be instituted any time in the future and in each relating to the Entertainment & Digital Innovation Business shall be continued and enforced by or against the Resulting Company after the Effective Date. In the event that the legal proceedings referred to herein require HTML and the Resulting Company to be jointly treated as parties thereto, the Resulting Company shall be added as a party to such proceedings and shall prosecute and defend such proceedings in co-operation with HTML. In the event of any difference or difficulty in determining as to whether any specific legal or other proceedings relate to the Entertainment & Digital Innovation Business or not, a decision jointly taken by the Board of Directors of HTML and the Resulting Company in this regard, shall be conclusive evidence of the matter.

v. Clause 7.1 provides that upon the coming into effect of this Scheme and subject to the provisions of this Scheme, all contracts, deeds, bonds, agreements, schemes, arrangements and other instruments of whatsoever nature in relation to the Entertainment & Digital Innovation Business to which HTML is a party or to the benefit of which HTML may be eligible, and which are subsisting or have effect immediately before the Effective Date, shall be in full force and effect by or against or in favour of the Resulting Company, as the case may be, and may be enforced as fully and effectually as if, instead of HTML, the Resulting Company had been a party or beneficiary or obligee thereto.

vi. Clause 8.1 provides that transfer and the vesting of the assets, liabilities and obligations of the Entertainment & Digital Innovation Business under clause 5 hereof and the continuance of proceedings by or against the Resulting Company under clause 6 hereof shall not affect any transaction or proceedings already completed by HTML on or after the Appointed Date, to the end and intent that the Resulting Company adopts, accepts all acts, deeds and things done and executed by and/or on behalf of HTML in relation to Entertainment & Digital Innovation Business as acts, deeds and things made, done and executed by and on behalf of the Resulting Company.

- vii. Clause 9.1 provides that upon the coming into effect of this Scheme, all the employees relating to the Entertainment & Digital Innovation Business that were employed by HTML, immediately before the Effective Date, shall become the employees of the Resulting Company without any break or interruption of service and with the benefit of continuity of service on terms and conditions which are not less favorable than the terms and conditions as were applicable to such employees relating to the Entertainment & Digital Innovation Business of HTML immediately prior to the demerger of the Entertainment & Digital Innovation Business.
- viii. Clause 10.1 provides that with effect from the Appointed Date and up to and including the Effective Date:
- a) HTML undertakes to carry on and shall be deemed to carry on all businesses and activities and stand possessed of the properties and assets of the Entertainment & Digital Innovation Business, for and on account of and in trust for the Resulting Company.
 - b) All profits accruing to HTML and all taxes thereon or losses arising or incurred by it with respect to the Entertainment & Digital Innovation Business shall, for all purposes, be treated as and deemed to be the profits, taxes or losses, as the case may be, of the Resulting Company.
 - c) All accretions and depletions in relation to the Entertainment & Digital Innovation Business shall be for and on account of the Resulting Company.
- ix. Clause 11.2 provides that with effect from the Appointed Date and upon the Scheme becoming effective, all taxes, duties, cess, receivables/ payables by HTML relating to the Entertainment & Digital Innovation Business including all or any refunds/ credits/ claims/ tax losses/ unabsorbed depreciation relating thereto shall be treated as the assets/ liability or refund/ credit/ claims/ tax losses/ unabsorbed depreciation, as the case may be, of the Resulting Company.
- x. Clause 12.1 provides that upon the coming into effect of this Scheme and in consideration of the transfer and vesting of the Entertainment & Digital Innovation Business of HTML in the Resulting Company, the Resulting Company shall, without any further act or deed, issue and allot to the equity shareholders of HTML, whose names appear in the Register of Equity Shareholders of HTML, on a date (hereinafter referred to as "Record Date") to be fixed in that behalf by the Board of Directors of HTML in consultation with the Resulting Company for the purpose of reckoning the names of the equity shareholders of HTML in the following proportion namely:
- "for every 4 (four) equity share of face value of Rs. 2/- (Rupees two only) each held in HTML as on the record date, the equity shareholders of HTML shall be issued 1 (one) equity share of face value Rs. 2/- (Rupees two only) each credited as fully paid-up in the Resulting Company."
- xi. Clause 13 provides that on effectiveness of the Scheme and with effect from the Appointed Date, HTML shall account for Demerger of the Entertainment & Digital Innovation Business in its books of account in accordance with the Indian Accounting Standard (IND AS) prescribed under Section 133 of the Companies Act, 2013, as notified under the Companies (Indian Accounting Standard) Rules, 2015 and generally accepted accounting principles, as may be amended from time to time, as under:
- a) All the assets and the liabilities of the Entertainment & Digital Innovation business being transferred shall be reduced at their Book Value as on the Appointed date. (other than inter-company loan, if any, referred to in Clause 5.23 of the Scheme).
 - b) The difference between the book value of assets and book value of liabilities of the Entertainment & Digital Innovation business as on the Appointed date shall be adjusted against the Capital Reserve, to the extent required.
 - c) If considered appropriate for compliance with Accounting Standards, HTML may make suitable adjustment to the accounting treatment and adjust the effect thereof in the manner determined by the Board of Directors of HTML.
 - d) Upon the Scheme being effective, the existing equity shareholding of HTML in the Resulting Company shall stand cancelled. Upon cancellation, HTML shall credit to its investment in the Resulting Company, the value of investment held by HTML in the Resulting Company, which stands cancelled and the same shall be debited to the Profit & Loss Account of HTML.
- xii. Clause 13 further provides on effectiveness of the Scheme and with effect from the Appointed Date, since the transaction involves entities which are ultimately controlled by the same party before and after the transaction, the Resulting Company shall account for Demerger of the Entertainment & Digital Innovation Business in its books of account in accordance with Appendix C 'Business combinations of entities under common control' of the Indian Accounting Standard
- In issue and allotment of such shares of the Resulting Company to the equity shareholders of HTML, as aforesaid, the fractional entitlements shall not be taken into account, but such shares representing fractional entitlements shall be consolidated and thereupon, the Resulting Company will issue and allot shares in lieu thereof to a Director or Company Secretary or Key Managerial Personnel of the Resulting Company or such other person as the Board of Directors of the Resulting Company shall appoint in this behalf upon trust, who will sell them on the date of listing of the Resulting Company or within such period of listing of the Resulting Company as may be decided by the Board of Directors of the Resulting Company, and distribute their sale proceeds (less expenses, if any) to the shareholders of HTML, who are entitled to such fractional shares of the Resulting Company.

(Ind AS) 103 for Business Combination prescribed under Section 133 of the Companies Act, 2013, as notified under the Companies (Indian Accounting Standard) Rules, 2015 and generally accepted accounting principles, as may be amended from time to time, as under:

- a) The Resulting Company shall, record the assets and liabilities of the Entertainment & Digital Innovation business vested in it pursuant to this Scheme at the respective carrying amounts appearing in the books of HTML.
 - b) The Resulting Company shall credit its share capital account with the aggregate face value of the new equity shares issued by it to the equity shareholders of HTML pursuant to Clause 12.1 of this Scheme.
 - c) The difference between the carrying amount of the assets and liabilities as recorded under Clause 13.5 of the Scheme and the share capital account credited with aggregate face value of the new equity shares as recorded under Clause 13.6 of the Scheme shall be recorded as Capital Reserve.
 - d) If considered appropriate for the purpose of application of uniform accounting policies and method or for compliance with the applicable Accounting Standards, the Resulting Company may make suitable adjustment and adjust the effect thereof in the manner determined by the Board of Directors of the Resulting Company.
 - e) Upon the Scheme being effective, the existing shareholding of HTML in the Resulting Company shall stand cancelled. Upon cancellation, the Resulting Company shall debit to its Equity Share Capital Account, the aggregate face value of existing equity shares held by HTML in the Resulting Company, which stands cancelled and the same shall be credited to the Capital Reserves of the Resulting Company.
- xiii. Clause 14.1(a) provides that simultaneously with the issue and allotment of the new equity shares by the Resulting Company to the equity shareholders of HTML in accordance with clause 12.1 of the Scheme, in the books of the Resulting Company, any equity shares held by HTML in the Resulting Company shall stand cancelled, extinguished and annulled on and from the Effective Date. The cancellation, as mentioned under clause 14.1(a) above, which amounts to reduction of share capital of the Resulting Company, shall be effected as an integral part of this Scheme itself in accordance with the provisions of section 66 of the Act and the order of the Tribunal sanctioning the Scheme shall be deemed to be also the order under Section 66 of the Act for the purpose of confirming the reduction. The reduction would not involve either a diminution of liability in respect of unpaid share capital or payment of paid-up share capital.
- xiv. Clause 14.2(a) provides that the reduction under clause 13.2 in the Capital Reserve account of HTML shall be effected as an integral part of the Scheme in accordance with the provisions of Sections 66 of the Act and the order of the Tribunal, as the case may be, as applicable sanctioning the Scheme shall be deemed to be also the order under Section 66 of the Act for the purpose of confirming the reduction. The approval granted by the shareholders of HTML to the Scheme shall be deemed to be the approval for the purpose of Section 66 and other relevant provisions of the Act. HTML and the Resulting Company shall not be obliged or required to call for a separate meeting of its shareholders/ creditors for obtaining their approval for sanctioning the reduction in capital reserves. The reduction does not involve either a diminution of liability in respect of unpaid share capital or payment of paid up share capital under the provisions of Section 66 of the Act.
- xv. Clause 15.1 provides that the Remaining Business, and all the assets, liabilities and obligations pertaining thereto, shall continue to belong to, and be vested in and be managed by HTML, subject to the provisions of the Scheme as may be applicable.
- xvi. Clause 17.1 provides that HTML and the Resulting Company, by their respective Boards of Directors, may assent to/make and/or consent to any modifications/amendments to the Scheme, or to any conditions or limitations that the Tribunal and/or any other authority (including SEBI and stock exchanges) under law may deem fit to direct or impose, or which may otherwise be considered by them necessary, desirable or appropriate as a result of subsequent events or otherwise by them.
- xvii. Clause 18 provides that this Scheme is, and shall be conditional upon and subject to:
- a) The requisite consent, approval or permission from BSE, NSE and/or SEBI under Regulation 37 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, which by law or otherwise may be necessary for the implementation of this Scheme in compliance with the provisions of SEBI Circular;
 - b) The approval of the Scheme by the respective requisite majorities in number and value of the shareholders and/or creditors (where applicable) of the Companies in accordance with Section 230 to 232 read with section 66 of the Act;
 - c) The Scheme being sanctioned by the Tribunal in terms of Sections 230 to 232 read with section 66 and other relevant provisions of the Act and the requisite orders of the Tribunal;
 - d) Certified copies of the orders of the Tribunal sanctioning this Scheme being filed with the relevant Registrar of Companies by HTML and the Resulting Company as per the provisions of the Act, and

- e) If any part of this Scheme is found to be unworkable or unviable for any reason whatsoever, the same shall not, subject to the decision of the Board of Directors of the Companies affect the validity or implementation of the other parts and/or provisions of this Scheme.
- f) This Scheme, although to come into operation from the Appointed Date, shall not become effective until the later of the following dates, namely:
 - i. That on which the last of the aforesaid approvals and sanctions as mentioned in Clause 18.1, 18.2 & 18.3 shall be obtained or passed; or
 - ii. That on which all necessary authenticated/certified copies of the Tribunal Order(s) being filed with the relevant Registrar of Companies by the Demerged Company and the Resulting Company respectively.

The last of such dates shall be the "Effective Date" for the purpose of this Scheme.

- xviii. Clause 19.1 provides that in the event of any of the said sanctions and approvals referred to in Clause 18.1, 18.2, 18.3 and 18.4 not being obtained and/ or complied with and/or satisfied, this Scheme shall automatically stand revoked, cancelled and be of no effect, save and except in respect of any act or deed done prior thereto as is contemplated hereunder, or as to any rights and/ or liabilities which might have arisen or accrued pursuant thereto, and which shall be governed and be preserved or worked out as is specifically provided in the Scheme or as may otherwise arise in law.
- xix. Clause 20.1 provides that as an integral part of the Scheme and at any time prior to the Effective date, the name of the Resulting Company may be changed to such other name as may be approved by the Board of the Resulting Company and the Registrar of Companies, subject to the Resulting Company filing necessary forms and applications with the Registrar of Companies in the said behalf. Approval of the shareholders of the Resulting Company and HTML to the Scheme shall be considered as the approval required under the provisions of Act for such change of name.
- xx. Clause 20.2 provides that in order to give effect to this Scheme, the authorized share capital of the Resulting Company shall be increased from Rs. 1,00,000 (Rupees One Lakh) to Rs.12,00,00,000 (Rupees Twelve Crores).

By virtue of Clause 20.2 read with Clause 3.2, Clause (V) of the memorandum of association of the Resulting Company shall, without any further act or deed, be amended accordingly to read as under:

"V. The Authorized Share Capital of the Company is Rs 12,00,00,000 (Rupees Twelve Crore only) divided into 6,00,00,000 (Six Crore) Equity Shares of Rs. 2/- (Rupees Two only) each."

- xxi. Clause 21 provides that all costs, charges, taxes including duties, levies and all other expenses, if any (save as expressly otherwise agreed) of HTML and the Resulting Company arising out of or incurred in connection with implementation of this Scheme and matters incidental thereto, shall be borne by HTML.

THE FEATURES SET OUT HEREIN BEING ONLY THE SALIENT FEATURES OF THE SCHEME. YOU ARE REQUESTED TO READ THE ENTIRE TEXT OF THE SCHEME (ANNEXED HERewith) TO GET FULLY ACQUAINTED WITH THE PROVISIONS THEREOF AND THE RATIONALE OF THE SCHEME.

DESCRIPTION OF THE SCHEME

- 35. "Appointed Date" of the Scheme, is March 31, 2018 (at close of business hours).
- 36. "Effective Date" of the Scheme, has been defined as "the date on which the last of the conditions mentioned in Clause 18 of Part C of the Scheme is fulfilled and the Scheme is made effective with effect from the Appointed Date."
- 37. In order to give effect to the Scheme, the authorized share capital of the Resulting Company shall be increased from Rs. 1,00,000 (Rupees One Lakh only) to Rs. 12,00,00,000 (Rupees Twelve Crores only).
- 38. The Share Entitlement Ratio Report dated August 25, 2017 issued by M/s Jain Jindal & Co., Chartered Accountants enclosed as **Annexure 2**, determines the share entitlement ratio for issue of shares by the Resulting Company to the shareholders of HTML pursuant to proposed demerger. Based on the same, the Resulting Company shall, issue and allot shares to the equity shareholders of HTML, in the following proportion:
 "for every 4 (four) equity share of face value of Rs. 2/- (Rupees two only) each held in HTML as on the record date, the equity shareholders of HTML shall be issued 1 (one) equity share of face value Rs. 2/- (Rupees two only) each credited as fully paid-up in the Resulting Company."
- 39. It is further provided that the proposed Scheme does not contemplate any corporate debt restructuring exercise.
- 40. **Rationale of the Scheme:** HTML has various businesses that are complementary in nature. However, they are distinct in terms of their nature, regulatory & competitive environment, risk profile, workforce capability, capital requirement and growth trajectory.

With a view to support the Entertainment & Digital Innovation Business to capitalize on its growth opportunities, led by a dedicated management team, it is proposed to assign a separate identity to this business by way of its demerger into the Resulting Company.

The proposed demerger is likely to offer benefits to HTML and the Resulting Company, as outlined hereunder:

- (a) The Entertainment & Digital Innovation Business of HTML has significant potential for growth. The nature of risk, competition, challenges, opportunities and business operations of the Entertainment & Digital Innovation Business is separate and distinct from other businesses of HTML. Thus, the Scheme, which envisages demerger of Entertainment & Digital Innovation Business into a separate company, would enable this business to innovate, scale up and run independently to pursue growth opportunities in a more focused manner.
- (b) As part of the Resulting Company, the Entertainment & Digital Innovation Business shall be amenable to benchmarking, and be in a position to attract the right set of investors, strategic partners, employees and other relevant stakeholders.
- (c) There would be enhanced focus on the operations of the Entertainment & Digital Innovation Business under a dedicated management team of the Resulting Company, who can chart out and pursue an independent strategy to maximize value creation for stakeholders. Likewise, there would be greater management focus on the Remaining Businesses (as defined in the Scheme) of HTML.
- (d) The listing of shares of Resulting Company on stock exchanges, would enable independent bench-marking of Entertainment & Digital Innovation Business, and give a distinct identity to the Entertainment & Digital Innovation Business which is independent, and accountable to the interest of all stakeholders and thus, would provide enhanced liquidity to the investors of HTML.

The Scheme will be advantageous and beneficial for HTML and the Resulting Company, their shareholders and other stakeholders, employees and all concerned and will not be prejudicial to the interests of any concerned shareholders or creditors or employees or general public at large.

41. In compliance with the provisions of Section 232(2)(c) of the Act, the Board of Directors of HTML and the Resulting Company have in their separate meetings held on August 25, 2017, adopted a report, inter alia, explaining effect of the Scheme on the Equity Shareholders (including Promoter & Non-promoter) and Key Managerial Personnel. Copy of the Reports adopted by the Board of Directors of HTML and the Resulting Company are enclosed as **Annexure 7** and **Annexure 8**, respectively.
42. No investigation proceedings have been instituted or are pending in relation to HTML and the Resulting Company under the Companies Act, 2013.
43. The Supplementary unaudited financial statements of HTML and the Resulting Company for the period ended on December 31, 2017 are enclosed as **Annexure 9** and **Annexure 10**, respectively.
44. In terms of SEBI Circular, the applicable information of the Resulting Company in the format specified for Abridged Prospectus as provided in Part D of Schedule VIII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 is enclosed as **Annexure 11**.
45. Statement disclosing details of the Arrangement as per Section 230(3) of the Companies Act, 2013 read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 is as under:

No.	Particulars	HT Media Limited (Demerged Company)	Digicontent Limited (Resulting Company)
(i)	Details of the order of the Tribunal directing the calling, convening and conducting of the meeting of Equity Shareholders:		
a.	Date of the order(s)	March 6, 2018 and April 13, 2018	March 6, 2018
b.	Date, time and venue of the Meeting	Date – June 9, 2018 Time – 11:00 a.m. Venue – Siri Fort Auditorium-II, A-25, Balbir Saxena Marg, Siri Fort Institutional Area, Gulmohar Park, New Delhi -110049	Meeting dispended with as per the Order of the Hon'ble National Company Law Tribunal, New Delhi Bench
(ii)	Detail of the Companies:		
a.	Corporation Identification Number (CIN)	L22121DL2002PLC117874	U74999DL2017PLC322147
b.	Permanent Account Number (PAN)	AABCH3165P	AAECH2819R
c.	Name of the Company	HT Media Limited	Digicontent Limited
d.	Date of Incorporation	December 3, 2002	August 14, 2017
e.	Type of the Company	Public company limited by shares	Public company limited by shares
f.	Registered Office address	18-20, Kasturba Gandhi Marg, New Delhi – 110001, India	Hindustan Times House, 2nd Floor, 18-20, Kasturba Gandhi Marg, New Delhi - 110001
g.	E-mail address	investor@hindustantimes.com	secretarial@hindustantimes.com

No.	Particulars	HT Media Limited (Demerged Company)	Digicontent Limited (Resulting Company)
h.	Summary of main object as per the memorandum of association; and main business carried on by the Company	Refer para 9 of the Explanatory Statement	Refer para 18 of the Explanatory Statement
i.	Details of change of name, registered office and objects of the Company during the last five years	Details of change in the objects are as per para 9 of the Explanatory Statement. There has been no change in the Name and Registered Office of HTML in the last five years.	The Resulting Company was incorporated under the name of HT Digital Ventures Limited. Subsequently, which was changed to Digicontent Limited with effect from October 24, 2017. There has been no change in the Objects and Registered Office of the Resulting Company since its incorporation.
j.	Name of stock exchange(s) where securities of the company are listed, if applicable	BSE Limited and National Stock Exchange of India Limited	Unlisted
k.	Details of capital structure including authorized, issued, subscribed and paid-up share capital	Refer para 12 of the Explanatory Statement and Clause 3.1 of the Scheme	Refer para 21 of the Explanatory Statement and Clause 3.2 of the Scheme
l.	Names of the promoters and directors along with their addresses	Refer para 13 and para 14 respectively of the Explanatory Statement	Refer para 22 and para 23 respectively of the Explanatory Statement
(iii)	If the scheme of compromise or arrangement relates to more than one company, the fact and details of any relationship subsisting between such companies who are parties to such scheme of compromise or arrangement, including holding, subsidiary or associate companies	Refer para 25 of the Explanatory Statement	
(iv)	The date of board meeting at which the scheme was approved by the board of directors including the name of directors who voted in favour of the resolution, who voted against the resolution and who did not vote or participate on such resolution	Refer para 26 of Explanatory Statement	Refer para 27 of Explanatory Statement
(v)	Explanatory Statement disclosing details of the scheme of compromise or arrangement including:		
a.	Parties involved in such compromise or arrangement	HT Media Limited (Demerged Company) and Digicontent Limited (Resulting Company)	
b.	Appointed Date	March 31, 2018 (at the close of business hours)	
	Effective Date	The date on which the last of the conditions mentioned in Clause 18 of Part C of the Scheme is fulfilled and the scheme is made effective from the appointed date	
	Share Entitlement Ratio and other considerations, if any	Refer para 38 of Explanatory Statement	
c.	Summary of Valuation report (if applicable) including basis of valuation and fairness opinion of the registered valuer, if any, and the declaration that the valuation report is available for inspection at registered office of the Company	Please refer Annexure 2 for the Share Entitlement Ratio report dated August 25, 2017 obtained from M/s Jain Jindal & Co., Chartered Accountants specifying the share entitlement ratio. Please refer Annexure 3 , for the Fairness opinion obtained from Finshore Management Services Limited dated August 25, 2017. The Share Entitlement Ratio report is available for inspection at the registered office of HTML during 10.00 a.m. to 4.00 p.m. on all working days (except Saturdays, Sundays and Public Holidays) upto the date of meeting.	
d.	Details of capital or debt restructuring, if any	Not Applicable	

No.	Particulars	HT Media Limited (Demerged Company)	Digicontent Limited (Resulting Company)
e.	Rationale for the compromise or arrangement	Refer para 40 of the Explanatory Statement	
f.	Benefits of the compromise or arrangement as perceived by the Board of directors to the company, Equity Shareholders, creditors and others (as applicable)	Refer the rationale for arrangement outlined in para 40 of the Explanatory Statement.	
g.	Amount due to Unsecured Creditors as on December 31, 2017	<p>Rs. 14,83,71,36,551/- (Rupees One Thousand and Four Hundred and Eighty Three Crores Seventy One Lakh Thirty Six Thousand Five Hundred and Fifty one only).</p> <p>The above amount includes all the unsecured loans, trade creditors, and other current liabilities of the Company, as the case may be, except for statutory dues, deferred revenue in relation to government grant, provision for expenses and advance subscription received for newspaper.</p>	Rs. 77,09,28,219/- (Rupees Seventy Seven Crores Nine Lakhs Twenty Eight Thousand Two Hundred Nineteen only)
(vi)	Disclosure about effect of the compromise or arrangement on:		
	Key Managerial Personnel (KMP)	The Scheme will have no effect on KMPs of HTML except to the extent of their respective shareholding in HTML, if any and effect thereon as stipulated in Clause 12 of the Scheme.	The Resulting Company does not have any KMP.
	Directors	The Scheme will have no effect on the Directors of HTML except to the extent of their respective shareholding in HTML, if any, and effect thereon as stipulated in Clause 12 of the Scheme.	The Scheme will have no effect on the Directors of the Resulting Company except to the extent of their respective shareholding in HTML, if any and effect thereon as stipulated in Clause 12 of the Scheme.
	Promoters and Non-promoter Equity Shareholders	<p>On demerger, the Resulting Company will issue and allot its equity shares to each member of HTML, whose name is recorded in the register of members on the Record Date, as per the share entitlement ratio stipulated in Clause 12 of the Scheme.</p> <p>There would be no dilution or increase in the shareholding of HTML's promoter or non-promoter shareholders in HTML.</p> <p>As per the Scheme, consequent upon Demerger, the proposed shareholders and their holding proportion in the Resulting Company, as on the Record Date, will be identical to that of HTML, and thus, the overall economic interest of equity shareholders of HTML shall remain the same.</p>	<p>The entire equity share capital of the Resulting Company is held by HTML (Promoter) and its nominees. The Company does not have any non-promoter shareholders.</p> <p>Upon the Scheme becoming effective, the existing equity shares of the Resulting Company, held by HTML along with its nominees shall stand cancelled, extinguished and annulled as stipulated in Clause 14 of the Scheme.</p> <p>On demerger, the Resulting Company will issue and allot its equity shares to each member of HTML, whose name is recorded in the register of members on the Record Date, as per the share entitlement ratio stipulated in Clause 12 of the Scheme.</p>

No.	Particulars	HT Media Limited (Demerged Company)	Digicontent Limited (Resulting Company)
	Depositors	As on date, HTML and the Resulting Company have not accepted any Deposits. Therefore, the effect of the Scheme on Depositors does not arise.	
	Creditors	<p>Creditors of HTML pertaining to the Entertainment and Digital Innovation Business of HTML shall become the creditors of the Resulting Company.</p> <p>No compromise is offered under the Scheme to any of such creditors of HTML. The liability towards such creditors of HTML, under the Scheme, is neither being reduced nor being extinguished and shall be paid off in the ordinary course of business.</p> <p>Inter-company creditors, if any, would get cancelled.</p>	<p>The Resulting Company has no secured creditors.</p> <p>Further, under the Scheme, there is no arrangement with unsecured creditors of the Resulting Company.</p> <p>The liability towards the unsecured creditors of the Resulting Company, under the Scheme, is neither being reduced nor being extinguished.</p>
	Debenture holders	As on date HTML and the Resulting Company have not issued any Debentures. Therefore, the question of effect of the Scheme on Debenture holders does not arise.	
	Deposit Trustee & Debenture Trustee	As on date, HTML and the Resulting Company have not accepted any Deposits nor issued any Debentures, therefore, the effect of the Scheme on such Deposit Trustee & Debenture Trustee does not arise.	
	Employees of the Company	<p>All the employees relating to the Entertainment and Digital Innovation Business of HTML shall become the employees of the Resulting Company on terms and conditions not less favourable than those on which they were employed in HTML and without any break or interruption of service as stipulated in Clause 9 of the Scheme.</p> <p>Further, as stipulated in Clause 9.5 of the Scheme, the Employee Stock Options as of the Effective Date would continue on the existing terms and conditions except for such modifications / adjustments as may be deemed appropriate by the Board of HTML in view of this Scheme and in accordance with the applicable laws.</p>	<p>Under the Scheme, no rights of the staff and employees of the Resulting Company are being affected. The services of the staff and employees, if any, of the Resulting Company, shall continue on the same terms and conditions on which they were engaged before the Scheme.</p>
(vii)	Disclosure about effect of compromise or arrangement on material interest of Directors, Key Managerial Personnel (KMP) and Debenture Trustee		
	Directors and KMP	None of the Directors nor KMPs have any material interest in the Scheme, save to the extent of shares held by them in HTML, if any.	<p>None of the Directors have any material interest in the Scheme, save to the extent of shares held by them in the Resulting Company, if any.</p> <p>The Resulting Company does not have any KMP.</p>
	Debenture Trustee	Not Applicable, since HTML and the Resulting Companies have not issued any debentures.	

No.	Particulars	HT Media Limited (Demerged Company)	Digicontent Limited (Resulting Company)
(viii)	Investigation or proceedings, if any, pending against the company under the Act	No investigation or proceedings are pending against HTML and the Resulting Company under the Companies Act, 2013 or under the Companies Act, 1956.	
(ix)	Details of approvals, sanctions or no-objection(s), if any, from regulatory or any other governmental authorities required, received or pending for the proposed scheme of compromise or arrangement	No adverse observation / NOC letter dated December 22, 2017 and December 26, 2017 from National Stock Exchange of India Limited and BSE Limited, respectively, has been received by HTML.	
		Notice under Section 230(5) of the Companies Act, 2013 is being given to the Central Government (Regional Director), Registrar of Companies and Income Tax Authorities in respect of both the Companies.	
(x)	A statement to the effect that the persons to whom the notice is sent may vote in the meeting either in person or by proxies, or where applicable, by voting through electronic means	Equity Shareholders to whom the Notice is sent may vote in the meeting either in person or by proxies or through e-voting.	
(xi)	The following documents will be open for obtaining extract from or for making or obtaining copies of or inspection by the Equity Shareholders at the Registered Office of HTML, during 10.00 a.m. to 4.00 p.m., on all working days (except Saturdays, Sundays and Public Holidays) upto the date of the Meeting:		
a.	Copy of the Orders passed by NCLT dated March 6, 2018 and April 13, 2018 directing the convening of the Meeting		
b.	Copy of the Scheme of Arrangement		
c.	Latest Annual Report including the Standalone and Consolidated Audited Financial Statements of HTML		
d.	Copy of the Share Entitlement Ratio Report issued by M/s Jain Jindal & Co., Chartered Accountants dated August 25, 2017		
e.	Copy of Fairness Opinion issued by Finshore Management Services Limited, a SEBI Registered (Category - I) Merchant Banker, dated August 25, 2017		
f.	Copy of Certificates issued by Statutory Auditors of HTML and the Resulting Company to the effect that the accounting treatment, proposed in the Scheme is in conformity with the Accounting Standards prescribed under Section 133 of the Companies Act, 2013		
g.	Copy of the undertaking and Statutory Auditor's certificate dated August 25, 2017 confirming non-applicability of Para 9 of Annexure I to SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017 in respect of Proposed Scheme of Arrangement		
h.	Copy of Certificate of Incorporation dated December 3, 2002 along with the latest Memorandum of Association and Articles of Association of HTML		
i.	Copy of Board Resolutions dated August 25, 2017 passed by the respective Board of Directors of HTML and the Resulting Company, inter-alia, approving the Scheme		
j.	Copy of the Report dated August 25, 2017 of the Audit Committee of Directors of HTML recommending the draft Scheme		

46. It is confirmed that the copy of the Scheme has been filed with the Registrar of Companies, New Delhi by both HTML and the Resulting Company. In compliance with the requirement of Section 230(5) of the Companies Act, 2013 and Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, notice in the prescribed form and seeking approvals, sanctions or no-objections shall be served to the concerned regulatory and government authorities for the purpose of the proposed Scheme.
47. No other approval from regulators or governmental authorities are required at this stage, nor any have been received or are pending in respect of the proposed Scheme.
48. The pre-scheme shareholding pattern of HTML and the Resulting Company as on March 31, 2018 and the post-scheme (expected) shareholding pattern of HTML and the Resulting Company are as under:

Pre-Scheme Shareholding Pattern of HTML as on March 31, 2018:

S. No.	Category	No. of fully paid-up equity shares held (Face value of Rs. 2/- each)	Shareholding as a % of the total no. of shares
(A)	Promoter & Promoter Group		
(1)	Indian		
(a)	Individuals / Hindu Undivided Family	22	0.00
(b)	Bodies Corporate	16,17,54,490	69.50
	Sub-Total (A)(1)	16,17,54,512	69.50
(2)	Foreign		
(a)	Bodies Corporate	22,581	0.01
	Sub-Total (A)(2)	22,581	0.01
	Total shareholding of Promoter and Promoter Group (A) = (A)(1)+(A)(2)	16,17,77,093	69.51
(B)	Public Shareholding		
(1)	Institutions		
(a)	Mutual Funds	1,52,14,363	6.54
(b)	Alternate Investment Funds	9,05,227	0.39
(c)	Foreign Portfolio Investments	1,90,64,618	8.19
(d)	Financial Institutions/ Banks	2,61,531	0.11
(e)	Insurance Companies	56,65,000	2.43
(f)	Any Other	375	0.00
	Sub-Total (B)(1)	4,11,11,114	17.66
(2)	Central Government/ State Government(s)/ President of India		
	Sub-Total (B)(2)	0	0.00
(3)	Non-Institutions		
(a)	(i) Individual shareholders holding nominal share capital upto Rs. 2 Lacs	1,42,54,656	6.12
	(ii) Individual shareholders holding nominal share capital in excess of Rs. 2 Lacs	56,40,581	2.42
(b)	NBFCs registered with RBI	1,07,400	0.05
(c)	Any Other		
	Trusts	2,140	0.00
	NRI	6,09,516	0.26
	Clearing Members	1,00,402	0.04
	NRI Non-Repatriable	12,93,384	0.56
	Bodies Corporate	56,65,288	2.44
	IEPF	8,450	0.00
	Sub-Total (B)(3)	2,76,81,817	11.89
	Total Public shareholding (B) = (B)(1)+(B)(2)+(B)(3)	6,87,92,931	29.55
(C)	Non Promoter-Non Public (C)	21,78,290	0.94
	Total Shareholding (A+B+C)	23,27,48,314	100.00

Note: Since, there is no issue of shares by HTML pursuant to the Scheme, hence, the post arrangement Shareholding Pattern will remain unchanged (save and except routine transfer of shares in physical/demat form).

Pre-Scheme Shareholding Pattern of the Resulting Company as on March 31, 2018:

S. No.	Category	No. of fully paid-up equity shares held (Face value of Rs. 2/- each)	Shareholding as a % of the total no. of shares
(A)	Promoter & Promoter Group		
(1)	Indian		
(a)	Individuals / Hindu Undivided Family	*30	0.06
(b)	Bodies Corporate	49,970	99.94
	Sub-Total (A)(1)	50,000	100.00

*Shares held as nominee(s) of HTML

Post-Scheme Shareholding Pattern of the Resulting Company (assuming the shareholding pattern of HTML as on March 31, 2018):

S. No.	Category	No. of fully paid-up equity shares held (Face value of Rs. 2/- each)	Shareholding as a % of the total no. of shares
(A)	Promoter & Promoter Group		
(1)	Indian		
(a)	Individuals / Hindu Undivided Family	5	0.00
(b)	Bodies Corporate	4,04,38,623	69.50
	Sub-Total (A)(1)	4,04,38,628	69.50
(2)	Foreign		
(a)	Bodies Corporate	5,645	0.01
	Sub-Total (A)(2)	5,645	0.01
	Total shareholding of Promoter and Promoter Group (A) = (A)(1)+(A)(2)	4,04,44,273	69.51
(B)	Public Shareholding		
(1)	Institutions		
(a)	Mutual Funds	38,03,591	6.54
(b)	Alternate Investment Funds	2,26,307	0.39
(c)	Foreign Portfolio Investments	47,66,154	8.19
(d)	Financial Institutions/ Banks	65,383	0.11
(e)	Insurance Companies	14,16,250	2.43
(f)	Any Other	94	0.00
	Sub-Total (B)(1)	1,02,77,779	17.66
(2)	Central Government/ State Government(s)/ President of India	0	0.00
	Sub-Total (B)(2)	0	0.00
(3)	Non-Institutions		
(a)	(i) Individual shareholders holding nominal share capital upto Rs. 2 Lacs	35,63,664	6.12
	(ii) Individual shareholders holding nominal share capital in excess of Rs. 2 Lacs	14,10,145	2.42
(b)	NBFCs registered with RBI	26,850	0.05
(c)	Any Other		
	Trusts	535	0.00
	NRI	1,52,379	0.26
	Clearing Members	25,101	0.04
	NRI Non-Repatriable	3,23,346	0.56
	Bodies Corporate	14,16,322	2.44
	IEPF	2,112	0.00
	Sub-Total (B)(3)	69,20,454	11.89
	Total Public shareholding (B) = (B)(1)+(B)(2)+(B)(3)	1,71,98,233	29.55
(C)	Non Promoter-Non Public (C)	5,44,572	0.94
	Total Shareholding (A+B+C)	5,81,87,078	100.00

49. The Post-Scheme share capital structure of HTML will be as under:

Particulars	Amount (in Rs.)
Authorised Share Capital	
36,25,00,000 Equity Shares of Rs.2/-each	72,50,00,000/-
Total	72,50,00,000/-
Issued, Subscribed and Paid-up Share Capital	
23,27,48,314 Equity Shares of Rs.2/- each fully paid up	46,54,96,628/-
Total	46,54,96,628/-

50. The Post-Scheme share capital structure of the Resulting Company will be as under:

Particulars	Amount (in Rs)
Authorised Share Capital	
6,00,00,000 Equity Shares of Rs. 2/- each	12,00,00,000/-
Total	12,00,00,000/-
Issued, Subscribed and Paid-up Share Capital	
5,81,87,078 Equity Shares of Rs. 2/- each fully paid up	11,63,74,156/-
Total	11,63,74,156/-

51. In the event that the Scheme is withdrawn in accordance with its terms, the Scheme shall stand revoked, cancelled and be of no effect.
52. In view of the information provided hereinabove, and the documents attached along with this Notice and Explanatory Statement, the requirement of Section 232(2) of the Companies Act, 2013 have been complied with.
53. After the Scheme is approved by the equity shareholders, secured creditors and unsecured creditors of the HTML, it will be subject to the approval/sanction by NCLT.

For HT Media Limited



Dinesh Mittal
Whole-time Director,
Group General Counsel & Company Secretary

Date: April 30, 2018

Registered Office:
18-20, Kasturba Gandhi Marg, New Delhi – 110001

Annexure-1

SCHEME OF ARRANGEMENT

BETWEEN

HT MEDIA LIMITED (DEMERGED COMPANY)

AND

**DIGICONTENT LIMITED (RESULTING COMPANY)
[FORMERLY KNOWN AS HT DIGITAL VENTURES LIMITED]**

AND

THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS

**UNDER SECTIONS 230 TO 232 OF THE COMPANIES ACT, 2013
READ WITH SECTION 66 OF THE COMPANIES ACT, 2013**

PREAMBLE

This Scheme (hereinafter defined) is presented under Sections 230 to 232 read with Section 66 and other applicable provisions of the Act (hereinafter defined), for transfer and vesting of Entertainment & Digital Innovation Business (hereinafter defined) of HTML (hereinafter defined) to the Resulting Company (hereinafter defined) with effect from the Appointed Date (hereinafter defined), and upon effectiveness of the Scheme on the Effective Date (hereinafter defined). In addition, the Scheme also provides for various other matters consequential and/or otherwise integrally connected herewith.

A. Background

1. HT Media Limited (“**HTML**” or the “**Demerged Company**”) is a public limited company incorporated under the provisions of the Companies Act, 1956 on December 03, 2002 bearing Corporate Identification Number L22121DL2002PLC117874. The registered office of HTML is situated at 18-20, Kasturba Gandhi Marg, New Delhi – 110001. The correspondence email address of HTML is investor@hindustantimes.com. The equity shares of HTML are listed on BSE Limited (“BSE”) & National Stock Exchange of India Limited (“NSE”). HTML is engaged in the following key businesses:
 - a) Printing and publication of newspapers and periodicals
 - b) FM Radio Broadcasting
 - c) Entertainment & Digital Innovation Business
 - d) Operating Online job portal “shine.com”
2. Digicontent Limited (“**DCL**” or the “**Resulting Company**”) is a public limited company incorporated under the provisions of Companies Act, 2013 on August 14, 2017 bearing Corporate Identification Number U74999DL2017PLC322147 under the name of HT Digital Ventures Limited (“HTDVL”). Subsequently, the name was changed to Digicontent Limited with effect from October 24, 2017. The registered office of the Resulting Company is situated at Hindustan Times House, 2nd Floor, 18-20, Kasturba Gandhi Marg, New Delhi-110001. The correspondence email address of the Resulting Company is tridib.barat@livehindustan.com. It is a wholly owned subsidiary of HTML and has been recently incorporated. The Entertainment &

Digital Innovation Business is proposed to be demerged and vested into the Resulting Company.

B. Rationale for the Scheme of Arrangement

HTML has various businesses that are complementary in nature. However, they are distinct in terms of their nature, regulatory & competitive environment, risk profile, workforce capability, capital requirement and growth trajectory.

With a view to support the Entertainment & Digital Innovation Business to capitalize on its growth opportunities, led by a dedicated management team, it is proposed to assign a separate identity to this business by way of its demerger into the Resulting Company.

The proposed demerger is likely to offer benefits to HTML and the Resulting Company, as outlined hereunder:

- a. The Entertainment & Digital Innovation Business of HTML has significant potential for growth. The nature of risk, competition, challenges, opportunities and business operations of the Entertainment & Digital Innovation Business is separate and distinct from other businesses of HTML. Thus, the Scheme, which envisages demerger of Entertainment & Digital Innovation Business into a separate company, would enable this business to innovate, scale up and run independently to pursue growth opportunities in a more focused manner.
- b. As part of the Resulting Company, the Entertainment & Digital Innovation Business shall be amenable to benchmarking, and be in a position to attract the right set of investors, strategic partners, employees and other relevant stakeholders.
- c. There would be enhanced focus on the operations of the Entertainment & Digital Innovation Business under a dedicated management team of the Resulting Company, who can chart out and pursue an independent strategy to maximize value creation for stakeholders. Likewise, there would be greater management focus on the Remaining Business (hereinafter defined) of HTML.

- d. The listing of shares of the Resulting Company on stock exchanges, would enable independent bench-marking of Entertainment & Digital Innovation Business, and give a distinct identity to the Entertainment & Digital Innovation Business which is independent, and accountable to the interest of all stakeholders and thus, would provide enhanced liquidity to the investors of HTML.

There is no adverse effect of Scheme on the directors, key managerial personnel, promoters, non-promoter shareholders, creditors, vendors and employees of HTML and the Resulting Company. The Scheme would be in the best interest of all stakeholders.

Pursuant to this Scheme, all shareholders of HTML shall be entitled to equity shares in the Resulting Company on a pro-rata basis on the terms specified in this Scheme.

Accordingly, the Board of Directors of HTML and the Resulting Company have decided to make requisite applications and/or petitions before the Tribunal (hereinafter defined), as applicable under Sections 230 to 232 of the Act (hereinafter defined) read with section 66 of the Act and other applicable provisions for the sanction of this Scheme.

C. Treatment of Scheme for the purposes of Income-Tax Act, 1961

The provisions of this Scheme have been drawn up to comply with the conditions relating to “Demerger” as defined under Section 2(19AA) of the Income-tax Act, 1961 (“IT Act”). If any terms or provisions of the Scheme are found or interpreted to be inconsistent with the provisions of the said Section at a later date, including resulting from an amendment of law or for any other reason whatsoever, the provisions of the said Section of the IT Act shall prevail, and the Scheme shall stand modified to the extent determined necessary to comply with Section 2(19AA) of the IT Act. Such modification(s), will, however, not affect the other provisions of the Scheme.

D. The Scheme is divided into the following parts:

PART A deals with Definition and Share Capital of the companies.

PART B deals with the transfer and vesting of the Entertainment & Digital Innovation

Business (hereinafter defined) of HTML to and with the Resulting Company in accordance with Sections 230 to 232 of the Act (hereinafter defined) read with Section 66 of the Act, other applicable provisions of the Act and/ or the 1956 Act (hereinafter defined), and in accordance with Section 2(19AA) of the IT Act.

PART C deals with general terms and conditions that would be applicable to the Scheme.

PART A

DEFINITION AND SHARE CAPITAL DEFINITIONS

1.

In this Scheme, unless inconsistent with the subject, following expressions shall have the meanings respectively assigned against them:

- 1.1 **“the Act”** means the Companies Act, 2013, as notified, and ordinances, rules and regulations made and notifications, circulars etc. issued thereunder, and shall include any statutory modifications, re-enactments or amendments thereof.
- 1.2 **“1956 Act”** means the Companies Act, 1956 (as applicable) and ordinances, rules and regulations made thereunder, and shall include any statutory modifications, re-enactments or amendments thereof.
- 1.3 **“Appointed Date”** shall mean March 31, 2018(at close of business hours).
- 1.4 **“Board of Directors”** or **“Board”** means and includes the respective Boards of Directors of the Demerged Company and the Resulting Company or any committee constituted by such Board of Directors for the purposes of the Scheme.
- 1.5 **“Clause”** and **“Sub Clause”** means the relevant clause /sub clause set out in the Scheme.
- 1.6 **“Entertainment & Digital Innovation Business of HTML”** or **“Entertainment & Digital Innovation Business”** means all, the businesses, undertakings, activities, assets, properties and liabilities, of whatsoever nature and kind and where so ever situated, of HTML pertaining to the Entertainment

& Digital Innovation Business, including specifically the following:

- 1.6.1 Fever Audio Tools for aggregation and creation of audio, audio feed which plays music and promotional talks across various stores, malls, buildings, restaurants, eateries, etc., distribution of in-house creative and niche celeb based content to mobile and digital users, innovative tools to build, promote and amplify brand communication and deliver it with a greater impact and credibility; strategic investments in multimedia content management business, movie review and rating entertainment platform and the digital repository of images;
- 1.6.2 All immovable properties i.e. land together with the buildings and structures standing thereon (whether freehold, leasehold, leave and licensed, right of way, tenancies or otherwise), benefits of any rental agreement for use of premises, marketing offices, share of any joint assets, etc., which immovable properties are being used for the purpose of and in relation to the Entertainment & Digital Innovation Business and all documents (including panchnamas, declarations, receipts) of title, rights and easements in relation thereto and all rights, covenants, continuing rights, title and interest in connection with the said immovable properties;
- 1.6.3 All assets, as are movable in nature pertaining to and in relation to the Entertainment & Digital Innovation Business, whether present or future or contingent, tangible or intangible, in possession or reversion, corporeal or incorporeal (including plant and machinery, capital work in progress, stores under progress, electrical fittings, furniture, fixtures, appliances, accessories, power lines, office equipments, computers, communication facilities, installations, vehicles, inventory, hardware & software and tools and plants, stock-in-trade, stock-in-transit, raw materials, finished good packaging items), actionable claims, current assets, earnest monies and sundry debtors, investments,

financial assets, outstanding loans and advances, recoverable in cash or in kind or for value to be received, provisions, receivables, funds, cash and bank balances and deposits including accrued interest thereto with Government, semi-Government, local and other authorities and bodies, banks, customers and other persons, insurances, the benefits of any bank guarantees, performance guarantees and letters of credit, and tax related assets, including but not limited to Goods and Services tax credits, CENVAT credits, value added/sales tax/entry tax credits or set-offs, advance tax, minimum alternate tax credit, deferred tax assets/liabilities, tax deducted at source and tax refunds;

- 1.6.4 All permits, licenses, permissions including municipal permissions, right of way, approvals, clearances, consents, benefits, registrations, rights, entitlements, credits, certificates, awards, sanctions, allotments, quotas, no objection certificates, exemptions, concessions, subsidies, liberties and advantages (including consent/authorisation granted by relevant authorities and other licenses/permits granted/issued/ given by any governmental, statutory or regulatory or local or administrative bodies for the purpose of carrying on the Entertainment & Digital Innovation Business or in connection therewith) including those relating to privileges, powers, facilities of every kind and description of whatsoever nature and the benefits thereto that pertain exclusively to the Entertainment & Digital Innovation Business;
- 1.6.5 All contracts, agreements, purchase orders/service orders, operation and maintenance contracts, memoranda of understanding, memoranda of undertakings, memoranda of agreements, memoranda of agreed points, minutes of meetings, bids, tenders, expression of interest, letter of intent, hire and purchase arrangements, lease/license agreements, tenancy rights, agreements/panchnamas for right of way, equipment purchase

- agreements, agreement with customers, purchase and other agreements with the supplier/manufacturer of goods/service providers, other arrangements, undertakings, deeds, bonds, schemes, insurance covers and claims, clearances and other instruments of whatsoever nature and description, whether written, oral or otherwise and all rights, title, interests, claims and benefits thereunder pertaining to the Entertainment & Digital Innovation Business;
- 1.6.6 All applications (including hardware, software, licenses, source codes, parameterization and scripts), registrations, licenses, trade names, service marks, trademarks, copyrights, patents, domain names, websites, designs, contracts, intellectual property rights (whether owned, licensed or otherwise, and whether registered or unregistered), trade secrets, research and studies, technical knowhow, confidential information and all such rights of whatsoever description and nature that pertain exclusively to the Entertainment & Digital Innovation Business;
- 1.6.7 All rights to use and avail telephones, telexes, facsimile, email, Internet, leased line connections and installations, utilities, electricity and other services, reserves, provisions, funds, benefits of assets or properties or other interests held in trusts, registrations, contracts, engagements, arrangements of all kind, privileges and all other rights, easements, liberties and advantages of whatsoever nature and wheresoever situated belonging to or in the ownership, power or possession and in control of or vested in or granted in favour of or enjoyed by HTML pertaining to or in connection with or relating to the Entertainment & Digital Innovation Business and all other interests of whatsoever nature belonging to or in the ownership, power, possession or control of or vested in or granted in favour of or held for the benefit of or enjoyed by HTML and pertaining to the Entertainment & Digital Innovation Business;
- 1.6.8 All books, records, files, papers, engineering and process information, software licenses (whether proprietary or otherwise), test reports, computer programmes, drawings, manuals, data, databases including databases for procurement, commercial and management, catalogues, quotations, sales and advertising materials, product' registrations, dossiers, product master cards, lists of present and former customers and suppliers including service providers, other customer information, customer credit information, customer/supplier pricing information, and all other books and records, whether in physical or electronic form that pertain to the Entertainment & Digital Innovation Business;
- 1.6.9 All debts, liabilities including contingent liabilities, duties, taxes and obligations of HTML pertaining to the Entertainment & Digital Innovation Business and/or arising out of and/or relatable to the Entertainment & Digital Innovation Business including:
- a) the debts, liabilities, duties and obligations of HTML which arises out of the activities or operations of the Entertainment & Digital Innovation Business;
 - b) specific loans and borrowings raised, incurred and utilized solely for the activities or operations of or pertaining to the Entertainment & Digital Innovation Business; and
 - c) liabilities other than those referred to in sub-clauses a) and b) above and not directly relatable to the Remaining Business of HTML, being the amounts of general and multipurpose borrowings of HTML shall be allocated to the Entertainment & Digital Innovation Business in the same proportion which the value of assets transferred under this Scheme bears to the total value of HTML immediately before giving effect to Part B of the Scheme.
- 1.6.10 All employees of HTML employed/ engaged in the Entertainment & Digital Innovation Business as on the Effective Date ("Employees"); and

- 1.6.11 All legal or other proceedings of whatsoever nature that pertain to the Entertainment & Digital Innovation Business.
- 1.7 **“Demerged Company”** shall mean HT Media Limited (“HTML”).
- 1.8 **“Effective Date”** means the date on which the last of the conditions mentioned in Clause 18 of Part C of the Scheme is fulfilled and the Scheme is made effective with effect from the Appointed Date. Any references in this Scheme to the “date of coming into effect of this Scheme” or “effectiveness of the Scheme” or “Scheme taking effect” shall mean the Effective Date.
- 1.9 **“ESOP Plans”** shall mean, collectively all Employee Stock Option Schemes approved by the Board of Directors and shareholders of HTML, as amended, modified or replaced from time to time.
- 1.10 **“National Company Law Tribunal” or “NCLT” or “Tribunal”** means the National Company Law Tribunal, New Delhi Bench or any other bench having jurisdiction over the Demerged Company and/or Resulting Company.
- 1.11 **“Record Date”** means the date fixed by the Board of Directors of the Resulting Company or any committee thereof, in consultation with the Demerged Company, for the purpose of determining names of the members of the Demerged Company, who shall be entitled to receive the equity shares in the Resulting Company pursuant to Clause 12.1 of the Scheme, upon effectiveness of this Scheme.
- 1.12 **“Remaining Business”** means all assets, liabilities, businesses, activities and operations of the Demerged Company other than the Entertainment & Digital Innovation Business.
- 1.13 **“Resulting Company”** means Digicent Limited (“DCL”), formerly known as HT Digital Ventures Limited (“HTDVL”).
- 1.14 **“Scheme” or “the Scheme” or “this Scheme” or “the Composite Scheme”** means this Scheme of Arrangement among the Demerged Company, the Resulting Company and their respective shareholders and creditors pursuant to the provisions of Sections 230 to 232 read with section 66 and other applicable provisions of the Act or the 1956 Act, as the case may be, in its present form or with any modification(s) made under Clause 17 of the Scheme by the Board of Directors of the Demerged Company and the Resulting Company, and/ or as approved or directed by the Tribunal, as the case may be.
- 1.15 **“SEBI”** means Securities and Exchange Board of India established under the Securities and Exchange Board of India Act, 1992.
- 1.16 **“SEBI Circulars”** means Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017, issued by SEBI and as amended from time to time or any other circular(s) issued by SEBI applicable to a scheme of arrangement.
- 1.17 All terms and words not defined in this Scheme shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning ascribed to them under the Act, the Securities Contract Regulation Act, 1956, the Depositories Act, 1996, SEBI Circulars and other applicable laws, rules, regulations, bye-laws, as the case may be or any statutory modification or reenactment thereof from time to time.
- 2. DATE OF TAKING EFFECT AND OPERATIVE DATE**
- The Scheme set out herein, in its present form or with any modification(s) and amendments(s) made under Clause 17 of the Scheme or as approved or imposed or directed by the Tribunal, as the case may be and applicable, shall be effective from the Appointed Date, but shall be made operative from the Effective Date.
- 3. CAPITAL STRUCTURE OF THE COMPANIES**
- 3.1 The share capital of HTML as at March 31, 2017 is as under:

Particulars	Amount (Rs.)
Authorized Share Capital	
36,25,00,000 Equity Shares of Rs.2/- each	72,50,00,000/-
Total	72,50,00,000/-
Issued, Subscribed and Paid Up Share Capital	
23,27,48,314 Equity Shares of Rs.2/- each fully paid up	46,54,96,628/-
Total	46,54,96,628/-

Since March 31, 2017 and as on the date of filing of this Scheme, there is no change in the capital structure of HTML.

- 3.2 The share capital of the Resulting Company as at August 14, 2017 is as under:

Particulars	Amount (Rs.)
Authorized Share Capital	
10,000 Equity Shares of Rs. 10/- each	1,00,000/-
Total	1,00,000/-
Issued, Subscribed and Paid Up Share Capital	
10,000 Equity Shares of Rs. 10/- each fully paid up	1,00,000/-
Total	1,00,000/-

The entire issued, subscribed and paid up share capital of the Resulting Company is presently held by HTML and its nominees and hence, the Resulting Company is a wholly owned subsidiary of HTML.

Since August 14, 2017 the Resulting Company has sub-divided its equity shares to a face value of Rs. 2/- per equity share from Rs10/- per equity share.

The existing Share Capital of the Resulting Company is as under:

Particulars	Amount (Rs.)
Authorized Share Capital	
50,000 Equity Shares of Rs. 2/- each	1,00,000/-
Total	1,00,000/-
Issued, Subscribed and Paid Up Share Capital	
50,000 Equity Shares of Rs. 2/- each fully paid up	1,00,000/-
Total	1,00,000/-

4. MAIN OBJECTS

- 4.1 The main objects of HTML as on the date of filing of the Scheme are as follows:

1. *To print, publish and conduct for sale one or more newspapers and other periodicals including magazines, books, pamphlets or any other publication in English, Hindi or any other language, anywhere in India, either daily or otherwise.*
2. *To manufacture, produce, exhibit, distribute, buy and sell, assign, licence, telecast, broadcast news and current affairs, television films, commercial films, video films, video magazines and to engage in other similar activities related thereto.*
3. *To engage in the business of dissemination of news, knowledge and information of general interest, across the globe, through web-page design, creation, hosting and any business relating to the Internet or email, networking and communication environments.*
4. *To engage in the business of radio broadcast and all other allied activities including producing buying, selling and distribution of radio programs.*
5. *To carry on in India and elsewhere the business to produce, promote, manage, project, procure or acquire rights, participate, manufacture, process,*

prepare, alter, develop, expose, edit, exhibit, broadcast, transmit, make, remake, display, print, reprint, convert, duplicate, finish, buy, sell, run, import, export and deal in any manner, to act as broker, agent, distributor, proprietor, organizers, promoters, sponsors, copyright owners, audio & video right owners, media partners and media advisors of all kinds of live and recorded sports, entertainment events, news & current affair events, summits, pageants, concerts, shows, exhibitions, premiers in all languages in India or elsewhere.

6. *To carry on business as advertising agent, to purchase and sell advertising time or space on any media like, newspaper, magazine, pamphlet, publications, television, radio, mobile, Internet, satellite in India or abroad or any other kind of media currently in vogue or which may be in vogue at any time, and to act as agent or representative for any person(s) or entities for soliciting/booking advertisements and/or any other promotional, commercial and other programmes on any form of media or medium including collection of charges and remittances thereof to principals and any other activities related to or necessary in the context of the said business.*

4.2 The main objects of the Resulting Company as on the date of filing of the Scheme are as follows:

1. *To engage in, deal, carry out any activity or business in the digital media space and electronic media, for creation, dissemination and/or integration of news, knowledge, information, entertainment, brand/event promotion and content of general interest, in English, Hindi or any other language, across the globe through networking, telecom, web-page design, creation, hosting, radio, television and/or any other mode of communication whether currently in vogue or which may be in vogue in the future.*
2. *To carry on in India or elsewhere, the business to produce, promote, manage, project, procure, acquire*

rights, develop digital and other tools, create, curate, edit, aggregate, digital content (including photo, audio and video content) and/or to participate in, manufacture, process, aggregate, accumulate, syndicate, prepare, alter, develop, edit, exhibit, broadcast, transmit, make, remake, display, print, reprint, convert, duplicate, finish, buy, sell, promote, run, import, export, act as broker, agent, distributor, proprietor, organizers, promoter, sponsors, copyright owner, audio & video right owner, media partners / advisors or deal in any manner, in all kinds of audio, video, photo or digital content, live and recorded sports, entertainment events, music, news & current affairs events, summits, pageants, concerts, shows, exhibitions, premiers, in all languages in India or elsewhere.

3. *To carry on by itself, or through franchisees or licensees, classified advertisement business including but not limited to jobs, education, property, automobile, matrimonial, travel, sale or purchase of merchandise and/or providing services in relation thereto, through internet or any other digital medium; to provide web-based services, including but not limited to gaming, blogging, audio-video streaming etc. by designing, creating, hosting, servicing web-sites or any other platform, establishing, providing, operating and managing, e-commerce, direct-to-home, m-commerce platforms, for sale of all categories of products and / or services; to create, develop and market any technology for facilitation of mobile or electronic or internet based payments or any other technology based payments for transactions, whether currently in vogue or which may be in vogue in the future.*
4. *To carry on any business relating to Internet or e-mail, networking and communication environments, including but not limited to search engines, jobs, education, property, automobile, classifieds, matrimonial, travel, sale/purchase of merchandise and/or providing services etc. through internet/on-line medium and/or to*

provide various web-based services, including but not limited to gaming, blogging, audio/video streaming etc. by designing, creating, hosting, servicing etc. appropriate web-sites, merchandising the web-sites or any other internet based media, to be the licensee of different web-sites, to manage, operate and maintain web-sites of different types (content, technical or otherwise) web related products or internet related activities and to execute e-commerce, e-logic, e-solutions, business of internet service, electronic mail service, facsimile service, content marketing efficiency model, content and event aggregation for online medium and/or mobile applications, providing or engaging in business of m-commerce solutions, providing content for value added services in mobile telephones and/or other communication systems and to carry on any internet, web-based or any other prevalent or future technology based business.

5. *To carry on the business to act as advisors, consultants, guides, executants, agents, liaison representatives or in any other manner, for marketing promotion and/or brand promotion, including business-to-business solutions of any product, person, entity, advertisement and public relations agency, government and non-governmental organization, through all communication mediums, including but not limited to newspaper, magazine, pamphlet, publications, television, events, conferences, radio, mobile, internet, satellite in India or abroad or any other kind of media currently in vogue or which may be in vogue in the future.*

PART B

TRANSFER AND VESTING OF ENTERTAINMENT & DIGITAL INNOVATION BUSINESS OF HTML TO AND WITH THE RESULTING COMPANY

5. TRANSFER AND VESTING OF ENTERTAINMENT & DIGITAL INNOVATION BUSINESS FROM DEMERGED COMPANY TO RESULTING COMPANY

- 5.1 Upon the coming into effect of this Scheme and with effect from the Appointed Date, the "Entertainment & Digital Innovation Business" (including all the estate, assets, rights, claims, title, interest and authorities including accretions and appurtenances of the "Entertainment & Digital Innovation Business") shall, without any further act, instrument, deed, matter or thing, be demerged from HTML and stand transferred to and vested in the Resulting Company or be deemed to have been demerged from HTML, and transferred to and vested in the Resulting Company as a going concern, so as to become as and from the Appointed Date, the estate, assets, rights, claims, title, interests and authorities of the Resulting Company, pursuant to Section 232 of the Act.
- 5.2 In respect of such of the assets of the Entertainment & Digital Innovation Business as are movable in nature and/or otherwise capable of transfer by manual or constructive delivery of possession and/or by endorsement and delivery, the same shall be so transferred by HTML to the Resulting Company upon the coming into effect of this Scheme pursuant to the provisions of Section 232 of the Act, without requiring any deed or instrument of conveyance for transfer of the same, and shall become the property of the Resulting Company as an integral part of the Entertainment & Digital Innovation Business.
- 5.3 In respect of the movable assets other than those dealt with in clause 5.2 above, including but not limited to sundry debts, actionable claims, earnest monies, receivables, bills, credits, loans, advances and deposits with the Government, semi-Government, local and any other authorities and bodies and/or customers, if any, whether recoverable in cash or in kind or for value to be received, bank balances, etc. the same shall stand transferred to and vested in the Resulting Company without any notice or other intimation to any person in pursuance of the provisions of Sections 230 to 232 read

- with Section 66 and other relevant provisions of the Act, to the end and intent that the right of HTML to recover or realize the same stands transferred to the Resulting Company. The Resulting Company shall, at its sole discretion but without being obliged, give notice in such form as it may deem fit and proper, to such person, as the case may be, that the said debt, receivable, bill, credit, loan, advance or deposit stands transferred to and vested in the Resulting Company and that appropriate modification should be made in their respective books/records to reflect the aforesaid changes.
- 5.4 In respect of such of the assets belonging to the Entertainment & Digital Innovation Business other than those referred to in clause 5.2 and 5.3 above, the same shall, as more particularly provided in clause 5.1 above, without any further act, instrument or deed, be demerged from HTML and transferred to and vested in and/or be deemed to be demerged from HTML and transferred to and vested in the Resulting Company upon the coming into effect of this Scheme and with effect from the Appointed Date pursuant to the provisions of Sections 230-232 of the Act.
 - 5.5 All assets, rights, title, interests and investments of HTML in relation to the Entertainment & Digital Innovation Business shall also without any further act, instrument or deed stand transferred to and vested in and be deemed to have been transferred to and vested in the Resulting Company upon the coming into effect of this Scheme and with effect from the Appointed Date pursuant to the provisions of Sections 230 to 232 of the Act.
 - 5.6 Without prejudice to the generality of the foregoing, upon the coming into effect of this Scheme, all the rights, title, interest and claims of HTML in any leasehold/leave and licence/right of way properties of HTML in relation to the Entertainment & Digital Innovation Business, shall, pursuant to Section 232 of the Act, without any further act or deed, be transferred to and vested in or be-deemed to have been transferred to or vested in the Resulting Company automatically and on the same terms and conditions.
 - 5.7 For the avoidance of doubt and without prejudice to the generality of the foregoing, it is expressly clarified that upon the coming into effect of this Scheme, all permits, licenses, permissions, right of way, approvals, clearances, consents, benefits, registrations, entitlements, credits, certificates, awards, sanctions, allotments, quotas, no objection certificates, exemptions, concessions, issued to or granted to or executed in favour of HTML, and the rights and benefits under the same, in so far as they relate to the Entertainment & Digital Innovation Business and all quality certifications and approvals, trademarks, trade names, service marks, copy rights, domain names, web-sites, designs, trade secrets, research and studies, technical knowhow and other intellectual properties (whether owned, licensed or otherwise, and whether registered or unregistered) and all other interests relating to the goods or services being dealt with by the Entertainment & Digital Innovation Business and the benefit of all statutory and regulatory permissions, environmental approvals and consents, registration or other licenses, and consents acquired by HTML, in relation to the Entertainment & Digital Innovation Business shall be transferred to and vested in the Resulting Company and the concerned licensors and granters of such approvals, clearances, permissions, etc., shall endorse, where necessary, and record, in accordance with law, the Resulting Company on such approvals, clearances, permissions so as to empower and facilitate the approval and vesting of the Entertainment & Digital Innovation Business of HTML in the Resulting Company and continuation of operations pertaining to the Entertainment & Digital Innovation Business of HTML in the Resulting Company without hindrance and that such approvals, clearances and

permissions shall remain in full force and effect in favour of or against the Resulting Company, as the case may be, and may be enforced as fully and effectually as if, instead of HTML, the Resulting Company had been a party or beneficiary or obligee thereto.

- 5.8 In so far as various incentives, subsidies, exemptions, special status, indirect tax benefits or credits, income tax holiday/benefit/losses and other benefits or exemptions or privileges enjoyed, granted by any Government body, regulatory authority, local authority or by any other person, or availed of by HTML are concerned, the same shall, without any further act or deed, in so far as they relate to the Entertainment & Digital Innovation Business, vest with and be available to the Resulting Company on the same terms and conditions, as if the same had been allotted and/or granted and/or sanctioned and/or allowed to the Resulting Company.
- 5.9 Any claims due to HTML from its customers or otherwise and which have not been received by HTML as on the date immediately preceding the Effective Date as the case may be, in relation to or in connection with the Entertainment & Digital Innovation Business, shall also belong to and be received by the Resulting Company.
- 5.10. All assets, estate, rights, title, interest and authorities acquired by HTML after the Appointed Date and prior to the Effective Date for operation of the Entertainment & Digital Innovation Business shall also stand transferred to and vested in the Resulting Company upon the coming into effect of this Scheme.
- 5.11. Upon the coming into effect of this Scheme, all debts, duties, obligations and liabilities (including contingent liabilities) of HTML relating to the Entertainment & Digital Innovation Business shall without any further act, instrument or deed be and stand transferred to the Resulting Company and shall thereupon become the debts, duties, obligations and liabilities

of the Resulting Company, which it undertakes to meet, discharge and satisfy to the exclusion of HTML and to keep HTML indemnified at all times from and against all such debts, duties, obligations and liabilities (including contingent liabilities) and from and against all actions, demands and proceedings in respect thereto. It shall not be necessary to obtain the consent of any third party or other person, who is a party to an act or arrangement by virtue of which such debts, obligations, duties and liabilities, have arisen in order to give effect to the provisions of this clause.

- 5.12. In so far as loans and borrowings of HTML are concerned, the loans and borrowings and such amounts pertaining to the general and multipurpose loans and borrowings, and liabilities, if any which are to be transferred to the Resulting Company in terms of clause 5.11 above, being a part of the Entertainment & Digital Innovation Business, shall, without any further act or deed, become loans and borrowings of the Resulting Company, and all rights, powers, duties and obligations in relation thereto shall be and stand transferred to and vested in and shall be exercised by or against the Resulting Company, as if it had entered into such loans and incurred such borrowings. However, without prejudice to such transfer of proportionate liability amount, if any, where considered necessary for the sake of convenience and towards facilitating single point creditor discharge, the Resulting Company may discharge such liability (including accretions) by making payments on the respective due dates to HTML, which in turn shall make payments to, the respective creditors.
- 5.13. Subject to clause 5.12 above, from the Effective Date, the Resulting Company alone shall be liable to perform all obligations in respect of the liabilities of the Entertainment & Digital Innovation Business as the borrower/issuer thereof, and HTML shall not have any obligations in respect of the said liabilities.

- 5.14. Where any of the liabilities and obligations of HTML as on the Appointed Date deemed to be transferred to the Resulting Company, have been discharged by HTML after the Appointed Date and prior to the Effective Date, such discharge shall be deemed to have been made for and on account of the Resulting Company and all liabilities and obligations incurred by HTML for the operations of the Entertainment & Digital Innovation Business after the Appointed Date and prior to the Effective Date shall be deemed to have been incurred for and on behalf of the Resulting Company and to the extent of their outstanding on the Effective Date, shall also without any further act or deed be and stand transferred to the Resulting Company and shall become the liabilities and obligations of the Resulting Company, which shall meet, discharge and satisfy the same.
- 5.15. Any claims, liabilities or demands arising on account of the Entertainment & Digital Innovation Business of HTML which relates to the period prior to the Appointed Date but arises at any time after the Effective Date shall be entirely borne by the Resulting Company. In the event that such liability is incurred by or such claim or demand is made upon HTML, then the Resulting Company shall indemnify HTML for any payments made in relation to the same.
- 5.16. Subject to the other provisions of this Scheme, in so far as the assets of the Entertainment & Digital Innovation Business are concerned, the security, pledge, existing charges and mortgages, over such assets, to the extent they relate to any loans or borrowings of the Remaining Business of HTML shall, without any further act, instrument or deed be released and discharged from the same and shall no longer be available as security, pledge, charges and mortgages in relation to those liabilities of HTML which are not transferred to the Resulting Company.
- 5.17. In so far as the assets of the Remaining Business of HTML are concerned, the security, pledge, existing charges and mortgages over such assets, to the extent they relate to any loans or borrowings of the Entertainment & Digital Innovation Business shall, without any further act, instrument or deed be released and discharged from such security, pledge, charges and mortgages. The absence of any formal amendment which may be required by a bank and/or financial institution in order to affect such release shall not affect the operation of this clause.
- 5.18. In so far as the existing security in respect of the loans and other liabilities relating to the Remaining Business of HTML are concerned, such security shall, without any further act, instrument or deed be continued with HTML only, on the assets which are remaining with HTML.
- 5.19. Without any prejudice to the provisions of the foregoing clauses and upon the Scheme being effective, HTML, and the Resulting Company shall execute any instrument(s) and/or document(s) and/or do all the acts and deeds as may be required, including the filing of necessary particulars and/or modification(s) of charge, with the Registrar of Companies, NCT of Delhi and Haryana, to give formal effect to the provisions of this clause and foregoing clauses, if required.
- 5.20. Upon the coming into effect of this Scheme, HTML alone shall be liable to perform all obligations in respect of all debts, liabilities, duties and obligations pertaining to the Remaining Business of HTML and the Resulting Company shall not have any obligations in respect of the Remaining Business of HTML.
- 5.21. The foregoing provisions shall operate, notwithstanding anything to the contrary contained in any instrument, deed or writing or the terms of sanction or issue or any security documents, all of which instruments, deeds or writings shall stand modified and/or superseded by the foregoing provisions.
- 5.22. On and from the Effective Date, and thereafter, the Resulting Company shall be entitled to operate the bank accounts of HTML, in relation to or in

connection with the Entertainment & Digital Innovation Business, and realize all monies and complete and enforce all pending contracts and transactions and to accept stock returns and issue credit notes, in relation to or in connection with the Entertainment & Digital Innovation Business, in the name of the Resulting Company in so far as may be necessary until the transfer of rights and obligations of the Entertainment & Digital Innovation Business to the Resulting Company under this Scheme have been formally given effect to under such contracts and transactions. From the Appointed Date and prior to the Effective Date, any money collected or realized by HTML in relation to or in connection with the Entertainment & Digital Innovation Business shall be deemed to have been for and on account of the Resulting Company.

- 5.23. As on the Appointed Date, certain portions of the working capital facilities of HTML are being utilized for the activities or operation of the Entertainment & Digital Innovation Business. It is being clarified that pursuant to the Scheme becoming effective and as part of the transfer and vesting of the Entertainment & Digital Innovation Business with the Resulting Company and subject to the approval of relevant lenders, such working capital facilities, as may be identified by the Board of Directors of HTML, shall stand transferred to the Resulting Company. In the event such facilities are not transferred as on the Effective Date, HTML and the Resulting Company may, subject to applicable laws and if required, enter into inter-company loan arrangement to that extent from HTML to the Resulting Company till the time the Resulting Company establishes its own line of credit.
- 5.24. For avoidance of doubt and without prejudice to the generality of the applicable provisions of the Scheme, it is clarified that with effect from the Effective Date and till such time that the name of bank accounts of HTML, in relation to or in connection with the Entertainment & Digital Innovation

Business, have been replaced with that of the Resulting Company, the Resulting Company shall be entitled to operate the bank accounts of HTML, in relation to or in connection with the Entertainment & Digital Innovation Business, in the name of HTML in so far as may be necessary. All cheques and other negotiable instruments, payment orders received or presented for encashment, which are in the name of HTML in relation to or in connection with the Entertainment & Digital Innovation Business, after the Effective Date shall be accepted by the bankers of the Resulting Company and credited to the account of the Resulting Company, if presented by the Resulting Company. The Resulting Company shall be allowed to maintain bank accounts in the name of HTML for such time as may be determined to be necessary by the Resulting Company for presentation and deposition of cheques and pay orders that have been issued in the name of HTML, in relation to or in connection with the Entertainment & Digital Innovation Business. To the extent such collection is made in the name of HTML it shall also without any further act or deed be and stand transferred to the Resulting Company. It is hereby expressly clarified that any legal proceedings by or against HTML, in relation to or in connection with the Entertainment & Digital Innovation Business, in relation to the cheques and other negotiable instruments, payment orders received or presented for encashment, which are in the name of HTML shall be instituted, or as the case may be, continued by or against the Resulting Company after the coming into effect of this Scheme.

- 5.25. It is clarified that in order to ensure the smooth transition of business in relation to or in connection with the Entertainment & Digital Innovation Business, the Resulting Company shall have the right to use, market, sell, exhaust or to in any manner deal with any items or service pertaining to the Entertainment & Digital Innovation Business without making any modifications whatsoever to items

or services and/or their branding. All invoices/payment related documents pertaining to such items shall be raised in the name of the Resulting Company after the Effective Date.

- 5.26. It is hereby clarified that all assets and liabilities of the Entertainment & Digital Innovation Business, which are set forth in the closing balance sheet of HTML as on the Appointed Date, shall be transferred at values appearing in the books of account of HTML as on the Appointed Date.
- 5.27. Upon this Scheme coming into effect, HTML and the Resulting Company may enter into shared services agreements, inter-alia, in relation to use by the Resulting Company of office space, infrastructure facilities, club membership facilities, information technology services, security personnel, legal, administrative and other services, etc. of HTML on such terms and conditions that may be agreed between the parties and on payment of consideration on an arm's length basis.
- 5.28. Notwithstanding anything contained herein, it is hereby clarified that no separate corporate approvals, inter-alia, under the Act or any other applicable law or regulation or contract, shall be required to be taken for undertaking any of the actions/transactions pertaining to the Entertainment & Digital Innovation Business or the services provided by HTML under clause 5.27 above from the Appointed Date and until the Effective Date and all such actions/transactions shall be deemed to be in compliance with the Act or other laws, regulations, contracts as applicable, by virtue of approval of the Scheme.

6. LEGAL PROCEEDINGS

- 6.1 Upon the coming into effect of this Scheme, all legal or other proceedings (including before any statutory or quasi-judicial authority or tribunal) by or against HTML, under any statute, whether pending on the Appointed Date, or which may be instituted any time in the future and in each relating to the Entertainment & Digital Innovation Business shall be continued and

enforced by or against the Resulting Company after the Effective Date. In the event that the legal proceedings referred to herein require HTML and the Resulting Company to be jointly treated as parties thereto, the Resulting Company shall be added as a party to such proceedings and shall prosecute and defend such proceedings in co-operation with HTML. In the event of any difference or difficulty in determining as to whether any specific legal or other proceedings relate to the Entertainment & Digital Innovation Business or not, a decision jointly taken by the Board of Directors of HTML and the Resulting Company in this regard, shall be conclusive evidence of the matter.

- 6.2 If proceedings are taken against HTML in respect of the matters referred to in clause 6.1 above, it shall defend the same in accordance with the advice of the Resulting Company and at the cost of the Resulting Company, and the latter shall reimburse and indemnify HTML against all the liabilities and obligations incurred by HTML in respect thereof.
- 6.3 The Resulting Company shall have all legal or other proceedings initiated by or against HTML with respect to the Entertainment & Digital Innovation Business, transferred into its name and to have the same continued, prosecuted and enforced by or against the Resulting Company to the exclusion of HTML.

7. CONTRACTS, DEEDS, ETC.

- 7.1. Upon the coming into effect of this Scheme and subject to the provisions of this Scheme, all contracts, deeds, bonds, agreements, schemes, arrangements and other instruments of whatsoever nature in relation to the Entertainment & Digital Innovation Business to which HTML is a party or to the benefit of which HTML may be eligible, and which are subsisting or have effect immediately before the Effective Date, shall be in full force and effect by or against or in favour of the Resulting Company, as the case may be, and may be enforced as fully and effectually as if, instead of HTML, the

Resulting Company had been a party or beneficiary or obligee thereto.

- 7.2. Notwithstanding the fact that vesting of the Entertainment & Digital Innovation Business occurs by virtue of this Scheme itself, the Resulting Company may, at any time after the coming into effect of this Scheme, in accordance with the provisions hereof, if so required, take such actions and execute such deeds (including deeds of adherence), confirmations or other writings with any party to a contract or arrangement to which HTML is a party in order to give formal effect to the above provisions. The Resulting Company will, if necessary, also be a party to the above. The Resulting Company shall, under the provisions of this Scheme, be deemed to be authorized to execute any such writings and carry out or perform, all such formalities or compliances referred to above on behalf of HTML.

- 7.3. Without prejudice to the aforesaid, it is clarified that if any assets (estate, claims, rights, title, interests in or authorities relating to such assets) or any contract, deeds, bonds, agreements, schemes, arrangements or other instruments of whatsoever nature in relation to the Entertainment & Digital Innovation Business which HTML owns or to which HTML is a party to, cannot be transferred to the Resulting Company for any reason whatsoever, HTML shall hold such asset or contract, deeds, bonds, agreements, schemes, arrangements or other instruments of whatsoever nature, in trust for the benefit of the Resulting Company, in so far as it is permissible so to do, till such time as the transfer is effected.

8. SAVING OF CONCLUDED TRANSACTIONS

- 8.1 The transfer and the vesting of the assets, liabilities and obligations of the Entertainment & Digital Innovation Business under clause 5 hereof and the continuance of proceedings by or against the Resulting Company under clause 6 hereof shall not affect any transaction or proceedings already completed by HTML on or after the Appointed Date, to the end and intent

that the Resulting Company adopts, accepts all acts, deeds and things done and executed by and/or on behalf of HTML in relation to Entertainment & Digital Innovation Business as acts, deeds and things made, done and executed by and on behalf of the Resulting Company.

9. STAFF, EMPLOYEES & WORKMEN

- 9.1. Upon the coming into effect of this Scheme, all the employees relating to the Entertainment & Digital Innovation Business that were employed by HTML, immediately before the Effective Date, shall become the employees of the Resulting Company without any break or interruption of service and with the benefit of continuity of service on terms and conditions which are not less favourable than the terms and conditions as were applicable to such employees relating to the Entertainment & Digital Innovation Business of HTML immediately prior to the demerger of the Entertainment & Digital Innovation Business.
- 9.2. The Resulting Company agrees that the length of service of the employees pertaining to the Entertainment & Digital Innovation Business with HTML up to the Effective Date shall be taken into account for the purpose of all retirement benefits to which they may be eligible in HTML up to the Effective Date. The Resulting Company further agrees that for the purpose of payment of any retrenchment compensation, gratuity or other terminal benefits, such past service with HTML, shall also be taken into account and agrees and undertakes to pay the same as and when payable.
- 9.3. Upon the coming into effect of this Scheme, the Resulting Company shall make all the necessary contributions for such transferred employees relating to the Entertainment & Digital Innovation Business, and deposit the same in provident fund, gratuity fund or superannuation fund or any other special fund or staff welfare scheme or any other special scheme. The Resulting Company will also file

relevant intimations in respect of the Entertainment & Digital Innovation Business to the statutory authorities concerned who shall take the same on record and substitute the name of the Resulting Company for HTML.

9.4. In so far as the existing provident fund, gratuity fund and pension and /or superannuation fund/trusts, retirement funds or employees state insurance schemes or pension scheme or employee deposit linked insurance scheme or any other benefits, if any, created by HTML for employees of the Entertainment & Digital Innovation Business are concerned, such proportion of the funds, contributions to the funds or the scheme or the investments made into the funds relatable to the employees pertaining to the Entertainment & Digital Innovation Business as on the Effective Date, who are being transferred along with the Entertainment & Digital Innovation Business in terms of the Scheme, upon the coming into effect of this Scheme, shall be transferred to the necessary funds, schemes or trusts of the Resulting Company and till the time such necessary funds, schemes or trusts are created by the Resulting Company, all contribution shall continue to be made to the existing funds, schemes or trusts of HTML.

9.5. In respect of the stock options granted by HTML under the ESOP Plans, it is hereby clarified that upon the coming into effect of this Scheme, the options as of the Effective Date would continue on the existing terms and conditions except for such modifications / adjustments as may be deemed appropriate by the Board of HTML in view of this Scheme and in accordance with the applicable laws. Any such modifications/ adjustments shall not require any further approval of the shareholders of HTML and/or holders of options in the said behalf.

10. CONDUCT OF BUSINESS

10.1. With effect from the Appointed Date and up to and including the Effective Date:

- a) HTML undertakes to carry on and shall be deemed to carry on all businesses and activities and stand possessed of the properties and assets of the Entertainment & Digital Innovation Business, for and on account of and in trust for the Resulting Company.
- b) All profits accruing to HTML and all taxes thereon or losses arising or incurred by it with respect to the Entertainment & Digital Innovation Business shall, for all purposes, be treated as and deemed to be the profits, taxes or losses, as the case may be, of the Resulting Company.
- c) All accretions and depletions in relation to the Entertainment & Digital Innovation Business shall be for and on account of the Resulting Company.

10.2. With effect from the date of approval to the Scheme by the Board of Directors of HTML and the Resulting Company, and upto and including the Effective Date, HTML shall carry on the business of the Entertainment & Digital Innovation Business with reasonable diligence and business prudence and in the same manner as it had been doing hitherto. Notwithstanding anything contained herein, it is hereby clarified that no separate corporate approvals, inter-alia, under the Act or any other applicable law or regulation or contract, shall be required to be taken for undertaking any of the actions/transactions pertaining to the Entertainment & Digital Innovation Business or services provided by HTML under Clause 5.27 from the Appointed Date and until the Effective Date and all such actions/transactions shall be deemed to be in compliance with the Act or other laws, regulations, contracts as applicable, by virtue of approval of the Scheme.

10.3. From the date of filing of this Scheme with the Tribunal and upto and including the Effective Date, HTML and the Resulting Company shall , unless expressly prohibited under this Scheme , carry on their respective

business in ordinary course and shall also be inter alia permitted to make a payment or distribution of dividend in any manner, alter its share capital in any manner including any sub-division of shares, change in the constitutional documents including the objects or name of the company, any issue of shares or other securities, acquisition and/ or restructuring with the approval of their respective Board any other activity or business as may be deemed necessary or expedient in the opinion of the Board.

- 10.4. The Resulting Company shall also be entitled, pending the sanction of the Scheme, to apply to the Central Government, State Government, and all other agencies, departments and statutory authorities concerned, wherever necessary, for such consents, approvals and sanctions which the Resulting Company may require including the registration, approvals, exemptions, reliefs, etc., as may be required/ granted under any law for time being in force for carrying on business of Entertainment & Digital Innovation Business.

11. TREATMENT OF TAX

- 11.1. The Resulting Company will be the successor of HTML vis-à-vis the Entertainment & Digital Innovation Business. Hence, it will be deemed that the benefits of any tax credits whether central, state, or local, availed vis-a-vis the Entertainment & Digital Innovation Business and the obligations, if any, for payment of taxes on any assets of the Entertainment & Digital Innovation Business or their erection and/or installation, etc. shall be deemed to have been availed by the Resulting Company, or as the case may be deemed to be the obligation of the Resulting Company.
- 11.2. With effect from the Appointed Date and upon the Scheme becoming effective, all taxes, duties, cess, receivables/ payables by HTML relating to the Entertainment & Digital Innovation Business including all or any refunds/ credits/ claims/ tax losses/ unabsorbed

depreciation relating thereto shall be treated as the assets/ liability or refund/ credit/ claims/ tax losses/ unabsorbed depreciation, as the case may be, of the Resulting Company.

- 11.3. HTML and the Resulting Company are expressly permitted to revise their tax returns including tax deducted at source ('TDS') certificates/ returns and to claim refund, advance tax, credits, excise and service tax credits, set off etc. on the basis of the accounts of the Entertainment & Digital Innovation Business as vested with the Resulting Company upon coming into effect of this Scheme. Such returns may be revised and filed notwithstanding that the statutory period for such revision and filing may have expired.
- 11.4. Any refund, under the Income tax Act, 1961, Goods & Service Tax, Service Tax laws, Excise Duty laws, Central Sales Tax, applicable State Value Added Tax laws or other applicable laws/ regulations dealing with taxes/ duties/ levies due to Entertainment & Digital Innovation Business of HTML consequent to the assessment made on HTML and for which no credit is taken in the accounts as on the date immediately preceding the Appointed Date shall also belong to and be received by the Resulting Company upon this Scheme becoming effective.
- 11.5. The tax payments (including, without limitation income tax, Goods & Service Tax, Service Tax, Excise Duty, Central Sales Tax, applicable State Value Added Tax, etc.) whether by way of tax deducted at source, advance tax, all earnest monies, security deposits provisional payments, payment under protest, or otherwise howsoever, by HTML with respect to the Entertainment & Digital Innovation Business after the Appointed Date, shall be deemed to be paid by the Resulting Company and shall, in all proceedings, be dealt with accordingly.
- 11.6. Further, any tax deducted at source by HTML / the Resulting Company or any other party with respect to Entertainment & Digital Innovation

Business on transactions with HTML/ the Resulting Company, if any (from Appointed Date to Effective Date) shall be deemed to be advance tax paid by the Resulting Company and shall, in all proceedings, be dealt with accordingly.

- 11.7. Obligation for deduction of tax at source on any payment made by or to be made by HTML shall be made or deemed to have been made and duly complied with by the Resulting Company.
- 11.8. Upon the Scheme becoming effective, all unavailed credits and exemptions, benefit of carried forward losses and other statutory benefits, including in respect of income tax, Goods and Service Tax, Cenvat, Customs, VAT, Sales Tax, Service Tax etc. relating to the Entertainment & Digital Innovation Business to which HTML is entitled to shall be available to and vest in the Resulting Company, without any further act or deed.
- 11.9. The Board of Directors of HTML shall be empowered to determine if any specific tax liability or any tax proceeding relates to the Entertainment & Digital Innovation Business and whether the same would be transferred to the Resulting Company.

12. CONSIDERATION

- 12.1. Upon the coming into effect of this Scheme and in consideration of the transfer and vesting of the Entertainment & Digital Innovation Business of HTML in the Resulting Company, the Resulting Company shall, without any further act or deed, issue and allot to the equity shareholders of HTML, whose names appear in the Register of Members of HTML, on a date (hereinafter referred to as "Record Date") to be fixed in that behalf by the Board of Directors of HTML in consultation with the Resulting Company for the purpose of reckoning the names of the equity shareholders of HTML in the following proportion namely,:

"for every 4 (four) equity share of face value of Rs. 2/- (Rupees two only) each held in HTML as on the record date, the equity shareholders of HTML shall

be issued 1 (one) equity share of face value Rs. 2/- (Rupees two only) each credited as fully paid-up in the Resulting Company."

In issue and allotment of such shares of the Resulting Company to the equity shareholders of HTML, as aforesaid, the fractional entitlements shall not be taken into account, but such shares representing fractional entitlements shall be consolidated and thereupon, the Resulting Company will issue and allot shares in lieu thereof to a Director or Company Secretary or Key Managerial Personnel of the Resulting Company or such other person as the Board of Directors of the Resulting Company shall appoint in this behalf upon trust, who will sell them on the date of listing of the Resulting Company or within such period of listing of the Resulting Company as may be decided by the Board of Directors of the Resulting Company, and distribute their sale proceeds (less expenses, if any) to the shareholders of HTML, who are entitled to such fractional shares of the Resulting Company.

- 12.2. The new equity shares issued, pursuant to clause 12.1 above, shall be issued and allotted in a dematerialized form to those equity shareholders who hold equity shares in HTML in dematerialized form, into the account with the depository participant in which the equity shares of HTML are held on the Record Date. All those equity shareholders of HTML who hold equity shares of HTML in physical form shall also have the option to receive the new equity shares, in dematerialized form, provided the details of their account with the depository participant are intimated in writing to the Resulting Company before the Record Date. In the event that the Resulting Company has received notice from any equity shareholder of HTML that equity shares are to be issued in physical form or if any equity shareholder has not provided the requisite details relating to his/her/its account with a depository participant or other confirmations as may be required or if the details furnished by any equity

- shareholder do not permit electronic credit of the shares of the Resulting Company, then the Resulting Company shall issue new equity shares of the Resulting Company in accordance with clause 12.1 above, as the case may be, in physical form to such equity shareholder.
- 12.3. The new equity shares of the Resulting Company to be issued to the shareholders of HTML in terms of clause 12.1 above, shall be subject to the provisions of the Memorandum and Articles of Association of the Resulting Company and shall rank pari-passu, in all respects with the then existing equity shares of the Resulting Company, if any in all respects including dividends.
 - 12.4. Where the new equity shares of the Resulting Company are to be allotted, pursuant to clause 12.1 above, to heirs, executors or administrators or, as the case may be, to successors of deceased equity shareholders of HTML, the concerned heirs, executors, administrators or successors shall be obliged to produce evidence of title satisfactory to the Board of Directors of the Resulting Company.
 - 12.5. The new equity shares to be issued by the Resulting Company, pursuant to clause 12.1 above, in respect of any equity shares of HTML, which are held in abeyance under the provisions of Section 126 of the Act or otherwise shall, pending allotment or settlement of dispute by order of court or otherwise, be held in abeyance by the Resulting Company.
 - 12.6. The approval of this Scheme by the shareholders of the Resulting Company shall be deemed to be due compliance of the provisions of section 62 of the Act and other applicable provisions of the Act, for the issue and allotment of new equity shares by the Resulting Company to the shareholders of HTML, as provided in this Scheme.
 - 12.7. In the event of there being any pending share transfers, whether lodged or outstanding, of any shareholders of HTML, the Board of Directors of HTML shall be empowered in appropriate cases, prior to or even subsequent to the Record Date, to effectuate such a transfer in HTML as if such changes in the registered holder were operative as on the Record Date and to remove any difficulties arising thereto.
 - 12.8. The Resulting Company shall, if and to the extent required to, apply for and/or intimate and/or obtain any approvals from the concerned regulatory authorities for issue and allotment of shares pursuant to the Scheme including the provisions of Foreign Exchange Management Act, 1999, if any, for issue and allotment of new equity shares to the non-resident equity shareholders of HTML, if any.
 - 12.9. The new equity shares to be issued by the Resulting Company, in terms of clause 12.1 above, will be listed and/or admitted to trading on the BSE and NSE, where the equity shares of HTML are listed and/or admitted to trading in terms of the provisions of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 and other applicable regulations. The Resulting Company shall enter into such arrangements and give such confirmations and/or undertakings as may be necessary in accordance with the applicable laws or regulations for complying with the formalities of the aforesaid stock exchanges. On such formalities being fulfilled, the said stock exchanges shall list and /or admit such new equity shares also for the purpose of trading. The new equity shares allotted by the Resulting Company, pursuant to clause 12.1 above, shall remain frozen in the depositories system till the listing/trading permission is given by the BSE and NSE. Between the date of allotment of the equity shares of the Resulting Company to the shareholders of HTML and the date of listing of the equity shares of the Resulting Company with the stock exchanges, except as provided for in Clause 14.1 of this Scheme in relation to the reduction of the existing share capital of the Resulting Company, there shall be no change in the shareholding pattern or control of the Resulting Company.

13. ACCOUNTING TREATMENT

Accounting treatment in the books of HTML

On effectiveness of the Scheme and with effect from the Appointed Date, HTML shall account for Demerger of the Entertainment & Digital Innovation Business in its books of account in accordance with the Indian Accounting Standard (IND AS) prescribed under Section 133 of the Companies Act, 2013, as notified under the Companies (Indian Accounting Standard) Rules, 2015 and generally accepted accounting principles, as may be amended from time to time, as under:

- 13.1. All the assets and the liabilities of the Entertainment & Digital Innovation business being transferred shall be reduced at their Book Value as on the Appointed date. (other than inter-company loan, if any, referred to in Clause 5.23 of the Scheme)
- 13.2. The difference between the book value of assets and book value of liabilities of the Entertainment & Digital Innovation business as on the Appointed date shall be adjusted against the Capital Reserve, to the extent required.
- 13.3. If considered appropriate for compliance with Accounting Standards, HTML may make suitable adjustment to the accounting treatment and adjust the effect thereof in the manner determined by the Board of Directors of HTML.
- 13.4. Upon the Scheme being effective, the existing equity shareholding of HTML in the Resulting Company shall stand cancelled. Upon cancellation, HTML shall credit to its investment in the Resulting Company, the value of investment held by HTML in the Resulting Company, which stands cancelled and the same shall be debited to the Profit & Loss Account of HTML.

Accounting treatment in the books of the Resulting Company

On effectiveness of the Scheme and with effect from the Appointed Date, since the transaction involves entities which are ultimately controlled by the same party before and after the transaction, the Resulting

Company shall account for Demerger of the Entertainment & Digital Innovation Business in its books of account in accordance with Appendix C 'Business combinations of entities under common control' of the Indian Accounting Standard (Ind AS) 103 for Business Combination prescribed under Section 133 of the Companies Act, 2013, as notified under the Companies (Indian Accounting Standard) Rules, 2015 and generally accepted accounting principles, as may be amended from time to time, as under:

- 13.5. The Resulting Company shall, record the assets and liabilities of the Entertainment & Digital Innovation business vested in it pursuant to this Scheme at the respective carrying amounts appearing in the books of HTML.
- 13.6. The Resulting Company shall credit its share capital account with the aggregate face value of the new equity shares issued by it to the equity shareholders of HTML pursuant to Clause 12.1 of this Scheme.
- 13.7. The difference between the carrying amount of the assets and liabilities as recorded under Clause 13.5 above and the share capital account credited with aggregate face value of the new equity shares as recorded under Clause 13.6 above, shall be recorded as Capital Reserve.
- 13.8. If considered appropriate for the purpose of application of uniform accounting policies and method or for compliance with the applicable Accounting Standards, the Resulting Company may make suitable adjustment and adjust the effect thereof in the manner determined by the Board of Directors of the Resulting Company.
- 13.9. Upon the Scheme being effective, the existing shareholding of HTML in the Resulting Company shall stand cancelled. Upon cancellation, the Resulting Company shall debit to its Equity Share Capital Account, the aggregate face value of existing equity shares held by HTML in the Resulting Company, which stands cancelled and the same shall be credited to the Capital Reserves of the Resulting Company.

14. REDUCTION OF SHARE CAPITAL OF THE RESULTING COMPANY AND REDUCTION OF CAPITAL RESERVE IN HTML

14.1. Reduction of share capital of the Resulting Company

- a) Simultaneously, with the issue and allotment of the new equity shares by the Resulting Company to the equity shareholders of HTML in accordance with clause 12.1 of the Scheme, in the books of the Resulting Company, any equity shares held by HTML in the Resulting Company shall stand cancelled, extinguished and annulled on and from the Effective Date.
- b) The cancellation, as mentioned under clause 14.1(a) above, which amounts to reduction of share capital of the Resulting Company, shall be effected as an integral part of this Scheme itself in accordance with the provisions of section 66 of the Act and the order of the Tribunal sanctioning the Scheme shall be deemed to be also the order under Section 66 of the Act for the purpose of confirming the reduction. The reduction would not involve either a diminution of liability in respect of unpaid share capital or payment of paid-up share capital.
- c) Notwithstanding the reduction as mentioned above, the Resulting Company shall not be required to add “and reduced” as suffix to its name and the Resulting Company shall continue in its existing name.

14.2 Reduction of capital reserve of HTML

- a) The reduction under clause 13.2 in the Capital Reserve account of HTML shall be effected as an integral part of the Scheme in accordance with the provisions of Sections 66 of the Act and the order of the Tribunal, as the case may be, as applicable sanctioning the Scheme shall be deemed to be also the order under Section 66 of the Act for the purpose of confirming the reduction. The approval granted by the shareholders of HTML to the Scheme shall be deemed to be the approval for the purpose of Section 66 and other relevant provisions of the Act. HTML

and the Resulting Company shall not be obliged or required to call for a separate meeting of its shareholders/creditors for obtaining their approval for sanctioning the reduction in capital reserves. The reduction does not involve either a diminution of liability in respect of unpaid share capital or payment of paid up share capital under the provisions of Section 66 of the Act.

- b) Notwithstanding the reduction as mentioned above, HTML shall not be required to add “and reduced” as suffix to its name and HTML shall continue in its existing name.

15. REMAINING BUSINESS TO CONTINUE WITH HTML

15.1. The Remaining Business, and all the assets, liabilities and obligations pertaining thereto, shall continue to belong to, and be vested in and be managed by HTML, subject to the provisions of the Scheme as may be applicable.

15.2. All legal or other proceedings by or against HTML under any statute, whether pending on the Appointed Date or which may be instituted in future whether or not in respect of any matter arising before the Effective Date, and relating to the Remaining Business (including those relating to any property, right, power, liability, obligation or duties of HTML in respect of the Remaining Business) shall be continued and enforced by or against HTML. The Resulting Company shall, in no event, be responsible or liable in relation to any such legal or other proceedings by or against HTML.

15.3. With effect from the Appointed Date and up to and including the Effective Date:

- a. HTML shall carry on and shall be deemed to have been carrying on all business and activities relating to the Remaining Business for and on its own behalf;
- b. all profits and income accruing or arising to HTML, and any cost, charges, losses and expenditure arising or incurred by it (including

taxes, if any, accruing or paid in relation to any profits or income) relating to the Remaining Business shall, for all purposes, be treated as and be deemed to be the profits, income, losses or expenditure, as the case may be, of HTML; and

- c. all employees relatable to the Remaining Business shall continue to be employed by HTML, and the Resulting Company shall not in any event be liable or responsible for any claims whatsoever regarding such employees.

PART C

GENERAL TERMS & CONDITIONS

16. APPLICATION TO TRIBUNAL

The companies shall, with all reasonable dispatch, make necessary applications/petitions under Sections 230 to 232 of the Act and other applicable provisions of the Act to the Tribunal for seeking sanction of this Scheme.

17. MODIFICATION(S) OR AMENDMENT(S) TO THE SCHEME

17.1. HTML and the Resulting Company, by their respective Boards of Directors, may assent to/make and/or consent to any modifications/amendments to the Scheme, or to any conditions or limitations that the Tribunal and/or any other authority (including SEBI and stock exchanges) under law may deem fit to direct or impose, or which may otherwise be considered by them necessary, desirable or appropriate as a result of subsequent events or otherwise by them.

17.2. HTML and the Resulting Company, by their respective Board, are authorized to take all such steps as may be necessary, desirable or proper to resolve any doubts, difficulties or questions whatsoever for carrying the Scheme into effect, whether by reason of any directive or order of any other authorities or otherwise howsoever, arising out of or under or by virtue of the Scheme and/or any matter concerned or connected therewith.

18. CONDITIONALITY OF THE SCHEME

This Scheme is, and shall be conditional upon and subject to:

- 18.1. The requisite consent, approval or permission from BSE, NSE and/or SEBI under Regulation 37 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, which by law or otherwise may be necessary for the implementation of this Scheme in compliance with the provisions of SEBI Circular;
- 18.2. The approval of the Scheme by the respective requisite majorities in number and value of the shareholders and/or creditors (where applicable) of the Companies in accordance with Section 230 to 232 read with section 66 of the Act;
- 18.3. The Scheme being sanctioned by the Tribunal in terms of Sections 230 to 232 read with section 66 and other relevant provisions of the Act and the requisite orders of the Tribunal;
- 18.4. Certified copies of the orders of the Tribunal sanctioning this Scheme being filed with the relevant Registrar of Companies by HTML and the Resulting Company as per the provisions of the Act, and
- 18.5. If any part of this Scheme is found to be unworkable or unviable for any reason whatsoever, the same shall not, subject to the decision of the Board of Directors of the Companies affect the validity or implementation of the other parts and/or provisions of this Scheme.
- 18.6. This Scheme, although to come into operation from the Appointed Date, shall not become effective until the later of the following dates, namely:
 - a. That on which the last of the aforesaid approvals and sanctions as mentioned in Clause 18.1, 18.2 & 18.3 shall be obtained or passed; or
 - b. That on which all necessary authenticated/ certified copies of the Tribunal Order(s) being filed with the relevant Registrar

of Companies by the Demerged Company and the Resulting Company respectively.

The last of such dates shall be the 'Effective Date' for the purpose of this Scheme.

19. EFFECT OF NON-RECEIPT OF APPROVALS

19.1. In the event of any of the said sanctions and approvals referred to in Clause 18.1, 18.2, 18.3 and 18.4 not being obtained and/ or complied with and/or satisfied, this Scheme shall automatically stand revoked, cancelled and be of no effect, save and except in respect of any act or deed done prior thereto as is contemplated hereunder, or as to any rights and/ or liabilities which might have arisen or accrued pursuant thereto, and which shall be governed and be preserved or worked out as is specifically provided in the Scheme or as may otherwise arise in law.

19.2. In the event of revocation of the Scheme under Clause 19.1, no rights and liabilities whatsoever shall accrue to or be incurred inter se to HTML & the Resulting Company or their respective shareholders or creditors or employees or any other person, save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any right, liability or obligation which has arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out as is specifically provided in the Scheme or in accordance with the applicable laws and in such case, each company shall bear its own costs unless otherwise mutually agreed.

19.3. The Board of Directors of HTML and the Resulting Company shall be entitled to withdraw this Scheme prior to the Effective Date.

20. CHANGE OF NAME, INCREASE IN AUTHORIZED SHARE CAPITAL OF THE RESULTING COMPANY AND CONSEQUENT ALTERATION OF ITS MEMORANDUM OF ASSOCIATION

20.1. As an integral part of the Scheme and at any time prior to the Effective date,

the name of the Resulting Company may be changed to such other name as may be approved by the Board of the Resulting Company and the Registrar of Companies, subject to the Resulting Company filing necessary forms and applications with the Registrar of Companies in the said behalf. Approval of the shareholders of the Resulting Company and HTML to the Scheme shall be considered as the approval required under the provisions of Act for such change of name.

20.2. In order to give effect to this Scheme, the authorized share capital of the Resulting Company shall be increased from Rs 1,00,000 (Rupees One Lakh) to Rs.12,00,00,000 (Rupees Twelve Crores).

By virtue of Clause 20.2 read with Clause 3.2, , Clause (V) of the memorandum of association of the Resulting Company shall, without any further act or deed, be amended accordingly to read as under:

"V. The Authorized Share Capital of the Company is Rs 12,00,00,000 (Rupees Twelve Crore only) divided into 6,00,00,000 (Six Crore) Equity Shares of Rs. 2/- (Rupees Two only) each."

20.3. It is clarified that for the purposes of this Clause 20, the consent of the shareholders of the Resulting Company to this Scheme, shall be sufficient for the purposes of effecting the above changes, and shall be deemed to include consent under any other applicable provisions of the Act, and no further resolution(s) under any provisions of the Act, including Section 13 and Section 61 thereof, would be separately required. The Resulting Company shall discharge the applicable filing fees and stamp duty in relation to such changes.

21. COSTS, CHARGES AND EXPENSES

21.1. All costs, charges, taxes including duties, levies and all other expenses, if any (save as expressly otherwise agreed) of HTML and the Resulting Company arising out of or incurred in connection with implementation of this Scheme and matters incidental thereto, shall be borne by HTML.

Jain Jindal & Co.
(Chartered Accountants)

Plot No. 35, Arjun Marg
DLF Phase-I, Gurgaon-122002
Board: +91 124 4252720

August 25, 2017

To,
The Board of Directors
HT Media Limited
Hindustan Times House, Second Floor,
18-20 Kasturba Gandhi Marg, New Delhi 110001

To,
The Board of Directors
HT Digital Ventures Limited
Hindustan Times House, Second Floor,
18-20 Kasturba Gandhi Marg, New Delhi 110001

Sub: Share entitlement ratio report

1. Context and purpose

We refer to our engagement letter dated July 28, 2017 and subsequent discussions with the management of the companies for ratio of allotment of equity shares of the HT Digital Ventures Limited ('Resulting Company') to be issued to the shareholders of HT Media Limited in connection with proposed demerger of Entertainment & Digital Innovation Business ('Business') of HT Media Limited into Resulting Company, with March 31, 2018 as the appointed date (Appointed Date).

2. Background

- 2.1** HT Media Limited ("HTML") is a public limited company incorporated under the provisions of Companies Act, 1956 on December 03, 2002 bearing Corporate Identification Number L22121DL2002PLC117874. The equity shares of HTML are listed on BSE Limited ("BSE") & National Stock Exchange of India Limited ("NSE").

HTML is primary engaged in the following key businesses:

- a) Printing and publication of newspapers
- b) FM Radio Broadcasting
- c) Entertainment & Digital Innovation Business
- d) Online job portal "shine.com"

We understand that the management of HTML is contemplating scheme of arrangement whereby it is proposed that Entertainment & Digital Innovation Business ("Business Undertaking" be demerged from HTML to HT Digital Ventures Limited ("HTDVL or Resulting Company") and HT Digital Ventures Limited such issue, in consideration of the demerger, its shares to the shareholders of HT Media. HTDVL is a newly incorporated wholly owned subsidiary of HTML ("Demerged Company").

- 2.2** The demerger is proposed to be effected through scheme of arrangement under sections 230 to 232 of the Companies Act, 2013 read with Section 66 of the Companies Act, 2013.



Jain Jindal & Co.

(Chartered Accountants)

2.3 In connection with Demerger, the Management of HT Media Limited has requested Jain Jindal & Co. ('JJC' / 'we' / 'us') to provide report on the ratio of allotment of equity shares of the Resulting Company to the shareholders of HT Media Limited based on information to be made available by the management.

2.4 We understand that consequent to Demerger there will be no impact on the economic beneficial interest of the shareholders of the HT Media Limited.

3. Procedures

The procedures used in our analysis including substantive procedures as we considered necessary under the circumstances:

- Considered the audited financial statement of the HT Media for year ended March 31, 2017 and extracts of provisions financial statements as at June 30, 2017
- Considered the number of equity shares of HTDVL / Resulting Company proposed to be issued to the shareholders of HT Media Limited on the demerger of Business Undertaking into Resulting Company
- Considered Draft Scheme of Arrangement for the demerger dated August 24, 2017.
- Consider the existing shareholding pattern of HT Media and the envisaged shareholding pattern of Resulting Company
- Such other analysis, reviews and inquires with the management as we consider necessary and on which we have relied.

4. Share entitlement ratio

Management has informed us that the HTDVL has been incorporated with shares having face value of Rs 10 per share. Management has confirmed that the face value of shares of HTDVL shall be changed to Rs 2 per share before the record date of the Scheme.

Based on the above, management has proposed the following Share Entitlement Ratio:

"for every 4 (four) equity share of face value of Rs. 2/- (Rupees two only) each held in HT Media Limited as on the record date, the equity shareholders of HT Media Limited shall be issued 1 (one) equity share of face value Rs. 2/- (Rupees two only) each credited as fully paid-up in HT Digital Ventures Limited"

We have considered the outstanding number of equity shares of HT Media and envisaged number of equity shares of the Resulting Company as follows:

- As of report date the issued, subscribed and paid up capital of HT Media Limited consists of 232,748,314 equity shares of Rs. 2 each.
- As of report date, the initial issued, subscribed and paid up capital of HTDVL is envisaged to consist of 10,000 equity shares of Rs. 10/- each. The entire paid up capital of HTDVL is held by HTML. The shares held by HTML in HTDVL shall be cancelled as in integral part of the scheme.



Jain Jindal & Co.

(Chartered Accountants)

The draft scheme provides that in case of Fractional entitlements in issue and allotment of such shares as aforesaid, the fractional entitlements of shares of any shareholders of HTML shall not be taken into account, but such shares representing fractional entitlements shall be consolidated and thereupon HTDVL will issue and allot shares in lieu thereof to a Director or Company Secretary or Key Managerial Personnel of HTDVL or such other person as the Board of Directors of HTDVL shall appoint in this behalf upon trust, who will sell them on the date of listing of HTDVL or within such period of listing of HTDVL as may be decided by the Board of Directors of HTDVL, and distribute their sale proceeds (less expenses, if any) to the shareholders of HTML, who are entitled to such fractional shares.

Pursuant to scheme, the Resulting Company, in order to comply with the intent of maintaining the economic interest of shareholders of HT Media Limited shall issue 58,187,078 equity shares of Rs. 2/- each to all the shareholders of HT Media Limited.

5. Basis for determination of share entitlement ratio

Consequent to this demerger the economic beneficial interest of the shareholders of HTML shall remain the same.

In light of the above a fair valuation of equity shares of HTML or HTDVL has not been carried out.

Valuation Approach	HTML		HTDVL	
	Value per Share	Weight	Value per Share	Weight
Asset Approach	NA	NA	NA	NA
Income Approach	NA	NA	NA	NA
Market Approach	NA	NA	NA	NA
Relative Value Per Share	NA		NA	
Entitlement Ratio			NA	

Based on the aforementioned scheme, analysis above and caveats below, and considering that all the current shareholders of the HT Media are and will, upon demerger, be ultimate beneficial economic owners of the Resulting Company and that upon allotment of equity shares by the Resulting Company in the proposed Share Entitlement Ratio, the beneficial economic interest of the shareholders in the equity of Resulting Company will be same as it is in equity of HT Media Limited.

Thus, the share entitlement ratio proposed by the management in para 4 above is fair in relation to demerger.

6. Caveats

- 6.1 We have relied upon the information, data and explanations in paragraphs 2 and 3 above for the purpose of reporting on the ratio of allotment of the equity shares of the Resulting Company to the shareholders of HT Media Limited in connection with the proposed Demerger.



Jain Jindal & Co.

(Chartered Accountants)

- 6.2 For the purpose of opining on the Share Entitlement Ratio we have used financial and other information provided by the Management, which we believe to be reliable and are conclusions are dependent on such information being complete and accurate in all material respects. Our scope of work does not enable us to accept responsibility for the accuracy and completeness of financial and other information provided to us by the Management. We have, therefore, not carried out any due diligence review, independent audit or other test or validation of such financial and other information to establish the accuracy or sufficiency of the financial statements referred to above or of the information, explanations and representations provided to us. We have thus relied upon the audits carried out by SR Batliboi & Co. LLP of the financials of HT Media Limited provided to us. Accordingly, we do not express any opinion or any other form of assurance thereon and accept no responsibility for the same.
- * 6.3 We have made no investigation of, and assume no responsibility for the title to, or liabilities against, the equity of HT Media Limited.
- 6.4 The business of HT Media Limited is proposed to be demerged into the Resulting Company with effect from the Appointed Date and we have considered the financial statements of HT Media Limited as at March 31, 2017. The Management has explained that the Business would be carried on in due course of business till the Appointed Date and subsequently, till the Scheme is approved. The Management has represented that financial statements of HT Media Limited as at 31 March 2017, provided to us, include all disclosures necessary for a fair presentation of its financial position and results of operations in accordance with generally accepted accounting principles of India consistently applied, and disclosures otherwise required by the laws and regulations to which they are subject. The Management has further represented that the Management does not anticipate any changes in the financial position of the Business, other than that in ordinary course of business till the Appointed Date.
- 6.5 Our scope of work is limited to expression of our view on the proposed Share Entitlement Ratio and its impact on the economic interest of the shareholders of the Specified Companies. Our report is not, nor should it be construed as, our opining or certifying the compliance of the proposed demerger of the Demerged Undertaking with the provisions of any law including companies, FEMA and Taxation related laws or as regards any legal implications or issues arising from such proposed demerger.
- 6.6 While we have provided our view on the Share Entitlement Ratio based on the information available to us and within the scope and constraints of our engagement, others may have a different opinion. You acknowledge and agree that you have the final responsibility for determination of the Share Entitlement Ratio for the proposed Demerger and factors other than our report will need to be taken into account in determining such ratios; these will include your own assessment of the proposed Demerger and may include the input of other professional advisors.



Jain Jindal & Co.

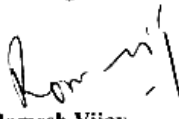
(Chartered Accountants)

7. Distribution of report

- 7.1 This letter report is prepared for the Board of Directors of HT Media Limited and the Resulting Company and to the extent mandatorily required under applicable laws of India, may be produced before judicial, regulatory or government authorities, in connection with the transaction.
- 7.2 In no event shall we liable for any loss, damages, cost or expenses arising in any way from fraudulent acts, misrepresentations or willful default on part of the specified companies, their directors, employees or agents. In no circumstances shall liability of Jain Jindal & Co. its partners, directors, employees relating to the services provided in connection with the engagement set out in this report exceed the amount paid to us in respect of the fees charged for these services.

Yours faithfully,

For Jain Jindal & Co.
Chartered Accountants
Firm Registration No: 02881004


Romesh Vijay
Membership no. 411274
Partner
Place: Gurgaon
Date: August 25, 2017



Annexure-3



To,
The Board of Directors,
HT Media Limited
18-20, Kasturba Gandhi Marg,
New Delhi – 110001

Dated – 25th August, 2017

Sub: Opinion on the share entitlement ratio on the proposed scheme of arrangement for demerger of Entertainment and Digital Innovation Business of HT Media Limited with its wholly owned subsidiary, HT Digital Ventures Limited.

Dear Members of the Board:

We understand that Board of Directors of HT Media Limited (here in after referred as Demerged Company/ HTML) is considering scheme of arrangement for demerger of Entertainment and Digital Innovation Business of the Company w.e.f. Appointed Date i.e. March 31, 2018 through a scheme of arrangement ('Scheme') under section 230 - 232 read with section 66 and other applicable provisions of the Companies Act, 2013.

The scheme of arrangement provides for -

- a. Demerger of Entertainment and Digital Innovation Business of the Demerged Company into its wholly owned subsidiary, HT Digital Ventures Limited ("Resulting Company"), on a going concern basis, and
- b. Issuance of equity shares by the Resulting Company to the shareholders of HT Media Limited, as per the terms and conditions more fully set forth in the draft scheme of arrangement, which shall be listed at BSE Limited and National Stock Exchange of India Limited (NSE), the Stock Exchange(s), where the shares of Demerged Company are presently listed.

FINSHORE MANAGEMENT SERVICES LIMITED
(CIN : U74900WB2011PLC169377)
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227, A. J. C. Bose Road, Kolkata-700 020 West Bengal, India
Ph. : 033 2289 5101
Website : www.finshoregroup.com

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- c. Cancellation of shares held by the Demerged Company in the Resulting Company. Accordingly post demerger there would be mirror image proportionate shareholding of Demerged Company and Resulting Company i.e. economic interest of shareholders shall remain intact and in the same ratio.

The share entitlement ratio for the proposed scheme of arrangement for demerger has been determined by M/s Jain Jindal & Co., Chartered Accountants; vide their valuation report dated August 25, 2017.

In terms of Regulation 37 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 (LODR Regulations) read with SEBI Circular No. CFD/ DIL3/CIR/ 2017/21 dated March 10, 2017, the listed companies undertaking a scheme of arrangement is required to submit to stock exchange, copy of fairness opinion obtained from the Merchant Banker on the valuation of shares / assets of the companies done by the independent valuer.

With reference to above, we Finshore Management Services Limited, a SEBI Registered (Cat-I) Merchant Banker have been appointed by the demerged company to provide our fairness opinion on the same.

Brief Background of the Companies, our opinion and basis for forming an opinion and caveats is as hereunder -

1. Background of companies:

1.1. HT Media Limited (Demerged Company)

HT Media Limited is a public limited company incorporated under the provisions of Companies Act, 1956 on December 03, 2002 bearing Corporate Identification Number L22121DL2002PLC117874. The registered office of HTML is situated at 18-20, Kasturba Gandhi Marg, New Delhi – 110 001. The equity shares of HTML are listed on BSE Limited ("BSE") & National Stock Exchange of India Limited ("NSE").

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HTML is primary engaged in the following key businesses:

- a) Printing and publication of newspapers and periodicals;
- b) FM Radio Broadcasting
- c) Online job portal "shine.com"
- d) Entertainment & Digital Innovation Business

1.2. HT Digital Ventures Limited (Resulting Company)

HT Digital Ventures Limited is a public limited company incorporated under the provisions of Companies Act, 2013 on August 14, 2017 bearing Corporate Identification Number U74999DL2017PLC322147. The registered office of HTDVL is situated at 18-20, Kasturba Gandhi Marg, New Delhi – 110 001. HTDVL is wholly owned subsidiary of HTML. In accordance with the constitutional documents of HTDVL, the company is authorized to engage in the business of entertainment and digital innovation.

2. Basis of our opinion

2.1. Rationale of the draft scheme of arrangement (as per extract of draft scheme dated August 25, 2017)

HTML has various businesses that are complementary in nature, however they are distinct in terms of their nature, regulatory & competitive environment, risk profile, workforce capability, capital requirement and growth trajectory. With a view to enable Entertainment & Digital Innovation Business to capitalize on growth opportunities, led by a dedicated management team, it is proposed to assign a separate identity to business by way of a demerger into HTDVL. The demerger is likely to offer the following benefits to HTML and HTDVL:

- a) The Entertainment & Digital Innovation Business carried on by HTML has significant potential for growth. The nature of risk, competition, challenges, opportunities and business operations for the Entertainment & Digital Innovation Business is separate and distinct from the other businesses of HTML. Thus, the scheme would enable the Entertainment & Digital Innovation Business to innovate, scale up and run independently to pursue growth opportunities in a more focused manner. As part of HTDVL, the Entertainment & Digital Innovation Business shall be amenable to benchmarking and be in a position to attract the right set of investors, strategic partners, employees and other relevant stakeholders.

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- b) There would be enhanced focus on the operations of the Entertainment & Digital Innovation Business under a dedicated management team of HTDVL, who can chart out and pursue an independent strategy to maximize value creation for stakeholders. Likewise, there would be greater management focus on the remaining businesses of HTML.
- c) The listing of shares of HTDVL on the stock exchanges would enable independent benchmarking of Entertainment & Digital Innovation Business and give a distinct identity to the Entertainment & Digital Innovation Business which is independent and accountable to the interest of all stakeholders and provide enhanced liquidity to the investors of HTML.

There is no adverse effect of Scheme on the directors, key management personnel, promoters, non-promoter members, creditors and employees of HTML and HTDVL. The Scheme would be in the best interest of all stakeholders.

2.2. Sources of Information

- i) Draft scheme of arrangement.
- ii) Share Entitlement Ratio report dated August 25, 2017, issued by Jain Jindal & Co., Chartered Accountants.
- iii) Audited Balance Sheet and Income Statement of Demerged Company for the financial year ended March 31, 2017.
- iv) Management representation that the face value of shares of HTDVL shall be changed to Rs 2 per share before the record date of the Scheme.

2.3. Valuers Analysis

The clause 4 of Share entitlement ratio report provides the ratio of allotment for shares, which is as follows -

"for every 4 (four) equity share of face value of Rs. 2/- (Rupees two only) each held in HT Media Limited as on the record date, the equity shareholders of HT Media Limited shall be issued 1 (one) equity share of face value Rs. 2/- (Rupees two only) each credited as fully paid-up in HT Digital Ventures Limited"

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3. Conclusion and Our Opinion

- 3.1. With reference to above and based on information provided by the KMP's and after discussions with the Valuers, we understand that the present scheme of arrangement has been structured to enable Entertainment & Digital Innovation Business to capitalize on growth opportunities and unlock the potential value of each business of the Demerged Company. Pursuant to scheme of arrangement the shares of the Resulting Company shall be listed on the same stock exchange on which the shares of the Demerged company are listed.
- 3.2. We also understand that, the proposed cancellation and reduction of share capital of the Resulting Company to the extent held by the Demerged Company, should result in creation of mirror image proportionate shareholding of the Resulting Company as that of Demerged Company (i.e. economic interest of both companies shall remain intact in the hands of common shareholders and in the same ratio.) Thus, the interest of shareholders remains unaffected post demerger.

"Considering above and subject to our caveats as provided in annexure, we as a Merchant Banker hereby certify that we have reviewed the share entitlement ratio report for the proposed scheme of arrangement for demerger of Entertainment & Digital Innovation Business of HT Media Limited and are of the opinion that share entitlement ratio of 1 (one) equity shares of INR 2 (Rupees Two) each at par in Resulting Company for every 4 (four) equity shares of face value of INR 2 (Rupees Two) held in demerged company, as fair and reasonable to the equity shareholders of HT Media Limited."

Thanking You,

For Finshore Management Services Limited


Authorized Signatory



FINSHORE MANAGEMENT SERVICES LIMITED

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Annexure

Caveats

1. Our opinion and analysis is limited to the extent of review of documents as provided to us by the KMP's of HT Media Limited including the share entitlement ratio report prepared by Jain Jindal & Co., Chartered Accountants and draft scheme of arrangement for demerger. We have relied on accuracy and completeness of all the information and explanations provided by the KMP's. We have not carried out any due diligence or independent verification or validation to establish its accuracy or sufficiency. We have not conducted any independent valuation or appraisal of any of the assets or liabilities of demerged company/ resulting company or their subsidiaries, if any.
2. The scope of our work has been limited both in terms of the areas of the business and operations which we have reviewed and the extent to which we have reviewed them. There may be matters, other than those noted in this Report, which might be relevant in the context of the transaction and which a wider scope might uncover.
3. We have no present or planned future interest in HT Media Limited / HT Digital Ventures Limited and the fee payable for this opinion is not contingent upon the opinion reported herein. The company has been provided with an opportunity to review the draft opinion as a part of our standard practice to make sure that factual accuracy / omissions are avoided in our final opinion.
4. Our fairness opinion is not intended to and does not constitute a recommendation to any shareholders as to how such holder should vote or act in connection with the scheme or any matter related thereto.
5. The Opinion contained herein is not intended to represent at any time other than the date that is specifically stated in this Report. This opinion is issued on the understanding that the KMP's of HT Media Limited has drawn our attention to all matters of which they are aware, which may have an impact on our opinion up to the date of signature. We have no responsibility to update this report for events and circumstances occurring after the date of this Report.
6. Our report should not be construed as an opinion or certificate certifying the compliance of the proposed scheme of demerger with the provisions of any law including companies, taxation and capital market related laws or as regards any legal implication or issues arising from proposed demerger.

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Annexure-4



Ref: NSE/LIST/30839

December 22, 2017

The Company Secretary
HT Media Limited
Hindustan Times House
18-20, Kasturba Gandhi Marg
New Delhi – 110 001

Kind Attn.: Mr. Dinesh Mittal

Dear Sir,

Sub: Observation Letter for Draft Scheme of Arrangement between HT Media Limited and HT Digital Ventures Limited

We are in receipt of the draft scheme of Arrangement between HT Media Limited and HT Digital Ventures Limited and their respective shareholders and creditors, filed by HT Media Limited vide application dated September 14, 2017.

Based on our letter reference no Ref: NSE/LIST/26280 submitted to SEBI and pursuant to SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017 ('Circular'), SEBI vide letter dated December 22, 2017, has given following comments:

- a. The Company shall ensure that additional information, if any, submitted by the Company, after filing the scheme with the stock exchange, from the receipt of this letter is displayed on the website of the listed company.*
- b. The Company shall ensure that applicable information pertaining to unlisted company HT Digital Ventures Limited is included in the format specified for abridged prospectus as specified in the circular.*
- c. The Company shall duly comply with various provisions of the Circulars.*
- d. The Company is advised that the observations of SEBI/ Stock Exchanges shall be incorporated in the petition to be filed before National Company Law Tribunal (NCLT) and the company is obliged to bring the observations to the notice of NCLT.*
- e. It is to be noted that the petitions are filed by the company before NCLT after processing and communication of comments/observations on draft scheme by SEBI/ stock exchange. Hence, the company is not required to send notice for representation as mandated under section 230(5) of Companies Act, 2013 to SEBI again for its comments/observations/ representations.*

Based on the draft scheme and other documents submitted by the Company, including undertaking given in terms of regulation 11 of SEBI (LODR) Regulation, 2015, we hereby convey our "No-objection" in terms of regulation 94 of SEBI (LODR) Regulation, 2015, so as to enable the Company to file the draft scheme with NCLT.

However, the Exchange reserves its rights to raise objections at any stage if the information submitted to the Exchange is found to be incomplete/ incorrect/ misleading/ false or for any



contravention of Rules, Bye-laws and Regulations of the Exchange, Listing Regulations, Guidelines / Regulations issued by statutory authorities.

The validity of this "Observation Letter" shall be six months from December 22, 2017, within which the scheme shall be submitted to NCLT. Further, pursuant to the above SEBI circular, upon sanction of the Scheme by the NCLT, you shall submit to NSE the following:

- a. Copy of Scheme as approved by the NCLT;
- b. Result of voting by shareholders for approving the Scheme;
- c. Statement explaining changes, if any, and reasons for such changes carried out in the Approved Scheme vis-à-vis the Draft Scheme
- d. Status of compliance with the Observation Letter/s of the stock exchanges
- e. The application seeking exemption from Rule 19(2)(b) of SCRR, 1957, wherever applicable; and
- f. Report on Complaints as per Annexure III of SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017.

Yours faithfully,
For **National Stock Exchange of India Ltd.**

Divya Poojari
Manager

P.S. Checklist for all the Further Issues is available on website of the exchange at the following URL http://www.nseindia.com/corporates/content/further_issues.htm

DCS/AMAL/PB/R37/1009/2017-18

December 26, 2017

The Company Secretary
HT Media Ltd.
Hindustan Times House, 18-20, Kasturba Gandhi Marg,
New Delhi, Delhi, 110001

Dear Sir,

Sub: Observation letter regarding the Draft Scheme of Arrangement between HT Media Limited and HT Digital Ventures Limited

We are in receipt of Draft Scheme of Arrangement between HT Media Limited and HT Digital Ventures Limited filed as required under SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017; SEBI vide its letter dated November 24, 2017, has inter alia given the following comment(s) on the draft scheme of arrangement:

- "Company shall ensure that applicable information pertaining to unlisted entities HT Digital Ventures Limited is included in the abridged prospectus as per the format specified in the circular."
- "Company shall ensure that information, if any, submitted by the Company, after filing the scheme with the stock exchange, from the date of receipt of this letter is displayed on the websites of the listed company."
- "Company shall duly comply with various provisions of the Circulars."
- "Company is advised that the observations of SEBI/Stock Exchanges shall be incorporated in the petition to be filed before National Company Law Tribunal (NCLT) and the company is obliged to bring the observations to the notice of NCLT."
- "It is to be noted that the petitions are filed by the company before NCLT after processing and communication of comments/observations on draft scheme by SEBI/stock exchange. Hence, the company is not required to send notice for representation as mandated under section 230(5) of Companies Act, 2013 to SEBI again for its comments / observations / representations."

Accordingly, based on aforesaid comment offered by SEBI, the company is hereby advised:

- To provide additional information, if any, (as stated above) along with various documents to the Exchange for further dissemination on Exchange website.
- To ensure that additional information, if any, (as stated aforesaid) along with various documents are disseminated on their (company) website.
- To duly comply with various provisions of the circulars.

In light of the above, we hereby advise that we have no adverse observations with limited reference to those matters having a bearing on listing/de-listing/continuous listing requirements within the provisions of Listing Agreement, so as to enable the company to file the scheme with Hon'ble NCLT.

However, the listing of equity shares of HT Digital Ventures Limited, shall be subject to SEBI granting relaxation under Rule 19(2) (b) of the Securities Contract (Regulation) Rules, 1957 and compliance with the requirements of SEBI circular. No. CFD/DIL3/CIR/2017/21 dated March 10, 2017. Further, HT Digital Ventures Limited shall comply with SEBI Act, Rules, Regulations, directions of the SEBI and any other statutory authority and Rules, Byelaws, and Regulations of the Exchange.

The Company shall fulfill the Exchange's criteria for listing the securities of such company and also comply with other applicable statutory requirements. However, the listing of shares of HT Digital Ventures Limited is at the discretion of the Exchange. In addition to the above, the listing of HT Digital Ventures Limited pursuant to the Scheme of Arrangement shall be subject to SEBI approval and the Company satisfying the following conditions:

(2)

1. To submit the Information Memorandum containing all the information about HT Digital Ventures Limited in line with the disclosure requirements applicable for public issues with BSE, for making the same available to the public through the website of the Exchange. Further, the company is also advised to make the same available to the public through its website.
2. To publish an advertisement in the newspapers containing all the information of HT Digital Ventures Limited in line with the details required as per the aforesaid SEBI circular no. CFD/DIL3/CIR/2017/21 dated March 10, 2017. The advertisement should draw a specific reference to the aforesaid Information Memorandum available on the website of the company as well as BSE.
3. To disclose all the material information about HT Digital Ventures Limited on a continuous basis so as to make the same public, in addition to the requirements if any, specified in Listing Agreement for disclosures about the subsidiaries.
4. The following provisions shall be incorporated in the scheme:
 - i. "The shares allotted pursuant to the Scheme shall remain frozen in the depository system till listing/trading permission is given by the designated stock exchange."
 - ii. "There shall be no change in the shareholding pattern of HT Digital Ventures Limited between the record date and the listing which may affect the status of this approval."

Further you are also advised to bring the contents of this letter to the notice of your shareholders, all relevant authorities as deemed fit, and also in your application for approval of the scheme of Arrangement.

Kindly note that as required under Regulation 37(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the **validity of this Observation Letter shall be Six Months from the date of this Letter**, within which the scheme shall be submitted to the NCLT. Further, pursuant to the above SEBI circulars, upon sanction of the Scheme by the Hon'ble NCLT, the listed company shall submit to the stock exchange the following:

- Copy of the NCLT approved Scheme;
- Result of voting by shareholders for approving the Scheme;
- Statement explaining changes, if any, and reasons for such changes carried out in the Approved Scheme vis-à-vis the Draft Scheme;
- Copy of the observation letter issued by all the Stock Exchanges where Company is listed.
- Status of compliance with the Observation Letter/s of the stock exchanges;
- The application seeking exemption from Rule 19(2)(b) of SCRR, 1957, wherever applicable; and
- Complaints Report as per Annexure II of this Circular.
- Any other document/disclosure as informed by the Exchange.

The Exchange reserves its right to withdraw its 'No adverse observation' at any stage if the information submitted to the Exchange is found to be incomplete / incorrect / misleading / false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, Listing Agreement, Guidelines/Regulations issued by statutory authorities.

Please note that the aforesaid observations does not preclude the Company from complying with any other requirements.

Yours faithfully,



Nitin Pujari
Sr. Manager



Prasad Bhide
Assoc. Manager

Annexure-6



HT MEDIA LIMITED
Regd. Office : Hindustan Times House
18-20, Kasturba Gandhi Marg
New Delhi - 110001
Tel.: 66561234 Fax : 66561270
www.hindustantimes.com
E-mail : corporatedept@hindustantimes.com
CIN : L22121DL2002PLC117874
24th October, 2017

Ref: HTML/CS/145/2017

The Listing Department
BSE Limited
P.J. Towers, Dalal Street
MUMBAI - 400 001

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

Scrip Code: 532662
Trading Symbol: HTMEDIA

Re: Filing of the 'Complaints Report' under Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular No. CFD/DIL3/CIR/2017/21 dated 10th March, 2017

Sub: Application under Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the proposed Scheme of Arrangement between HT Media Limited ("Demerged Company") and HT Digital Ventures Limited ("Resulting Company") and their respective shareholders and their creditors under Sections 230 to 232 read with Section 66 of the Companies Act, 2013 ("Scheme")

Dear Sir,

With reference to the captioned subject and further to our application dated 12th September, 2017 filed under Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular No. CFD/DIL3/CIR/2017/21 dated 10th March, 2017, please find enclosed the "Complaints Report" in Annexure - A from the date of hosting of the Scheme on the website of BSE Limited (i.e. September 19, 2017) and the Designated Stock Exchange viz. National Stock Exchange of India Limited (i.e. September 27, 2017), till October 17, 2017 (i.e. 21 days from the date of hosting on the Designated Stock Exchange).

The Complaints Report will also be uploaded on the website of the Company i.e. "www.htmmedia.in" as per the requirement of the said Circular.

You are requested to take the above on your records and kindly accord your "No Objection" to the Scheme at the earliest.

Thanking you,

Yours faithfully,

For HT Media Limited

(Dinesh Mittal)
Whole-time Director,
Group General Counsel & Company Secretary

Encl: As above

Annexure - A

Complaints Report

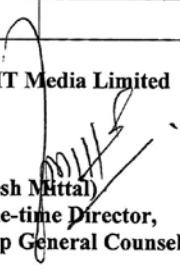
Part A

Sr. No.	Particulars	Number
1.	Number of complaints received directly	Nil
2.	Number of complaints forwarded by Stock Exchanges / SEBI	Nil
3.	Total Number of complaints/comments received (1+2)	Nil
4.	Number of complaints resolved	Not applicable
5.	Number of complaints pending	Not applicable

Part B

Sr. No.	Name of complainant	Date of complaint	Status (Resolved/Pending)
	NA	NA	NA

For HT Media Limited


(Dinesh Mittal)
Whole-time Director,
Group General Counsel & Company Secretary

Date: 24th October, 2017

Place: New Delhi

Annexure-7

REPORT ADOPTED BY THE BOARD OF DIRECTORS OF HT MEDIA LIMITED ON AUGUST 25, 2017, EXPLAINING THE EFFECT OF THE SCHEME OF ARRANGEMENT ON THE EQUITY SHAREHOLDERS (INCLUDING PROMOTER & NON-PROMOTER) & KEY MANAGERIAL PERSONNEL OF THE COMPANY

The Board of Directors of HT Media Limited ("HTML" or "the Company") at its meeting held on August 25, 2017 has considered and approved the draft Scheme of Arrangement between HT Media Limited and HT Digital Ventures Limited ("HTDVL" or "the Resulting Company"), and their respective Shareholders and Creditors under Sections 230 to 232 read with Section 66 of the Companies Act, 2013 ("Scheme"), which, inter-alia, provides for demerger of the 'Entertainment & Digital Innovation Business' of the Company and transfer and vesting thereof into the Resulting Company.

Provisions of Section 232(2)(c) of the Companies Act, 2013, require the Board of Directors to adopt a report explaining the effect of compromise or arrangement on each class of shareholders, key managerial personnel, promoters and non-promoter shareholders, laying out in particular, the share entitlement ratio and specifying special valuation difficulties, if any, and the same is required to be circulated as part of the notice of the meeting(s) to be held for the purpose of approving the Scheme.

This report of the Board of Directors is accordingly being made pursuant to the requirements of Section 232(2)(c) of the Companies Act, 2013.

While deliberating on the Scheme, the Board, inter-alia, considered and took on record the following Documents:

- Draft Scheme of Arrangement;
- Share Entitlement Ratio Report dated August 25, 2017 issued by Jain Jindal & Co., Chartered Accountants, inter-alia, describing the methodology adopted by them in arriving at the share entitlement ratio;
- Fairness Opinion dated August 25, 2017 issued by Finshore Management Services Limited, a SEBI Registered (Category-I) Merchant Banker;
- Certificate dated August 25, 2017 of S.R. Batliboi & Co. LLP, (Statutory Auditors) confirming that the accounting treatment outlined in the Scheme is in compliance with the applicable accounting standards notified under the Companies Act, 2013 and other generally accepted accounting principles;
- Report of the Audit Committee dated August 25, 2017 recommending the Scheme to the Board;
- Undertaking from the Company with regard to the non-applicability of the requirements prescribed in Paragraph (I)(A)(9) of the SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017 to the Scheme; and
- Certificate from the Statutory Auditors, S.R. Batliboi & Co. LLP, certifying the undertaking from the Company with regard to the non-applicability of the requirements prescribed in Paragraph (I)(A)(9) of the SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017 to the Scheme.

After taking on record the documents / confirmations referred above, the Board of HTML approved the draft Scheme of Arrangement.

The following is the Report taking into consideration the aforesaid provisions:

1. Share Entitlement Ratio

Share Entitlement Report dated August 25, 2017 obtained from Jain Jindal & Co., Chartered Accountants recommending the following share entitlement ratio:

"for every 4 (four) equity share of face value of Rs.2/- (Rupees two only) each held in HTML as on the record date, the equity shareholders of HTML shall be issued 1 (one) equity share of face value Rs. 2/- (Rupees two only) each credited as fully paid-up in the Resulting Company."

The Finshore Management Services Limited, a SEBI Registered (Category-I) Merchant Banker, in its Fairness Opinion dated August 25, 2017 have provided an opinion that the aforesaid share entitlement ratio is fair and reasonable to the equity shareholders of HTML.

No special valuation difficulties were reported by Jain Jindal & Co., Chartered Accountants in their aforesaid report.

2. Effect of the Scheme on the Shareholders (including Promoters & Non-Promoter Shareholders) of HTML

- There is only one class of shareholders. i.e. equity shareholders, which includes the promoter as well as non-promoter shareholders of HTML.
- On demerger, the Resulting Company will issue and allot its equity shares to each member of HTML, whose name is recorded in the register of members on the Record Date, as per the above mentioned share entitlement ratio.
- The equity shares to be issued and allotted as above, shall be subject to the provisions of the Memorandum and Articles of Association of the Resulting Company and shall rank pari-passu, in all respects with the then existing equity shares of the Resulting Company, if any, including dividends.
- There would be no dilution or increase in the shareholding of HTML's promoter or non-promoter shareholders in HTML.
- As per the Scheme, consequent upon demerger, the proposed shareholders and their holding proportion in the Resulting Company, as on the Record Date, will be identical to that of HTML, and thus, the overall economic interest of equity shareholders of HTML shall remain the same.

3. Effect of the Scheme on Key Managerial Personnel ("KMP") of HTML

The Scheme will have no effect on KMPs of HTML except to the extent of their respective shareholding in HTML, if any and effect thereon as detailed in point 2 above.

Adopted at the meeting of the Board of Directors of the Company held on August 25, 2017.

**On behalf of the Board
For HT Media Limited**

**Sd/-
(Dinesh Mittal)
Whole-time Director,
Group General Counsel & Company Secretary**

Place: New Delhi
Date: August 25, 2017

REPORT ADOPTED BY THE BOARD OF DIRECTORS OF HT DIGITAL VENTURES LIMITED ON AUGUST 25, 2017, EXPLAINING THE EFFECT OF THE SCHEME OF ARRANGEMENT ON THE EQUITY SHAREHOLDERS (INCLUDING PROMOTER & NON-PROMOTER) & KEY MANAGERIAL PERSONNEL OF THE COMPANY

The Board of Directors of HT Digital Ventures Limited at its meeting held on August 25, 2017 has considered and approved the draft Scheme of Arrangement between HT Media Limited ("HTML") and HT Digital Ventures Limited ("HTDVL" or "the Resulting Company"), and their respective Shareholders and Creditors under Sections 230 to 232 read with Section 66 of the Companies Act, 2013 ("Scheme"), which, inter-alia, provides for demerger of the 'Entertainment & Digital Innovation Business' of HTML and transfer and vesting thereof into HTDVL.

Provisions of Section 232(2)(c) of the Companies Act, 2013, require the Board of Directors to adopt a report explaining the effect of compromise or arrangement on each class of shareholders, key managerial personnel, promoters and non-promoter shareholders, laying out in particular, the share entitlement ratio and specifying special valuation difficulties, if any, and the same is required to be circulated as part of the notice of the meeting(s) to be held for the purpose of approving the Scheme.

This report of the Board of Directors is accordingly being made pursuant to the requirements of Section 232(2)(c) of the Companies Act, 2013.

While deliberating on the Scheme, the Board, inter-alia, considered and took on record the following Documents:

- Draft Scheme of Arrangement;
- Share Entitlement Ratio Report dated August 25, 2017 issued by Jain Jindal & Co., Chartered Accountants, inter-alia, describing the methodology adopted by them in arriving at the share entitlement ratio;
- Fairness Opinion dated August 25, 2017 issued by Finshore Management Services Limited, a SEBI Registered (Category-I) Merchant Banker to HTML;
- Certificate of Networth dated August 25, 2017 issued by MRKS & Associates, Statutory Auditors; and
- Certificate dated August 25, 2017 of MRKS & Associates (Statutory Auditors), confirming that the accounting treatment outlined in the Scheme is in compliance with the applicable accounting standards notified under the Companies Act, 2013 and other generally accepted accounting principles.

After taking on record the documents / confirmations referred above, the Board of HTDVL approved the draft Scheme of Arrangement.

The following is the Report taking into consideration the aforesaid provisions:

1. Share Entitlement Ratio

Share Entitlement Report dated August 25, 2017 obtained from Jain Jindal & Co., Chartered

Accountants recommending the following share entitlement ratio:

"for every 4 (four) equity share of face value of Rs.2/- (Rupees two only) each held in HTML as on the record date, the equity shareholders of HTML shall be issued 1 (one) equity share of face value Rs. 2/- (Rupees two only) each credited as fully paid-up in the Resulting Company."

No special valuation difficulties were reported by Jain Jindal & Co., Chartered Accountants in their aforesaid report.

2. Effect of the Scheme on the Shareholders (including Promoters & Non-Promoter Shareholders) and Key Managerial Personnel ("KMP") of HTDVL

- There is only one class of shareholders. i.e. equity shareholders.
- The entire equity share capital of HTDVL is held by HTML (Promoter) and its nominees. The Company does not have any non-promoter shareholders.
- Upon the Scheme becoming effective, the existing equity shares of HTDVL, held by HTML along with its nominees shall stand cancelled, extinguished and annulled as enshrined in Clause 14 of the Scheme.
- On demerger, HTDVL will issue and allot its equity shares to each member of HTML, whose name is recorded in the register of members on the Record Date, as per the above mentioned share entitlement ratio.
- As per the Scheme, consequent upon demerger, the proposed shareholders and their holding proportion in HTDVL, as on the Record Date, will be identical to that of HTML, and thus, the overall economic interest of equity shareholders of HTML shall remain the same.
- The Company does not have any KMP.

Adopted at the meeting of the Board of Directors of the Company held on August 25, 2017.

**On behalf of the Board
For HT Digital Ventures Limited**

**Sd/-
(Sharad Saxena)
Director**

Place: New Delhi
Date: August 25, 2017

Annexure-9


HT Media Limited Balance Sheet as at December 31, 2017

		As at December 31, 2017
	Note No	INR Lacs
I ASSETS		
1) Non-current assets		
(a) Property, plant and equipment	3	37,563.33
(b) Capital work in progress	3	3,437.73
(c) Investment property	4	42,681.92
(d) Intangible assets	5	41,007.19
(e) Intangible assets under development	5	122.88
(f) Investment in subsidiaries	6A	33,017.36
(g) Financial assets		
(i) Investments	6B	1,06,637.99
(ii) Loans	6C	5,414.84
(iii) Other financial assets	6D	1,805.04
(h) Income Tax Assets (net)	7	8,447.92
(i) Other non-current assets	8	2,560.22
Total Non- current assets		2,82,696.42
2) Current assets		
(a) Inventories	9	8,388.50
(b) Financial assets		
(i) Investments	6B	32,132.46
(ii) Trade receivables	10A	28,835.01
(iii) Cash and cash equivalents	10B	7,305.69
(iv) Other bank balances	10C	1.63
(v) Loans	6C	7,700.05
(vi) Other financial assets	6D	2,462.70
(c) Other current assets	11	10,179.24
Total current assets		97,005.28
TOTAL ASSETS		3,79,701.70
II EQUITY AND LIABILITIES		
1) Equity		
(a) Equity share capital	12	4,610.40
(b) Other equity	13	1,79,913.88
Total equity		1,84,524.28
2) Liabilities		
Non-current liabilities		
(a) Financial liabilities		
(i) Borrowings	14A	1,117.73
(b) Provisions	15	188.10
(c) Deferred tax liabilities (Net)		4,812.61
(d) Other non-current liabilities	16	1,760.83
Total non- current liabilities		7,879.27
Current liabilities		
(a) Financial liabilities		
(i) Borrowings	14A	1,12,264.63
(ii) Trade Payables	14B	33,012.96
(iii) Other financial liabilities	14C	2,784.48
(b) Provisions	15	538.60
(c) Current tax liability (net)	17	991.29
(d) Other current liabilities	18	37,706.19
Total current liabilities		1,87,298.15
Total liabilities		1,95,177.42
TOTAL EQUITY AND LIABILITIES		3,79,701.70
Summary of significant accounting policies	2	

The accompanying notes are an integral part of the financial statements

For HT Media Limited

Place: New Delhi
Date: JAN 25 '2018


Piyush Gupta
Group Chief Financial Officer

HT Media Limited
Statement of Profit and Loss for the period ended December 31, 2017

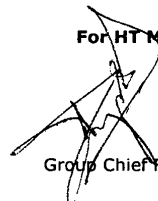
Particulars	Note No	Period ended December 31, 2017 INR Lacs
I Income		
a) Revenue from operations	19	1,04,526.29
b) Other Income	20	14,220.86
Total Income		1,18,747.15
II Expenses		
a) Cost of materials consumed	21	22,486.28
b) (Increase)/ decrease in inventories	22	(19.27)
c) Employee benefits expense	23	19,153.61
d) Finance costs	24	5,003.02
e) Depreciation and amortization expense	25	7,442.91
f) Other expenses	26	46,506.05
Total expenses		1,00,572.60
III Profit before exceptional items and tax(I-II)		18,174.55
IV Exceptional items Gain/(Loss)	27	800.00
V Profit before tax(III+IV)		17,374.55
VI Earnings before interest, tax, depreciation and amortization (EBITDA) before exceptional items		30,620.48
VII Tax expense		
Current tax		-
Deferred tax charge/(credit) [net of credit relating to previous year amounting to INR 2,279 lacs)		1,053.93
Total tax expense		1,053.93
VIII Profit for the year (V-VII)		16,320.62
IX Other Comprehensive Income		
<u>Items that will not to be reclassified to profit or loss</u>		
Remeasurement gain/(loss) on defined benefit plans		54.53
Income tax effect		(10.60)
Other comprehensive income for the year, net of tax		43.93
X Total Comprehensive Income for the year, net of tax(X+XI)		16,364.55
XI Earnings/(loss) per share		
Basic (Nominal value of share INR 2/-)	28	7.01
Diluted (Nominal value of share INR 2/-)	28	7.01
Summary of significant accounting policies	2	

The accompanying notes are an integral part of the financial statements

For HT Media Limited

Place: New Delhi

Date: JAN 25th 2018


Piyush Gupta
 Group Chief Financial Officer

HT Media Limited
Cash Flow Statement for the period ended December 31, 2017

	December 31, 2017
Particulars	INR Lacs
Operating activities	
Profit before tax	17,374.55
<u>Adjustments to reconcile profit before tax to net cash flows:</u>	
Depreciation and amortization expense	7,442.91
Profit on disposal of property, plant and equipment & Intangibles (net)	(3,052.66)
Impairment of Investment in Subsidiaries (Exceptional item)	800.00
Fair value of Investment through profit and loss (including Loss on sale of investments)	1,350.81
Dividend income	(654.40)
Income from mutual funds and others	(5,554.89)
Interest income from deposits and others	(66.14)
Profit on Sale of Investment Properties	(87.59)
Unclaimed balances/unspent liabilities written back (net)	(1,603.71)
Interest Expense	4,871.15
Unrealized foreign exchange loss/(gain)	(260.30)
Impairment towards value of investment properties	437.60
Impairment for doubtful debts and advances (includes bad debts written off)	136.52
Working capital adjustments:	
Decrease/(Increase) in trade receivables	(11,159.97)
Decrease/(Increase) in inventories	2,402.87
Decrease/(Increase) in current and non-current financial assets and other current and non-current assets	(6,491.15)
(Decrease)/Increase in current and non-current financial Liabilities and Other Current and non-current liabilities & Provision	5,933.95
Total Cash from Operations	11,819.55
Income tax paid	(1,571.70)
Net cash flows from operating activities (A)	10,247.85
Investing activities	
Purchase of property, plant and equipment & Intangible Assets	(1,929.46)
Proceeds from sale of property, plant and equipment & Intangible Assets	4,418.48
Purchase of Investment properties	(10,325.56)
Proceeds from sale of Investment Properties	734.06
Purchase of investments in mutual funds and others	(16,394.53)
Proceeds from sale of investments in mutual funds and others	11,692.86
Purchase of investments in subsidiaries/fellow subsidiary	(1,319.08)
Inter corporate deposits given	(7,700.00)
Dividends received	654.40
Interest received	3,229.18
Paid for acquisition of desimartini business	(502.75)
Investment in margin money deposits (net)	(3.25)
Net cash flows used in investing activities (B)	(17,445.65)
Financing activities	
Proceeds from Short -term borrowings (Net)	15,332.44
Repayment of Long -term borrowings	(1,614.71)
Interest Paid	(4,815.48)
Dividend Paid	(930.99)
Dividend distribution tax paid	(56.31)
Net cash flows from/(used in) financing activities (C)	7,914.95
Net increase/ (decrease) in cash and cash equivalents (D= A+B+C)	717.15
Cash and cash equivalents at the beginning of the year (E)	6,588.54
Cash and cash equivalents at year end (D+E)	7,305.69

HT Media Limited
Cash Flow Statement for the period ended December 31, 2017

Particulars	As at INR Lacs
Components of Cash & Cash Equivalents as at end of the period	
Cash and cheques on hand	5,703.46
With banks	
- on deposit accounts	566.75
- on current accounts	1,035.48
Cash and cash equivalents as per Cash Flow Statement	7,305.69

The accompanying notes are an integral part of the financial statements

Place: New Delhi

Date: JAN 25' 2018

For HT Media Limited


Piyush Gupta
Group Chief Financial Officer

HT Media Limited
Statement of Changes in Equity for the period ended December 31, 2017

A. Equity Share Capital

Equity Shares of INR 2 each issued, subscribed and fully paid up

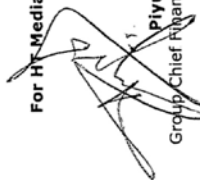
Particulars	Number	INR Lacs
Balance as at April 1, 2017	23,05,20,024	4,610.40
Changes in share capital during the period	-	-
Balance as at December 31, 2017	23,05,20,024	4,610.40

B. Other Equity attributable to equity holders

Particulars	Capital reserve	Capital redemption reserve	Reserves & Surplus	General Reserve	Retained earnings	OCI FVTOCI for investment in Joint Venture Company	(INR Lacs) Total
Balance as at April 1, 2017	17,601.65	2,045.45	31,095.39	7,144.55	1,12,780.45	(5,441.00)	1,65,226.49
License fees amortised	-	-	(45.94)	-	-	-	(45.94)
Change during the period	(643.92)	-	-	-	16,320.62	-	15,676.70
Other comprehensive income	-	-	-	-	43.93	-	43.93
Dividend	-	-	-	-	(930.99)	-	(930.99)
Dividend distribution tax	-	-	-	-	(56.31)	-	(56.31)
Transfer from FVTOCI to Retained earnings	-	-	-	-	(5,441.00)	5,441.00	-
Balance as at December 31, 2017	16,957.73	2,045.45	31,049.45	7,144.55	1,22,716.70	-	1,79,913.88

The accompanying notes are an integral part of the financial statements

For HT Media Limited



Piyush Gupta
Group Chief Financial Officer

Place: New Delhi

Date: JAN 25, 2018

1. Corporate information

HT Media Limited ("HTML" or "the Company") is a public company domiciled in India and incorporated under the provisions of the Companies Act, 1956. Its shares are listed on the National stock exchange (NSE) and Bombay stock exchange (BSE). The Company publishes 'Hindustan Times', an English daily, and 'Mint', a Business paper daily except on Sunday' and undertakes commercial printing jobs. The Company is also engaged into the business of providing entertainment, radio broadcast and all other related activities through its Radio Stations operating under brand name 'Fever 104', 'Fever' and 'Radio Nasha'. The digital business of the Company comprises of various online platforms such as 'shine.com' etc. The registered office of the Company is located at 18-20, K.G. Marg, New Delhi-110001.

The Company derives revenue primarily from the sale of the above mentioned publications, advertisements published therein, by undertaking printing jobs and airtime advertisements aired at the aforesaid radio stations. Internet business also contributes to the Company's revenue, by way of display of advertisements on these websites.

2. Significant accounting policies followed by company

2.1 Basis of preparation

These separate supplementary unaudited financial statements have been prepared by the management for the purpose of compliance as per Section 232 of the Companies Act, 2013.

The separate supplementary unaudited financial statements are not the statutory/interim financial statements of the Company and accordingly all disclosures as per applicable Indian Accounting Standards ('INDAS') are not provided.

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.

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

2.2 Summary of significant accounting policies

a) 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 an 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.

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 working capital loans obtained or re-financed on or after 1 April 2016 is charged off or credited to statement of profit & loss account under Ind-AS.

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.

b) Fair value measurement

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

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

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

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

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

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

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

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

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

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

c) Revenue recognition

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

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

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

Advertisements

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

Sale of Newspaper & Publications, Waste Paper and Scrap

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

Management also extends a right to return to its customers which it believes is a form of variable consideration.

Printing Job Work

Revenue from printing job work is recognised by reference to stage of completion of job work as per terms of 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.

Airtime Revenue

Revenue from radio broadcasting is recognized on an accrual basis on the airing of client's commercials. Revenue from radio broadcasting is measured at the fair value of the consideration received or receivable, net of allowances, trade discounts and volume rebates, if any.

Revenue from online advertising

Revenue from digital platforms by display of internet advertisements are typically contracted for a period ranging between zero to twelve months. Revenue in this respect is recognized over the period of the contract, in accordance with the established principles of accrual accounting and is measured at the fair value of the consideration received or receivable, net of allowances, trade discounts and volume rebates, if any. Unearned revenues are reported on the balance sheet as deferred revenue.

Revenue from subscription of packages of placement of job postings on 'shine.com' is recognized at the time the job postings are displayed based upon customer usage patterns, or upon expiry of the subscription package whichever is earlier and is measured at the fair value of the consideration received or receivable, net of allowances, trade discounts and volume rebates, if any.

Revenue from Job Fair and Resume Services

Revenue from Job Fair and Resume services is recognised upon completion terms of the contract with customers and is measured at the fair value of the consideration received or receivable, net of allowances, trade discounts and volume rebates, if any.

Interest income

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

Dividends

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

Rental Income

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

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

d) Government grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

When the Company receives grants for purchase of property, plant and equipment, the asset and the grant are recorded at fair value amounts and released to statement of profit and loss over the expected useful life of the asset.

e) Taxes

Current income tax

Tax expense is the aggregate amount included in the determination of profit or loss for the period in respect of current tax and deferred tax.

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

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

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

Deferred tax

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

Deferred tax liabilities are recognised for all taxable temporary differences.

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

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

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

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

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

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

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

- When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable
- When receivables and payables are stated with the amount of sales tax /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) Property, plant and equipment

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

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

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

Recognition:

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

- (a) it is probable that future economic benefits associated with the item will flow to the entity; and
- (b) the cost of item can be measured reliably.

All other expenses on existing assets, including day- to- day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

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

Value for individual assets acquired from 'The Hindustan Times Limited' (the holding company) in an earlier year is allocated based on the valuation carried out by independent expert at the time of acquisition. Other assets are stated at cost less accumulated depreciation and accumulated impairment losses, if any.

The Company identifies and determines cost of asset significant to the total cost of the asset having useful life that is materially different from that of the remaining life.

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

Type of asset	Useful lives estimated by management (Years)
Factory Buildings	5 to 30
Buildings (other than factory buildings)	3 to 60
Plant & Machinery	2 to 21.1
IT Equipments	3 to 6
Office Equipments	2 to 5
Furniture and Fittings	2 to 10
Vehicles	8

The Company, based on technical assessment made by the management depreciates certain assets over estimated useful lives which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management has estimated, supported by technical assessment, the useful lives of certain plant and machinery as 16 to 21.1 years. These useful lives are higher than those indicated in Schedule II. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

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

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

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

Expenditure directly relating to construction activity is capitalized. Indirect expenditure incurred during construction period is capitalized as a part of indirect construction cost

to the extent the expenditure is related to construction or is incidental thereto. Other indirect costs incurred during the construction periods which are not related to construction activity nor are incidental thereto are charged to Statement of Profit and Loss. Reinvested income earned during the construction period is adjusted against the total of indirect expenditure.

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

g) Investment properties

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

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

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

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

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

h) 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 lives of intangible assets are assessed as either finite or indefinite.

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

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

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.

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

Intangible assets	Useful lives (in years)
Website Development	3 - 6.17
Software licenses	1 - 6.17
License Fees (One time entry fee)	10-15
Music contents (for Radio Business)	4

i) Borrowing costs

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs, if any, directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized, if any. All other borrowing costs are expensed in the period in which they occur.

j) Leases

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

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

Company as a lessee

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the 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. Contingent rentals are recognised as expenses in the periods in which they are incurred.

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.

Contingent rents are recognised as revenue in the period in which they are earned.

k) Inventories

Inventories are valued as follows :

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

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

I) 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 lives are tested for impairment annually at the CGU level, as appropriate, and when circumstances indicate that the carrying value may be impaired.

m) Provisions

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

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

n) 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 cost of providing benefits under the defined

benefit plan is determined using the projected unit credit method.

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

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

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

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

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

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

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

Compensated Absences

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

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

o) 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.

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.

p) 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 in four categories:

- Debt instruments at amortised cost
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

Debt instruments at amortised cost

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

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

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

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 P&L.

Equity investments

All equity investments in scope of Ind-AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration 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 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) Lease receivables under Ind AS 17
- c) 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 11 and Ind AS 18 (referred to as 'contractual revenue receivables' in these financial statements).

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

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

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

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

since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

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

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

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

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss (P&L). This amount is reflected under the head 'other expenses' in the P&L. The balance sheet presentation for various financial instruments is described below:

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

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

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

Financial liabilities

Initial recognition and measurement

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

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

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

Subsequent measurement

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

Financial liabilities at fair value through profit or loss

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

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in IND AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risks 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 14.

De-recognition

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

Embedded derivatives

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

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

q) Derivative financial Instruments

Initial recognition and subsequent measurement

The Company uses derivative financial instruments, such as forward currency contracts, call spread options, coupon only swaps and interest rate swaps to hedge its foreign currency risks and interest rate risks, respectively. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

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

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

r) 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.

s) 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.

t) 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.

u) Investments in subsidiaries, joint ventures and associates

An investor, regardless of the nature of its involvement with an entity (the investee), shall determine whether it is a parent by assessing whether it controls the investee.

An investor controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

Thus, an investor controls an investee if and only if the investor has all the following:

- (a) power over the investee;
- (b) exposure, or rights, to variable returns from its involvement with the investee and
- (c) the ability to use its power over the investee to affect the amount of the investor's returns.

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

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

The Company has elected to recognize its investments in subsidiary and 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.

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

Investment in Joint venture shall be recognized at FVTOCI, 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

v) 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 and excluding treasury shares.

Diluted earnings per share

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

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

2.3. Significant accounting judgements, estimates and 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:

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.

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.

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 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.

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.

Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet 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 judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

Impairment of financial assets

The impairment provisions for financial assets are based on assumptions about risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

Impairment of non- financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or CGU's fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent markets transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded subsidiaries or other available fair value indicators.

Share Based Payment

The Company measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. Estimating fair value for share-based payment transactions requires

determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them.

Volume discounts and pricing incentives

The company accounts for volume discounts and pricing incentives to customers as a reduction of revenue based on the rateable allocation of the discounts/ incentives amount to each of the underlying revenue transaction that results in progress by the customer towards earning the discount/ incentive. Also, when the level of discount varies with increases in levels of revenue transactions, the company recognizes the liability based on its estimate of the customer's future purchases. If it is probable that the criteria for the discount will not be met, or if the amount thereof cannot be estimated reliably, then discount is not recognized until the payment is probable and the amount can be estimated reliably. The company recognizes changes in the estimated amount of obligations for discounts in the period in which the change occurs.

Property, Plant and Equipment

The Company, based on technical assessment 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.

HT Media Limited
Notes to financial statements for the period ended December 31, 2017
Note 3 : Property, Plant and Equipment and Capital Work-in-Progress

Particulars	Leasehold Land	Buildings	Improvement to Leasehold Premises	Plant and Machinery	Office Equipments	Furniture and Fixtures	Vehicles	Total
Cost								
As at April 1, 2017	1,799.38	6,887.70	3,662.60	40,234.09	1,229.23	955.59	423.74	55,192.33
Additions			85.55	810.62	51.68	16.72	52.16	1,016.73
Disposals/ Adjustments	418.92	853.61	53.11	202.37	11.40	7.37	29.84	1,576.62
Exchange differences [Capitalized/ (De-Capitalized)]			(8.16)	(151.94)				(160.10)
As at December 31, 2017	1,380.46	6,034.09	3,686.88	40,690.40	1,269.51	964.94	446.06	54,472.34
Depreciation/ Impairment								
As at April 1, 2017	67.80	606.61	1,076.62	10,072.42	487.60	322.76	105.35	12,739.16
Charge for the period	26.64	227.00	376.56	3,476.42	179.14	101.48	50.03	4,437.27
Disposals	58.91	370.48	51.79	163.04	4.60	4.51	24.60	677.93
Impairment		85.00		325.51				410.51
As at December 31, 2017	35.53	548.13	1,401.39	13,711.31	662.14	419.73	130.78	16,909.01
Net Block								
As at December 31, 2017	1,344.93	5,485.96	2,285.49	26,979.09	607.37	545.21	315.28	37,563.33
As at April 1, 2017	1,731.58	6,281.09	2,585.98	30,161.67	741.63	632.83	318.39	42,453.17

i. Asset under construction

Capital work in progress as at December 31, 2017 comprises expenditure mainly for the Building and Leasehold improvements in the course of construction. Total amount of CWIP is INR 3,437.73 lacs.

Net Book Value	(INR Lacs) December 31, 2017
Property, Plant & Equipment	37,563.33
Capital Work-in-progress	3,437.73
Total	41,001.06

HT Media Limited**Notes to financial statements for the period ended December 31, 2017****Note 4 : Investment Property**

	(INR Lacs)
Particulars	Amount
Opening Balance at April 1, 2017	35,736.57
Additions (acquisitions)	10,198.05
Additions (subsequent expenditure)	127.51
Disposals	703.27
Closing balance at December 31, 2017	45,358.86
Depreciation and impairment	
Opening balance at April 1, 2017	2,167.66
Depreciation	128.48
Impairment	437.60
Disposals	56.80
Closing balance at December 31, 2017	2,676.94
Net Block	
As at December 31, 2017	42,681.92
As at April 1, 2017	33,568.91

HT Media Limited
Notes to financial statements for the period ended December 31, 2017

Note 5 : Intangible Assets and Intangible Assets under development

Particulars					(INR Lacs)
	Website Development	Software Licenses	License Fees	Software for Radio Business	Total
Cost					
As at April 1, 2017	283.17	4,720.34	43,879.88	51.53	48,934.92
Additions		220.62			220.62
Disposals/ Adjustments		27.82			27.82
Exchange differences [Capitalized/ (De-Capitalized)]		16.20			16.20
As at December 31, 2017	283.17	4,896.94	43,879.88	51.53	49,111.52
Depreciation					
As at April 1, 2017	143.37	1,324.86	3,694.35	25.53	5,188.11
Charge for the period	46.46	657.03	2,166.78	6.89	2,877.16
Charge for the period adjusted through securities Premium			45.86		
Disposals		6.79			6.79
As at December 31, 2017	189.83	1,975.10	5,906.99	32.42	2,317.74
Net Block					
As at December 31, 2017	93.34	2,921.85	37,972.89	19.11	41,007.19
As at April 1, 2017	139.80	3,395.49	40,185.53	26.00	43,746.82

i. Intangible assets under development

Intangible assets under development as at December 31, 2017 comprises expenditure mainly for the software licences in course of installation/upgradation. Total amount of Intangible under development is INR 122.88 lacs.

	(INR Lacs)
Net Book Value	December 31, 2017
Intangible Assets	41,007.19
Intangible Assets under development	122.88
Total	41,130.07

HT Media Limited
Notes to financial statements for the period ended December 31, 2017

Note 6A : Investment in Subsidiary

Particulars	December 31, 2017 INR Lacs
Investment in Subsidiary (at cost)	
<i>Quoted</i>	
Hindustan Media Ventures Limited (HMVL) 545.33 lac equity shares of INR 10 each fully paid up	5,490.48
<i>Unquoted</i>	
HT Digital Media Holdings Limited 260.67 lac equity shares of INR 10/- each fully paid up	3,723.79
HT Music and Entertainment Company Limited 3400.00 lac equity shares of INR 1 each fully paid up	3,400.25
HT Education Limited 292.20 lacs equity shares of INR 10/- each fully paid up	2,922.00
HT Learning Centers Ltd 400.00 lac equity shares of INR 10/- each fully paid up	4,000.00
HT Digital Information Private Limited 0.40 lac equity shares of INR 10/- each fully paid up	4.00
HT Global Education 1.50 lacs equity shares of INR 10/- each fully paid up	15.01
DigiContent Limited 0.10 lac equity shares of INR 10/- each fully paid up	1.00
Topmovies Entertainment Limited 115.00 lac equity shares of INR 10/- each fully paid up	1,150.00
HT Mobile Solutions Ltd. 29.91 lacs equity shares of INR 10/- each fully paid up	533.58
HT Digital Streams Ltd. 114.62 lacs equity shares of INR 10/- each fully paid up	9,905.00
HT Overseas Limited 19.30 Lacs equity shares of SGD 1 each fully paid up	936.05
India Education Services Private Limited 1184.00 lac equity shares of INR 10/- each fully paid up	897.08
Share Application Money pending allotment :	
HT Learning Centers Ltd	700.00
Total (A)	33,678.24
Provision for impairment in value of investment (B)	660.88
Total Investment in Subsidiary (A) - (B)	33,017.36
Current	-
Non - Current	33,017.36
Aggregate book value of quoted investments	5,490.48
Aggregate market value of quoted investments	137,668.56
Aggregate book value of unquoted investments	28,187.76
Aggregate amount of impairment in value of investments	660.88

Impairment of investments

The Company has recognised an impairment of INR 660.88 lacs on above investment. The impairment is recognised in statement of profit and loss.

HT Media Limited
Notes to financial statements for the period ended December 31, 2017

	(INR Lacs)
	December 31, 2017
Note 6B :Investments	
(A) Investment at Fair Value through profit and loss	
(I) Investment in venture capital funds (Unquoted)	4,321.39
(II) Investment in equity instruments (Quoted)	4,463.38
(III) Investment in equity instruments (Un Quoted)	1.45
(IV) Investment in preference shares (Un Quoted)	2,815.29
(V) Investment in debt instruments (Un quoted)	750.00
(VI) Investment in debt instruments (Quoted)	1,400.00
(VII) Investment in mutual funds and fixed maturity plans (Quoted)	1,19,181.00
Total Investment at Fair Value through profit and loss (A)	1,32,932.51
(B) Investment at Amortised Cost	
(I) Investment in Bonds (Quoted)	837.94
(II) Investment in Bonds (Un Quoted)	5,000.00
Total Investment at Amortised Cost (B)	5,837.94
Total Investments (A+B)	1,38,770.45
Current	32,132.46
Non - Current	1,06,637.99
Aggregate book value of quoted investments	1,25,882.32
Aggregate market value of quoted investments	1,25,882.32
Aggregate book value of unquoted investments	12,888.13

HT Media Limited
Notes to financial statements for the period ended December 31, 2017
(INR Lacs)
Note 6C : Loans
**December 31,
2017**
Unsecured considered good at amortised cost

Security Deposit	5,216.64
Loan to subsidiary	7,700.00
Loan to Employee Stock Option Trusts	198.20
Material on loan	0.05
Total Loans	13,114.89
Non - Current	5,414.84
Current	7,700.05

(INR Lacs)
Note 6D :Other Financial Assets
**December 31,
2017**
Other financial Assets at amortised cost

Balance with Banks :	
- Margin money (held as security)#	124.35
Interest accrued on Inter-company deposits and others	96.53
Lease Receivable *	1,990.69
Other Receivables includes receivable from related parties	1,843.01
Income Accrued but not due	213.16
Total	4,267.74

*Represents Present value of minimum lease rentals receivables in respect of asset given on finance lease to the Holding Company.

Total Other Financial Assets(I+II)
4,267.74
Current
2,462.70
Non - Current
1,805.04

Represents deposit receipts pledged with banks and held as margin money of INR 124.35 lacs.

HT Media Limited
Notes to financial statements for the year ended December 31, 2017

Note 7 : Income Tax Assets

	(INR Lacs)
Particulars	December 31, 2017
Income Tax Assets (net)	8,447.92
Total	8,447.92
Current	-
Non - Current	8,447.92

Note 8 : Other non- current assets

	(INR Lacs)
Particulars	December 31, 2017
Capital Advance	868.14
Advances other than capital advances	
Prepaid expenses	1,692.08
Total	2,560.22

Note 9 : Inventories

	(INR Lacs)
Particulars	December 31, 2017
Raw Materials	6,589.46
Work- in- Progress (valued at lower of cost and net realisable value)	9.65
Stores and spares (valued at lower of cost and net realisable value)	1,759.29
Scrap and waste papers (At net realizable value)	20.34
Finished stock (valued at lower of cost and net realisable value)	9.76
Total Inventories	8,388.50

Note 10A : Trade Receivables

	(INR Lacs)
Particulars	December 31, 2017
Trade receivables	27,540.01
Receivables from related parties	1,295.00
Total	28,835.01

	(INR Lacs)
	December 31, 2017
Secured, considered good	-
Unsecured, considered good	28,835.01
Unsecured, considered doubtful	2,741.49
	31,576.50
Impairment for unsecured Doubtful Debts	(2,741.49)
Total Trade Receivables	28,835.01

No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person. Trade receivables are non-interest bearing and credit period generally falls in the range of 0 to 90 days terms.

HT Media Limited**Notes to financial statements for the year ended December 31, 2017****Note 10B : Cash and Cash Equivalents**

		(INR Lacs)
Particulars		December 31, 2017
Balance with banks :		
- On current accounts		1,035.48
- Deposits with original maturity of less than three months		566.75
Cheques/drafts on hand		5,676.82
Cash on hand		26.64
Total		7,305.69

Short-term deposits are made for varying periods of between one day and three months, depending on the immediate cash requirements of the company and earn interest at the respective short-term deposit rates.

The Company has pledged a part of its short-term deposits to fulfil collateral requirements.

Note 10C : Other bank balance

		(INR Lacs)
Particulars		December 31, 2017
Other bank balances		
- Unclaimed dividend account*		1.63
Total		1.63

* 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:

		(INR Lacs)
Particulars		December 31, 2017
Balance with banks :		
- On current accounts		1,035.48
- Deposits with original maturity of less than three months		566.75
Cheques/drafts on hand		5,676.82
Cash on hand		26.64
		7,305.69

Note 11 : Other current assets

		(INR Lacs)
Particulars		December 31, 2017
Prepaid expenses		2,027.84
Advances given		7,782.44
Balance with government authorities		331.91
GST Input Credit		37.05
Total		10,179.24

HT Media Limited
Notes to financial statements for the period ended December 31, 2017

Note 12 : Share Capital		
Authorised Share Capital		
Particulars	Number of shares	Amount (INR Lacs)
At April 1, 2017	36,25,00,000	7,250.00
Increase/(decrease) during the period	-	-
At December 31, 2017	36,25,00,000	7,250.00

Terms/ rights attached to equity shares

The Company has only one class of equity shares having par value of INR 2 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

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

Issued and subscribed capital		
Equity shares of INR 2 each issued, subscribed and fully paid		
At April 1, 2017	Number of shares	Amount (INR Lacs)
Changes during the period	23,27,48,314	4,654.97
At December 31, 2017	23,27,48,314	4,654.97

Reconciliation of the equity shares outstanding at the beginning and at the end of the year : (Refer Note Below)		
Particulars	December 31, 2017	Amount (INR Lacs)
Shares outstanding at the beginning of the period	Number of shares	23,05,20,024
Shares Issued during the period	-	-
Shares bought back during the period	-	-
Less: Adjustment on account of Equity Shares held by HT Media Employee Welfare Trust	-	-
Shares outstanding at the end of the period	23,05,20,024	4,610.40

The above reconciliation is net off of the aggregate face value of Equity Shares of INR 44.57 Lacs (No. of shares 22.28 Lacs) held by HT Media Employee Welfare Trust

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, subsidiary of holding company are as below:

Particulars	December 31, 2017
The Hindustan Times Limited, the holding company	(INR Lacs)
1,617.54 lac equity shares of INR 2 each fully paid	3,235.09

HT Media Limited
Notes to financial statements for the period ended December 31, 2017

Note 12 : Share Capital

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

Particulars	December 31, 2017 Number of shares	December 31, 2017 % holding
Equity shares of INR 2 each fully paid		
The Hindustan Times Limited, the holding company	16,17,54,490	70.17%

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

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

Particulars	December 31, 2017 Number of shares	March 31, 2017 Number of shares
Equity shares allotted as fully paid-up to Go4i.com (Mauritius) Limited pursuant to a Scheme of Arrangement and De-merger u/s 391-394 of the Companies Act, 1956	23,000	23,000
Equity shares allotted as fully paid-up to The Hindustan Times Limited pursuant to a Scheme of Arrangement and Restructuring u/s 391-394 read with sections 100-104 of the Companies Act, 1956	7,69,000	7,69,000
Shares bought back and extinguished during the Year Ended March 31, 2014	22,73,000	22,73,000
Six (6) equity shares allotted to erstwhile shareholders of Firefly-e-Ventures Limited on March 31, 2014 pursuant to the Scheme of Arrangement and Restructuring u/s 391-394 read with Sections 100-104 of the Companies Act, 1956 between HT Media Limited and Firefly e-Ventures Limited and their respective shareholders and creditors	6	6

HT Media Limited
Notes to financial statements for the year ended December 31, 2017

Note 13 : Other Equity

	(INR Lacs)
December 31, 2017	
Particulars	
Securities Premium	31,049.45
Capital Redemption Reserve	2,045.45
Capital Reserve	16,957.73
General Reserve	7,144.55
FVTOCI for investment in Joint Venture Company	-
Retained Earnings	1,22,716.70
Total	1,79,913.88
Securities Premium	(INR Lacs)
Particulars	Amount
At April 1, 2017	31,095.39
Less : License fees amortised	45.94
At December 31, 2017	31,049.45
Capital Redemption Reserve	(INR Lacs)
Particulars	Amount
At April 1, 2017	2,045.45
Changes during the period	-
At December 31, 2017	2,045.45
Capital Reserve	(INR Lacs)
Particulars	Amount
At April 1, 2017	17,601.65
Changes during the period	(643.92)
At December 31, 2017	16,957.73
General reserve	(INR Lacs)
Particulars	Amount
At April 1, 2017	7,144.55
Changes during the period	-
At December 31, 2017	7,144.55
FVTOCI Reserve	(INR Lacs)
Particulars	Amount
At April 1, 2017	(5,441.00)
Transferred to retained earnings	5,441.00
At December 31, 2017	-
Retained Earnings	(INR Lacs)
Particulars	Amount
At April 1, 2017	1,12,780.45
Net Profit for the period	16,320.62
Add: Items of other comprehensive income recognised directly in retained earnings	-
Remeasurements of post-employment benefit obligation, net of tax	43.93
Less :- Transferred from FVTOCI reserve	(5,441.00)
Less :- Dividend Paid	(930.99)
Less :- Dividend distribution tax	(56.31)
Add:- Adjustment of accumulated surplus of HT Media Employee Welfare Trust	-
At December 31, 2017	1,22,716.70

HT Media Limited
Notes to financial statements for the period ended December 31, 2017
Note 14A : Borrowings

		(INR Lacs)
Particulars	December 31, 2017	
Non- current Borrowings		
From Banks		
Secured		
Foreign Currency Non- Repatriable (FCNR) Loan from Bank		1,117.73
Current Borrowings- Money Market & Banks		
Secured		
Foreign Currency Non- Repatriable (FCNR) Loan from Bank		1,117.73
Bank Overdraft		8,888.85
Unsecured		
Buyer's credit from Banks		13,028.38
Bank Overdraft		847.40
Commercial Papers		89,500.00
		1,13,382.36
Less : Amount clubbed under "other current financial liabilities" (Current maturities of Long Term Borrowing)		1,117.73
Net Current Borrowings		1,12,264.63
Aggregate Secured Loans		11,124.31
Aggregate Unsecured Loans		1,03,375.78

Note 14B : Trade Payables

		(INR Lacs)
Particulars	December 31, 2017	
Trade Payable		
- Micro, Small and Medium Enterprises		4.00
- Related Parties		6,987.40
- Others		26,021.56
Total		33,012.96
Current		33,012.96
Non- Current		-

Terms and conditions of the above financial liabilities:

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

HT Media Limited**Notes to financial statements for the period ended December 31, 2017****Note 14C : Other financial liabilities**

		(INR Lacs)
Particulars	December 31, 2017	
I. Derivatives at fair value through profit and loss		
- Forex derivative contract		146.49
- Foreign currency options		(118.92)
Total (I)		27.57
II. Other financial liabilities at amortised cost		
Current maturity of long term loans (refer note 14A)		1,117.73
Book Overdraft		11.68
Sundry deposits		1,400.93
Interest accrued but not due on borrowings and others		124.79
Unclaimed dividend *		1.63
Others		100.15
Total (II)		2,756.91
Total other financial liabilities (I+II)		2,784.48
Current		2,784.48
Non- Current		-
* Amount payable to Inventor Education and Protection Fund		Nil

HT Media Limited
Notes to financial statements for the period ended December 31, 2017
Note 15 : Provisions

	(INR Lacs)
Particulars	December 31, 2017
Provision for employee benefits	
Provision for Leave Benefits	438.30
Provision for Gratuity	288.40
Provision for contingencies	-
Total	726.70
Current	538.60
Non- Current	188.10

Provision for contingencies

The provision for contingencies represents the best estimate of the management for an obligation on the Company in relation to a claim pursuant to the business purchase agreement dated October 1, 2004 for purchase of the printing business from its holding company. Information usually required by INDAS 37- Provisions, Contingent Liabilities and Contingent Assets is not disclosed on the grounds that it can be expected to prejudice the interests of the Company.

	(INR Lacs)
Movement in provisions	
Particulars	Provision for contingencies
As at April 1, 2017	1,471.00
Arising during the period	-
	(1,471.00)
Reversed during the period (credited to "Unclaimed balances/unspent liabilities written back" under Note 20-"Other Income")	-
As at December 31, 2017	-

HT Media Limited**Notes to financial statements for the period ended December 31, 2017****Note 16 : Other non-current liabilities**

	(INR Lacs)
Particulars	December 31, 2017
Advances from Customers	403.94
Government Grants	1,475.94
Current portion of Government Grants	(119.05)
Non-current portion of Government Grants	1,356.89
Total	1,760.83

Government Grants

	(INR Lacs)
Particulars	December 31, 2017
At 1 April	1,565.23
Released to Statement of profit and loss	(89.29)
At 31 December	1,475.94
Current	119.05
Non- current	1,356.89

Note 17 : Current Income Tax

	(INR Lacs)
Particulars	December 31, 2017
Current tax liability (net)	991.29
Total	991.29

Note 18 : Other current liabilities

	(INR Lacs)
Particulars	December 31, 2017
Advances from Customers	34,288.96
Customers and agents balances	1,502.30
Statutory dues	963.91
Current portion of Government Grants	119.05
Deferred Revenue	831.97
Total	37,706.19

HT Media Limited
Notes to financial statements for the period ended December 31, 2017

Note 19 : Revenue from operations

Particulars	December 31, 2017
Sale of products	
- Sale of newspaper and publications	5,447.79
Sale of services	
- Advertisement revenue	77,523.71
- Airtime sales	12,769.09
- Income from digital services	3,687.46
- Job work revenue and commission income	4,180.21
Other operating revenues	
- Sale of scrap, waste papers and old publication	580.28
- Others	337.75
Total	1,04,526.29

Note 20 : Other Income

Particulars	December 31, 2017
Interest income on	
- Bank deposits	39.06
- Loan to subsidiary	9.28
- Others	17.80
Dividend income on	
- Investment in Subsidiary	654.40
Other non - operating income	
Income from mutual funds	5,554.89
Profit on sale of investment properties	87.59
Income from Govt Grant	89.29
Income on assets given on financial lease	108.12
Unclaimed balances/unspent liabilities written back (net)	1,603.71
Profit on sale of Property, plant & equipment/ Intangible assets (net)	3,052.66
Rental income	2,275.94
Unwinding of discount on security deposit	365.50
Miscellaneous Income	362.62
Total	14,220.86

Note 21 : Cost of materials consumed

Particulars	December 31, 2017
Consumption of raw material	
Inventory at the beginning of the period	9,028.00
Add: Purchase during the period	20,174.33
Less : Sale of damaged newsprint	126.59
	29,075.74
Less: Inventory at the end of the period	6,589.46
Total	22,486.28

HT Media Limited

Notes to financial statements for the period ended December 31, 2017

Note 22 : (Increase)/ decrease in inventories

Particulars	December 31, 2017
Inventory at the beginning of the period	
- Finished Goods	5.01
- Work -in- progress	8.75
- Scrap and waste papers	6.72
Inventory at the end of the period	
- Finished Goods	9.76
- Work -in- progress	9.65
- Scrap and waste papers	20.34
(Increase)/ decrease in inventories	
- Finished Goods	(4.75)
- Work -in- progress	(0.90)
- Scrap and waste papers	(13.62)
Total	(19.27)

Note 23 : Employee benefits expense

Particulars	December 31, 2017
Salaries, wages and bonus	17,591.90
Contribution to provident and other funds	851.21
Gratuity expense	175.58
Workmen and Staff welfare expenses	534.92
Total	19,153.61

Note 24 : Finance costs

Particulars	December 31, 2017
Interest on debts and borrowings	4,601.25
Exchange difference regarded as an adjustment to borrowing costs	269.90
Bank charges	131.87
Total	5,003.02

HT Media Limited
Notes to financial statements for the period ended December 31, 2017
Note 25 : Depreciation and amortization expense

Particulars	December 31, 2017
Depreciation of tangible assets (note 3)	4,437.27
Amortization of intangible assets (note 5)	2,877.16
Depreciation on Investment Properties (note 4)	128.48
Total	7,442.91

Note 26 : Other expenses

Particulars	December 31, 2017
Consumption of stores and spares	1,938.71
Printing and service charges	1,416.98
News service and dispatches	1,203.72
Service Charges on Ad Revenue	251.87
Power and fuel	2,015.46
Advertising and sales promotion	8,934.54
Freight and Forwarding charges	1,234.58
Rent	4,132.65
Rates and taxes	25.17
Insurance	296.23
Repairs and maintenance:	
- Plant and machinery	1,544.14
- Building	110.76
- Others	71.63
Travelling and conveyance	3,469.24
Communication costs	535.42
Legal and professional fees	4,394.93
Payment to auditor	53.67
Director's sitting fees	8.55
Exchange differences (net)	268.80
Impairment for doubtful debts and advances (includes bad debts written off)	136.52
Fair value of Investment through profit and loss (net) (including Profit /(Loss) on sale of long term investments)	1,350.81
Programming Cost	372.04
License fees	1,482.34
News Content sourcing fees	8,892.07
Impairment towards value of investment properties	437.60
Donations	125.00
Miscellaneous expenses	1,802.62
Total	46,506.05

Note 27 : Exceptional items

Particulars	December 31, 2017
Provision for impairment in value of investments in subsidiaries (including write off)	800.00
	800.00

HT Media Limited**Notes to financial statements for the period ended March 31, 2017****Note 28 : Earnings per share (EPS)**

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

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders by the weighted average number of Equity shares outstanding during the period 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	December 31, 2017
Profit attributable to equity holders	16,320.62
Weighted average number of Equity shares for basic and diluted EPS	2,327.48
Earnings per share (Not Annualised)	
Basic EPS	7.01
Diluted EPS	7.01

Place: New Delhi

Date: JAN 25, 2018

For HT Media Limited



Piyush Gupta
Group Chief Financial Officer

Annexure-10

Digicontent Limited (erstwhile HT Digital Ventures Limited)		
Balance Sheet as at December 31, 2017		
	Note No	As at 31-Dec-17 INR Lacs
I ASSETS		
1) Non-current assets		
(a) Investment in Associate	3	7,675.00
Total Non- current assets		7,675.00
2) Current assets		
(a) Financial assets		
(i) Cash and cash equivalents	4	26.00
Total current assets		26.00
TOTAL ASSETS		7,701.00
II EQUITY AND LIABILITIES		
1) Equity		
(a) Equity share capital	5	1.00
(b) Other equity	6	(9.28)
Total equity		(8.28)
2) Liabilities		
Non-current liabilities		
(a) Financial liabilities		
(i) Borrowings	7	7,700.00
Total non- current liabilities		7,700.00
Current liabilities		
(a) Financial liabilities		
(i) Other financial liabilities	8	9.28
Total current liabilities		9.28
Total liabilities		7,709.28
TOTAL EQUITY AND LIABILITIES		7,701.00
Summary of significant accounting policies	2	

The accompanying notes are an integral part of the financial statements

For Digicontent Limited

Place: New Delhi
Date: JAN 25, 2018


Sharad Saxena
Director

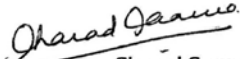
Digicontent Limited (erstwhile HT Digital Ventures Limited)
Statement of Profit and Loss for the period ended December 31, 2017

Particulars	Note No	Period ended 31-Dec-17 INR Lacs
I Income		
a) Revenue from operations		-
b) Other Income		-
Total Income		-
II Expenses		
a) Cost of materials consumed		-
b) (Increase)/ decrease in inventories		-
c) Employee benefits expense		-
d) Finance costs	9	9.28
e) Depreciation and amortization expense		-
f) Other expenses		-
Total expenses		9.28
III Profit before exceptional items and tax (I-II)		(9.28)
IV Earnings before interest, tax, depreciation and amortization (EBITDA)		-
[III+II(d)+II(e)]		
V Tax expense		
Current tax		-
Deferred tax charge/(credit)		-
Total tax expense		-
VI Profit after tax (III-V)		(9.28)
VII Other Comprehensive Income		
<u>Items that will not to be reclassified to profit or loss</u>		
Remeasurement gain/(loss) on defined benefit plans		-
Income tax effect		-
Other comprehensive income for the period, net of tax		-
VIII Total Comprehensive Income for the period, net of tax(VI+VII)		(9.28)
IX Earnings/(loss) per share		
Basic (Nominal value of share INR 10/-)		(92.82)
Diluted (Nominal value of share INR 10/-)		(92.82)
Summary of significant accounting policies	2	

The accompanying notes are an integral part of the financial statements

For Digicontent Limited

Place: New Delhi
Date: JAN 25' 2018


Sharad Saxena
Director

Digicontent Limited (erstwhile HT Digital Ventures Limited)
Cash Flow Statement for the period ended December 31, 2017

Particulars	31-Dec-17 INR Lacs
Operating activities	
Profit before tax	(9.28)
<u>Adjustments to reconcile profit before tax to net cash flows:</u>	
Interest Expense	9.28
<u>Working capital adjustments:</u>	
Increase/ decrease in working capital	-
Total Cash from Operations	-
Income tax paid	-
Net cash flows from operating activities (A)	-
Investing activities	
Purchase of investments in associate	(7,675.00)
Net cash flows used in investing activities (B)	(7,675.00)
Financing activities	
Proceeds from Long -term borrowings	7,700.00
Proceeds from Issue of Share Capital	1.00
Net cash flows from financing activities (C)	7,701.00
Net increase in cash and cash equivalents (D= A+B+C)	26.00
Cash and cash equivalents as at August 14, 2017 (E)	-
Cash and cash equivalents at period end (D+E)	26.00


Components of Cash & Cash Equivalents as at end of the period

With banks	
- on current accounts	26.00
Total cash and cash equivalents	26.00
Cash and cash equivalents as per Cash Flow Statement	26.00

The accompanying notes are an integral part of the financial statements

For Digicontent Limited

Place: New Delhi
Date: JAN 25th 2018


Sharad Saxena
Director

Digicentent Limited (erstwhile HT Digital Ventures Limited)
Statement of Changes in Equity for the period ended December 31, 2017

A. Equity Share Capital

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

Particulars	Number	INR Lacs
Balance as at August 14, 2017	-	-
Changes in share capital during the period	10,000	1.00
Balance as at December 31, 2017	10,000	1.00

B. Other Equity attributable to equity holders (Refer Note 6)

Particulars	Reserves & Surplus	(INR Lacs)
	Retained earnings	Total
Balance as at August 14, 2017	-	-
Change during the period	(9.28)	(9.28)
Balance as at December 31, 2017	(9.28)	(9.28)

The accompanying notes are an integral part of the financial statements

For Digicentent Limited


Sharad Saxena
 Director

Place: New Delhi
 Date: JAN 25th 2018

1. Corporate information

Digicontent Limited (erstwhile HT Digital Ventures Limited) is a public limited company incorporated under the provisions of the Companies Act, 2013 on August 14, 2017. The Company was originally incorporated with the name HT Digital Ventures Limited. The name of the company has been changed from HT Digital Ventures Limited to Digicontent Limited with effect from October 24, 2017. Digicontent Limited is wholly owned subsidiary of HT Media Limited and has been set up to carry out the business of providing entertainment and digital Innovation business. The Company has not started its commercial operations as at 31 December 2017. The registered office of the Company is situated at Hindustan Times House, 2nd Floor, 18-20, Kasturba Gandhi Marg, New Delhi -110001.

2. Significant accounting policies followed by company

2.1 Basis of preparation

These separate supplementary unaudited financial statements have been prepared by the management for the purpose of compliance as per Section 232 of the Companies Act, 2013. The separate supplementary unaudited financial statements are not the statutory/interim financial statements of the Company and accordingly all disclosures as per applicable Indian Accounting Standards ('INDAS') are not provided.

The standalone financial statements have been prepared for the first time for the period beginning with August 14, 2017 (date of incorporation) and ended with December 31, 2017.

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:

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

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.

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

a) Taxes

Current income tax

Tax expense is the aggregate amount included in the determination of profit or loss for the period in respect of current tax 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.

Deferred tax

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

Deferred tax liabilities are recognised for all taxable temporary differences.

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

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

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

b) Borrowing costs

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings.

Borrowing costs, if any, directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized, if any. All other borrowing costs are expensed in the period in which they occur.

c) 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.

d) 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 liabilities

Initial recognition and measurement

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 only loans and borrowings.

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.

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.

e) 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.

f) 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 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.

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

g) 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 and excluding treasury shares.

Diluted earnings per share

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

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

2.3. Significant accounting judgements, estimates and 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:

Impairment of non- financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or CGU's fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent markets transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded subsidiaries or other available fair value indicators.

Digicent Limited (erstwhile HT Digital Ventures Limited)
Notes to financial statements for the period ended December 31, 2017

Note 3 : Investment in Associate

Particulars	31-Dec-17
	INR Lacs
Investment in associate at cost	
<i>Unquoted</i>	
HT Digital Streams Ltd.	7,675.00
85.88 lacs equity shares of INR 10 each fully paid up	
Total	7,675.00
Non - Current	7,675.00
Current	-
Aggregate value of unquoted investments	7,675.00
Aggregate amount of impairment in value of investments	-

Note 4 : Cash and Cash Equivalents

Particulars	31-Dec-17
Balance with banks :	
- On current accounts	26.00
Total	26.00

Digicent Limited (erstwhile HT Digital Ventures Limited)
Notes to financial statements for the period ended December 31, 2017

Note 5 : Share Capital
Authorised Share Capital

Particulars	Number of shares	Amount (INR Lacs)
At August 14, 2017	10,000	1.00
Increase/(decrease) during the period	-	-
At December 31, 2017	10,000	1.00

Terms/ rights attached to equity shares

The Company has only one class of equity shares having par value of INR 10 per share. Each holder of equity shares is entitled to one vote per share.

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

Issued and subscribed share capital

Equity shares of INR 10 each issued, subscribed and fully paid	Number of shares	Amount (INR Lacs)
At August 14, 2017	-	-
Changes during the period	10,000	1.00
At December 31, 2017	10,000	1.00

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

Particulars	31-Dec-17	
	Number of shares	Amount (INR Lacs)
Shares outstanding as at August 14, 2017	-	-
Shares Issued during the period	10,000	1.00
Shares bought back during the period	-	-
Shares outstanding at the end of the period	10,000	1.00

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, subsidiary of holding company are as below:

Particulars	Amount (INR Lacs)
HT Media Limited, the holding company	31-Dec-17
0.10 lac equity shares of INR 10 each fully paid	1.00

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

Particulars	31-Dec-17	
	Number of shares	% holding
Equity shares of INR 10 each fully paid		
HT Media Limited, the holding company	10,000	100.00%

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

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

Nil

Digicent Limited (erstwhile HT Digital Ventures Limited)
Notes to financial statements for the period ended December 31, 2017

Note 6 : Other Equity

Particulars	(INR Lacs)
Retained Earnings	31-Dec-17
Total	(9.28)

Retained Earnings

Particulars	(INR Lacs)
At August 14, 2017	Amount
Net Profit / (Loss) for the period	(9.28)
At December 31, 2017	(9.28)

Note 7 : Borrowings

Particulars	Effective Interest Rate	Maturity	(INR Lacs)
Non- current Borrowings at amortised cost			31-Dec-17
Unsecured			
Loan from HT Media Limited, the holding company	11%	On or before 5 years	7,700.00
Total			7,700.00

Note 8: Other financial liabilities

Particulars	31-Dec-17
Other financial liabilities at amortised cost	
Interest payable on borrowings	9.28
Total	9.28
Current	9.28
Non- Current	-

Note 9 : Finance costs

Particulars	(INR Lacs)
Interest on borrowings	31-Dec-17
Total	9.28

For Digicent Limited

Place: New Delhi
Date: JAN 25 2018


Sharad Saxena
Director

DIGICONTENT LIMITED

(Digicontent Limited was incorporated as HT Digital Ventures Limited on August 14, 2017 under the Companies Act, 2013 with the Registrar of Companies, NCT of Delhi & Haryana.

The Corporate Identification Number of the Company is U74999DL2017PLC322147.

The name of the Company was changed from "HT Digital Ventures Limited" to "Digicontent Limited" w.e.f. October 24, 2017)

Registered Office: Hindustan Times House, 2nd Floor,
18-20 Kasturba Gandhi Marg, New Delhi - 110 001
Tel.: +91 11 66561608, Fax: +91 11 66561445
E-mail: secretarial@hindustantimes.com
Contact Person: Shri Sharad Saxena, Director

Promoter of Digicontent Limited: HT Media Limited *

** Upon the Scheme of Arrangement becoming effective, the promoters of Digicontent Limited shall be identified in accordance with the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 (the "SEBI ICDR Regulations")*

Please ensure that you also read the Scheme of Arrangement approved by the Board of Directors of HT Media Limited and Digicontent Limited, as well as the Audit Committee of HT Media Limited vide their resolutions dated August 25, 2017. The shareholders are advised to retain a copy of the Abridged Prospectus for their future reference.

FOR PRIVATE CIRCULATION TO THE SHAREHOLDERS OF HT MEDIA LIMITED ONLY

ABRIDGED PROSPECTUS

In the nature of an Abridged Prospectus containing salient features of the Scheme of Arrangement between HT Media Limited (hereinafter referred to as "HTML" or the "Demerged Company") and Digicontent Limited (formerly HT Digital Ventures Limited) (hereinafter referred to as "Digicontent" or the "Resulting Company" or the "Company") and their respective shareholders and creditors under Sections 230 to 232 read with Section 66 of the Companies Act, 2013 and the rules made thereunder (hereinafter referred to as the "Scheme"). This Abridged Prospectus discloses applicable information of the unlisted entity i.e. Digicontent Limited, in compliance with SEBI circular no. CFD/DIL3/CIR/2017/21 dated March 10, 2017 (the "SEBI Circular") relating to the Scheme.

This document is prepared to comply with the requirement of Regulation 37 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with the SEBI Circular, and sets out the disclosures in an abridged prospectus format as provided in Part D of Schedule VIII of the SEBI ICDR Regulations, to the extent applicable. The equity shares of Demerged Company is already listed on National Stock Exchange of India Limited ("NSE") and BSE Limited ("BSE") (NSE and BSE are collectively referred to as the "Stock Exchanges"). Pursuant to the Scheme, Resulting Company will issue and allot to the equity shareholders of Demerged Company, whose names appear in the Register of Members of Demerged Company, on a date (hereinafter referred to as "Record Date") to be fixed in that behalf by the Board of Directors of the Demerged Company in consultation with the Resulting Company for the purpose of reckoning the names of the equity shareholders of Demerged Company, in the ratio of 1 (one) equity share of face value Rs. 2/- (Rupees two only) each credited as fully paid-up in the Resulting Company for every 4 (four) equity share of face value of Rs. 2/- (Rupees two only) each held in Demerged Company as on the record date. The equity shares so issued by Resulting Company will be listed on the Stock Exchanges. The requirements with respect to General Information Document are not applicable and this Abridged Prospectus should be read accordingly.

COMPANY'S ABSOLUTE RESPONSIBILITY

Resulting Company, having made all reasonable inquiries, accepts responsibility for and confirms that the Abridged Prospectus contains all information with regard to Resulting Company and the Scheme, which is material in the context of the Scheme, that the information contained in the Abridged Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which will make the Abridged Prospectus as a whole, or any of such information or the expression of any such opinions or intentions, misleading in any material respect.

MERCHANT BANKER

Sundae Capital Advisors Private Limited

611, Shahpuri Tirath Singh Tower
58, C - Block, Community Centre
Janak Puri, New Delhi - 110 058
Tel: +91 11 4914 9740, E-mail: radhika@sundaecapital.com
Investor Grievance E-mail: grievances.mb@sundaecapital.com
Website: www.sundaecapital.com
Contact Person: Radhika Somani
SEBI Regn. No.: INM000012494

GENERAL INFORMATION

Digicent Limited was incorporated as HT Digital Ventures Limited on August 14, 2017 under the Companies Act, 2013 with the Registrar of Companies NCT of Delhi & Haryana. The Corporate Identification Number of the Company is U74999DL2017PLC322147. The name of the Company was changed from "HT Digital Ventures Limited" to "Digicent Limited" w.e.f. October 24, 2017

Registered Office of the Company

Hindustan Times House, 2nd Floor
18-20, Kasturba Gandhi Marg
New Delhi - 110 001
Tel.: +91 11 66561608
Fax: +91 11 66561445
E-mail: secretarial@hindustantimes.com
Contact Person: Shri Sharad Saxena, Director

Registrar & Share Transfer Agent

As on date the Company has not appointed any Registrar & Share Transfer Agent.

Statutory Auditor

MRKS and Associates
Chartered Accountants
QU-35B, Pitampura
New Delhi - 110 088

PROMOTER OF DIGICENT LIMITED

HT Media Limited ("HTML") is the Promoter of Digicent. HTML was incorporated on December 3, 2002 as a public limited company under the Companies Act, 1956 as "HT Media Limited" with its registered office at Hindustan Times House, 18-20, Kasturba Gandhi Marg, New Delhi- 110 001, India. The Corporate Identification Number of HTML is L22121DL2002PLC117874.

HTML is one of India's leading media companies with prominence across print, radio and digital platforms. HTML is engaged in printing and publishing of 'Hindustan Times', 'Hindustan' (through subsidiary) and 'Mint'. It operates FM radio stations under the brands 'Fever' and 'Radio Nasha'. The Entertainment & Digital Innovation businesses of the group includes digital images repository, digital entertainment, and the strategic content integration business along with the multimedia content business, defined under Clause 1.6 of the Scheme of Arrangement between HTML and Digicent.

HTML has integrated its editorial operations for real-time reporting across multiple platforms, having established a 'Digital Newsroom', rolled out a unified Content Management System that prioritises transparency, communication, efficiency and access to information. This has enabled the editorial teams to manage newsflows on a single unified platform that has increased their productivity. The Company adopted Methode, a cutting edge software platform used by top international media houses for the purpose.

Apart from various digital media platforms, HTML is into other business domains like education and jobs. While the Company uses Studymate to impart supplementary education to class VIII to XII students (through HT Learning Centers Limited, Subsidiary Company), it offers management education through Bridge School of Management (through India Education Services Private Limited, Subsidiary Company). In addition, HTML possesses a job portal (Shine.com), and a mobile marketing and solution provider (Digital Quotient) (through a subsidiary company)

The equity shares of HTML and one of its subsidiaries, Hindustan Media Ventures Limited are listed on National Stock Exchange of India Limited and BSE Limited.

BUSINESS OVERVIEW OF DIGICENT

As on the date of this Abridged Prospectus, Digicent is not carrying on any business activity. Pursuant to the Scheme of Arrangement becoming effective, "Entertainment & Digital Innovation Business" (including all the estate, assets, rights, claims, title, interest and authorities including accretions and appurtenances of the "Entertainment & Digital Innovation Business") shall, without any further act, instrument, deed, matter or thing, be demerged from HTML and stand transferred to and vested in Digicent.

In terms of the Memorandum of Association of Digicent, its main objects as on the date of this Abridged Prospectus is as under:

1. To engage in, deal, carry out any activity or business in the digital media space and electronic media, for creation, dissemination and/or integration of news, knowledge, information, entertainment, brand/event promotion and content of general interest, in English, Hindi or any other language, across the globe through networking, telecom, web-page design, creation, hosting, radio, television and/or any other mode of communication whether currently in vogue or which may be in vogue in the future.

2. To carry on in India or elsewhere, the business to produce, promote, manage, project, procure, acquire rights, develop digital and other tools, create, curate, edit, aggregate, digital content (including photo, audio and video content) and/or to participate in, manufacture, process, aggregate, accumulate, syndicate, prepare, alter, develop, edit, exhibit, broadcast, transmit, make, remake, display, print, reprint, convert, duplicate, finish, buy, sell, promote, run, import, export, act as broker, agent, distributor, proprietor, organizers, promoter, sponsors, copyright owner, audio & video right owner, media partners / advisors or deal in any manner, in all kinds of audio, video, photo or digital content, live and recorded sports, entertainment events, music, news & current affairs events, summits, pageants, concerts, shows, exhibitions, premiers, in all languages in India or elsewhere.
3. To carry on by itself, or through franchisees or licensees, classified advertisement business including but not limited to jobs, education, property, automobile, matrimonial, travel, sale or purchase of merchandise and/or providing services in relation thereto, through internet or any other digital medium; to provide web-based services, including but not limited to gaming, blogging, audio-video streaming etc. by designing, creating, hosting, servicing web-sites or any other platform, establishing, providing, operating and managing, e-commerce, direct-to-home, m-commerce platforms, for sale of all categories of products and / or services; to create, develop and market any technology for facilitation of mobile or electronic or internet based payments or any other technology based payments for transactions, whether currently in vogue or which may be in vogue in the future.
4. To carry on any business relating to Internet or e-mail, networking and communication environments, including but not limited to search engines, jobs, education, property, automobile, classifieds, matrimonial, travel, sale/purchase of merchandise and/or providing services etc. through internet/on-line medium and/or to provide various web-based services, including but not limited to gaming, blogging, audio/video streaming etc. by designing, creating, hosting, servicing etc. appropriate web-sites, merchandising the web-sites or any other internet based media, to be the licensee of different web-sites, to manage, operate and maintain web-sites of different types (content, technical or otherwise) web related products or internet related activities and to execute e-commerce, e-logic, e-solutions, business of internet service, electronic mail service, facsimile service, content marketing efficiency model, content and event aggregation for online medium and/or mobile applications, providing or engaging in business of m-commerce solutions, providing content for value added services in mobile telephones and/or other communication systems and to carry on any internet, web-based or any other prevalent or future technology based business.
5. To carry on the business to act as advisors, consultants, guides, executants, agents, liaison representatives or in any other manner, for marketing promotion and/or brand promotion, including business-to-business solutions of any product, person, entity, advertisement and public relations agency, government and non-governmental organization, through all communication mediums, including but not limited to newspaper, magazine, pamphlet, publications, television, events, conferences, radio, mobile, internet, satellite in India or abroad or any other kind of media currently in vogue or which may be in vogue in the future.

DETAILS OF BOARD OF DIRECTORS OF DIGICONTENT

Sr. No.	Name, Designation and DIN	Date of Appointment	Experience
1.	Shri Priyavrat Bhartia Director DIN: 00020603	August 14, 2017	Shri Priyavrat Bhartia is a Director of the Company and is also a Director of HTML. He holds a Masters degree in Business Administration from Stanford University (USA). Shri Priyavrat Bhartia started his career as a financial analyst with Wasserstein Perella & Co., New York, in 1998. Shri Priyavrat Bhartia is also a director with a number of listed companies including Hindustan Media Ventures Limited.
2.	Shri Rajiv Verma Director DIN: 00017110	August 14, 2017	Shri Rajiv Verma is a Director of the Company and is also Chief Executive Officer of HTML since 2004. He holds a degree in Mechanical Engineering from Delhi College of Engineering. Shri Rajiv Verma has over 35 years of cross-sectoral experience in India, South East Asia and Europe. Shri Rajiv Verma has previously worked with various MNCs.
3.	Shri Sharad Saxena Director DIN: 02239469	August 14, 2017	Shri Sharad Saxena is a Director of the Company and is also Executive Director – Operations & HR of HTML. A Mechanical Engineering from Birla Institute of Technology, Mesra, Shri Sharad Saxena has over 35 years of rich, diverse and extremely successful leadership experience spanning end to end Supply Chain Operations, Human Resource management for large companies, Project management, IT operations and advanced Research & Development, spread over different industry verticles – Media, Railways, Automobiles and Food & Beverages. He has held key leadership roles in various companies prior to joining the Company.

OBJECTS OF THE ISSUE

Digicontent does not propose to raise any capital and the equity shares of Digicontent are proposed to be listed through the Scheme of Arrangement.

Details and reasons for non-deployment or delay in deployment of proceeds or changes in utilization of issue proceeds of past public issues/rights issues, if any, of the Company in the preceding 10 years.

Digicontent is an unlisted company and has not undertaken any public / rights issue since incorporation.

CAPITAL STRUCTURE OF DIGICONTENT AS ON DATE OF THIS ABRIDGED PROSPECTUS

Authorised Share Capital	Rs.1,00,000 comprising of 50,000 equity shares of face value Rs. 2 each
Issued, Subscribed and Paid up Capital	Rs.1,00,000 comprising of 50,000 equity shares of face value Rs. 2 each

SHAREHOLDING PATTERN OF DIGICONTENT

Sr. No.	Particulars	Pre Scheme of Arrangement		Post Scheme of Arrangement ^{&}	
		No. of shares	%age	No. of shares	%age
1	Promoter	50,000 [@]	100.00	4,04,44,273	69.51
2	Public	-	-	1,71,98,233	29.55
3	Non Promoter Non Public (Employee Benefit Trust under SEBI (Share Based Employee Benefit) Regulations, 2014)	-	-	5,44,572	0.94
Total →		50,000	100.00	5,81,87,078	100.00

[@] Includes shares held by 6 individuals as nominees of the Promoter

[&] The number of equity shares proposed to be held by shareholders in Digicontent has been arrived at by applying share entitlement ratio enshrined at Clause 12.1 of the Scheme of Arrangement (assuming the shareholding pattern of HTML as on March 31, 2018). Simultaneously, with the issue and allotment of new equity shares by Digicontent to the equity shareholders of HTML in accordance with Clause 12.1 of the Scheme, any equity shares held by HTML in Digicontent shall stand cancelled, extinguished and annulled on and from the Effective Date.

SUMMARY OF FINANCIAL STATEMENTS

Digicontent is an unlisted company and has been incorporated on August 14, 2017. As per the Companies Act, 2013, the first financial year of Digicontent shall end on March 31, 2018 and first audit shall be conducted thereafter.

INTERNAL RISK FACTORS

1. Key talent: the acquisition and retention of key talent is going to be critical to the continued scaling of the digital business.
2. Business model evolution: the business models on digital continue to evolve at a rapid pace, with the industry experimenting in new areas such as branded content and subscriptions. The Company's digital business will need to keep pace with this evolution.
3. New product areas: as the market for digital expands, the Company will have to launch new products and services to address it. The digital business will continually need to keep evaluating and investing in areas that are showing traction and actively disinvest from areas that are not.

SUMMARY OF OUTSTANDING LITIGATIONS, CLAIMS AND REGULATORY ACTION

- A. **Total number of outstanding litigations against the Company and amount involved:** Nil
- B. **Regulatory action, if any: Disciplinary action taken by SEBI or stock exchange against the Promoter / Promoter Group companies in the last 5 years including outstanding action, if any:** HTML is the sole promoter of Digicontent. No regulatory / disciplinary action has been taken by SEBI or stock exchanges against HTML/Promoter Group Companies in the last 5 years nor any such matter is pending for disposal.

C. Brief details of outstanding criminal proceedings against Promoter (HTML):

Sr. No.	Parties involved	Nature of criminal case	Brief particulars of the case
1	Kishore Lal Chugh v/s HT Media Limited & Ors.	Defamation case	A criminal complaint was filed at Belapur against publication of the news article in Hindustan Hindi. This is a defamation complaint in respect of a news published.
2.	Leena Kalra v/s HT Media Limited & Ors.	Defamation case	A criminal complaint has been filed by the Complainant Leena Kalra towards publication on news article in newspaper Hindustan Times, Delhi Edition.
3	KTS Sarao v/s HT Media Limited & Ors.	Defamation case	A criminal complaint has been filed by the Complainant KTS Sarao towards publication on news article in newspaper Metro Now wherein HT Media has been arrayed as Defendant No. 5.

DECLARATION BY THE COMPANY

We hereby declare that all relevant provisions of the Companies Act, 2013 and the guidelines / regulations issued by the Government of India or the guidelines / regulations issued by the Securities and Exchange Board of India, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Abridged Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992 or rules made or guidelines or regulations issued there under, as the case may be. We further certify that all statements in this Abridged Prospectus are true and correct.

For **Digicontent Limited**

Sd/-
(Sharad Saxena)
Director

Date: April 6, 2018

**BEFORE THE HON'BLE NATIONAL COMPANY LAW TRIBUNAL
NEW DELHI BENCH
COMPANY APPLICATION NO. (CAA)- 24 (ND) / 2018**

In the matter of the Companies Act, 2013;

And

In the matter of Sections 230 to 232 read with Section 66 and other applicable provisions of the Companies Act, 2013;

And

In the matter of Scheme of Arrangement between HT Media Limited and Digicontent Limited (Formerly known as HT Digital Ventures Limited) and their respective shareholders and creditors.

HT Media Limited,
A company incorporated under the provisions
of the Companies Act, 1956 and having its
registered office at 18-20, Kasturba Gandhi Marg,
New Delhi – 110001.

-----Applicant 1/ Demerged Company/HTML

**EQUITY SHAREHOLDERS
PROXY FORM**

[As per Form MGT -11 and pursuant to Section 105(7) of the Companies Act, 2013 and Rule 19 (3) of the Companies (Management and Administration) Rules, 2014]

CIN: L22121DL2002PLC117874

Name of the Company: HT Media Limited

Registered office: 18-20, Kasturba Gandhi Marg, New Delhi - 110001

Name of the Shareholder(s):

Registered address:

.....

E-mail Id:

Folio No. DP Id Client Id:

I/We, being the Shareholder(s) of shares of the above named company,
hereby appoint

1. Name: E-mail Id:

Address:

..... Signature:

or failing him/her,

2. Name: E-mail Id:

Address:

..... Signature:

or failing him/her,

3. Name: E-mail Id:

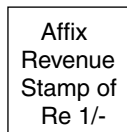
Address:

..... Signature:

as my/our proxy to attend and vote through ballot paper for me/us and on my/our behalf at the Meeting of the Equity Shareholders of the Company, to be held on Saturday, June 9, 2018 at 11:00 a.m. (1100 Hours) at Siri Fort Auditorium-II, A-25, Balbir Saxena Marg, Siri Fort Institutional Area, Gulmohar Park, New Delhi -110049, and at any adjournment thereof, in respect of such resolution(s) as indicated below:

S. No.	Resolutions	For*	Against*
1.	To consider and, if thought fit, approve, with or without modifications(s), the Scheme of Arrangement between HT Media Limited (Demerged Company) and Digicontent Limited (Resulting Company) and their respective shareholders and creditors under Sections 230 to 232 read with Section 66 and other applicable provisions of the Companies Act, 2013		

Signed this ____ day of _____, 2018



(Signature across the stamp)

.....
Signature of Equity Shareholder

.....
Signature of Proxy holder(s)

***It is optional to indicate your preference. If you leave 'For' or 'Against' column blank against the resolution(s), your proxy will be entitled to vote in the manner as he/she may deem appropriate.**

Notes:

1. This Proxy form in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before commencement of the Meeting.
2. Please affix appropriate revenue stamp before putting signature.
3. The Proxy form should be signed across the stamp as per specimen signature registered with the Registrar & Share Transfer Agent/Depository.
4. All alterations made in the Proxy form should be initialled.
5. Proxy need not be a shareholder of HT Media Limited.
6. No person shall be appointed as a proxy who is a minor.
7. If Company receives multiple proxies for the same holding of an equity shareholder, 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.
8. The proxy of a shareholder, blind or incapable of writing, would be accepted if such shareholder has attached his signature or mark thereto in the presence of a witness who shall add to his signature his description and address: provided that all insertions in the proxy are in the handwriting of the witness and such witness shall have certified at the foot of the proxy that all such insertions have been made by him at the request and in the presence of the shareholder before he attached his signature or mark.
9. The proxy of a shareholder who does not know English would be accepted if it is executed in the manner prescribed in point no. 8 above and the witness certifies that it was explained to the shareholder in the language known to him, and gives the shareholder's name in English below the signature
10. For the Resolution(s), Explanatory Statement and Notes, please refer the Notice.



HT Media Limited

CIN: L22121DL2002PLC117874

Registered Office: 18-20, Kasturba Gandhi Marg, New Delhi - 110001

Ph.: +91 11 66561608 **Fax:** +91 11 66561445

E-mail: investor@hindustantimes.com **Website:** www.htmedia.in

EQUITY SHAREHOLDERS

ATTENDANCE SLIP

MEETING OF THE EQUITY SHAREHOLDERS OF HT MEDIA LIMITED ON

SATURDAY, JUNE 9, 2018 AT 11:00 A.M.

PLEASE COMPLETE THIS ATTENDANCE SLIP AND HAND OVER AT THE ENTRANCE OF THE MEETING HALL

I / We hereby record my / our presence at the Meeting of the Equity Shareholders of HT Media Limited, convened pursuant to Orders dated March 6, 2018 and April 13, 2018 of the Hon'ble National Company Law Tribunal, New Delhi Bench at Siri Fort Auditorium-II, A-25, Balbir Saxena Marg, Siri Fort Institutional Area, Gulmohar Park, New Delhi -110049, on Saturday, June 9, 2018 at 11:00 a.m.

Name and address of the Equity Shareholder (IN BLOCK LETTERS)	
*DP ID / Client ID No.	
**Regd. Folio No.	
No. of Equity Shares held	
Name and address of Proxy*** (IN BLOCK LETTERS)	

Signature of the Equity Shareholder

Signature of the Proxy Holder

*Applicable for Equity Shareholder holding in Demat Form

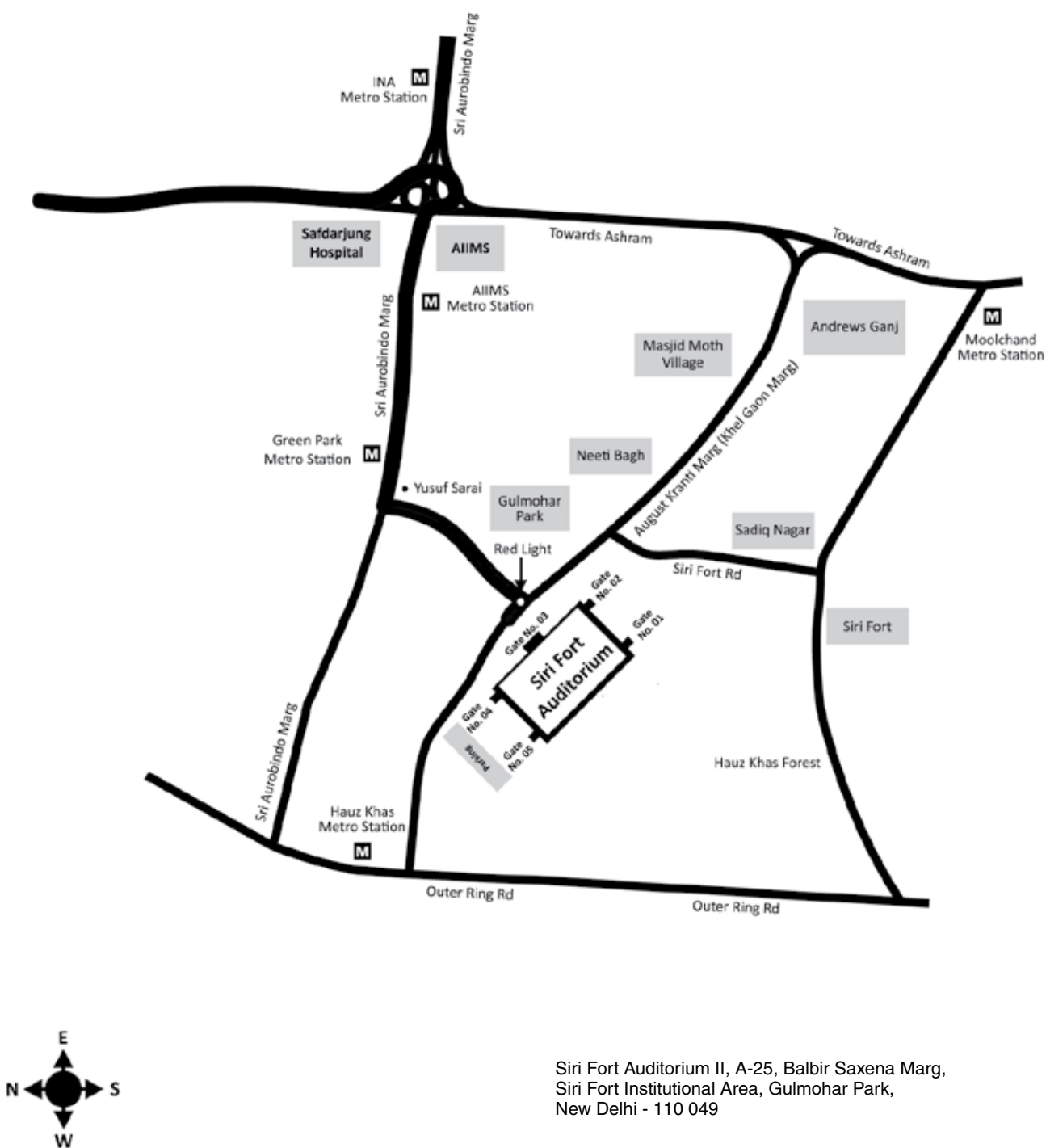
**Applicable for Equity Shareholder holding in Physical Form

***To be filled in by the Proxy in case he/she attends instead of the Equity Shareholder

Notes:

1. Equity Shareholders attending the meeting in person or by proxy or through authorised representative are requested to complete and bring the Attendance slip with them and hand it over at the entrance of the meeting hall.
2. Equity Shareholders who hold shares in dematerialized form are requested to bring their client ID and DP ID for easy identification of attendance at the meeting.
3. Equity Shareholders who come to attend the meeting are requested to bring their copy of the Notice and Scheme with them.
4. Equity Shareholders are informed that in case of joint holders attending the meeting, only such joint holder whose name stands first in the Register of Members of HT Media Limited in respect of such joint holding will be entitled to vote.

Route map to the venue of the Meeting of HT Media Limited



Siri Fort Auditorium II, A-25, Balbir Saxena Marg,
Siri Fort Institutional Area, Gulmohar Park,
New Delhi - 110 049