

INDEPENDENT AUDITOR'S REPORT

To the Members of Firefly E-Ventures Limited

Report on the Financial Statements

We have audited the accompanying financial statements of Firefly E-Ventures Limited ("the Company"), which comprises the Balance Sheet as at March 31, 2016, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial control that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the Company as at March 31, 2016, its loss, and its cash flows for the year ended on that date.

Emphasis of Matter

We draw attention to the following matter in the notes to the financial Statement:

Without qualifying our opinion, we draw attention to Note 3.16 (k) in the financial statements which indicates that the Company incurred a net loss of Rs.96,751,667 during the year ended March 31, 2016. These conditions along with other matters as set forth in Note 3.16 (k) indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern.



Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure 1 a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - (b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - (e) On the basis of written representations received from the directors as on March 31, 2016, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016, from being appointed as a director in terms of section 164 (2) of the Act;
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us;
 - i. The Company does not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For S.R. Batliboi & CO. LLP

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

Vishal Sharma

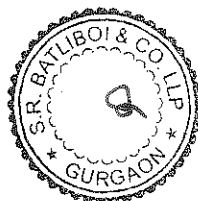
Per Vishal Sharma

Partner

Membership Number: 96766

Place of Signature: Gurgaon

Date: May 25, 2016



S.R. BATLIBOI & CO. LLP

Chartered Accountants

Annexure 1 referred to in paragraph 1 of "Report on Other Legal and Regulatory Requirements" of our report of even date

Re: Firefly E-Ventures Limited ('the Company')

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) Fixed assets have been physically verified by the management during the year in accordance with a planned programme of verifying them once in three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) According to the information and explanations given by the management, there are no immovable properties, included in fixed assets of the company and accordingly, the requirements under paragraph 3(i)(c) of the Order are not applicable to the Company.
- (ii) The Company's business does not involve inventories and, accordingly, the requirements under paragraph 3(ii) of the Order are not applicable to the Company.
- (iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iii) (a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.
- (iv) In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees, and securities granted in respect of which provisions of section 185 and 186 of the Companies Act 2013 are applicable and hence not commented upon.
- (v) The Company has not accepted any deposits from the public.
- (vi) To the best of our knowledge and as explained, the Company is not in the business of sale of any goods. Therefore, in our opinion, the provisions of clause 3(vi) of the Order are not applicable to the Company.
- (vii) (a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, income-tax, duty of custom, service tax, cess and other material statutory dues applicable to it. The provisions relating to employees' state insurance, sales-tax, duty of excise, value added tax are not applicable to the Company.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, wealth-tax, service tax, sales-tax, customs duty, excise duty, value added tax, cess and other material statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
- (c) According to the information and explanations given to us, there are no dues of income tax, duty of custom, service tax, and cess which have not been deposited on account of any dispute. The Provisions relating to sales-tax, wealth-tax, excise duty and value added tax are not applicable to the Company.
- (viii) In our opinion and according to the information and explanations given by the management, the Company has not defaulted in repayment of dues to a financial institution or bank or government. The Company did not have any outstanding debentures during the year.



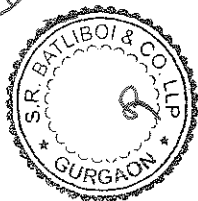
S.R. BATLIBOI & CO. LLP

Chartered Accountants

- (ix) According to the information and explanations given by the management, the Company has not raised any money by way of initial public offer / further public offer / debt instruments and term loans hence, reporting under clause (ix) is not applicable to the Company and hence not commented upon.
- (x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the company or no fraud on the company by the officers and employees of the Company has been noticed or reported during the year.
- (xi) According to the information and explanations given by the management, the provisions of section 197 read with Schedule V of the Act is not applicable to the company and hence reporting under clause 3(xi) are not applicable and hence not commented upon.
- (xii) In our opinion, the Company is not a nidhi company. Therefore, the provisions of clause 3(xii) of the Order are not applicable to the Company and hence not commented upon.
- (xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with section 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards. The provisions of section 177 are not applicable to the company and accordingly reporting under clause 3(xiii) insofar as it relates to section 177 of the Act is not applicable to the Company and hence not commented upon.
- (xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence, reporting requirements under clause 3(xiv) are not applicable to the company and, not commented upon.
- (xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of Companies Act, 2013.
- (xvi) According to the information and explanations given to us, the provisions of section 45-1A of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For S.R. BATLIBOI & CO. LLP
ICAI Firm Registration No. 301003E/E300005
Chartered Accountants

Vishal Sharma
per Vishal Sharma
Partner
Membership No.: 96766
Place: Gurgaon
Date: May 25, 2016



ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF FIREFLY E-VENTURES LIMITED

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Firefly E-Ventures Limited ("the Company") as of March 31, 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

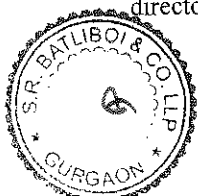
Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

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



S.R. BATLIBOI & Co. LLP

Chartered Accountants

unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

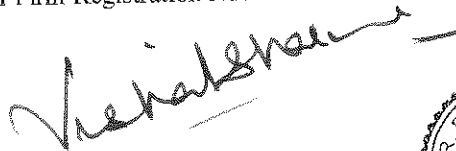
Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **S.R. Batliboi & Co. LLP**

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005



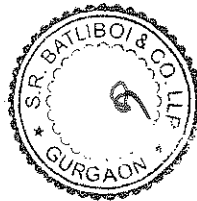
per **Vishal Sharma**

Partner

Membership Number: 96766

Place of Signature: Gurgaon

Date: May 25, 2016



Firefly e-Ventures Limited
Balance Sheet as at March 31, 2016

| Particulars | Notes | As at March 31, 2016 (Rs.) | As at March 31, 2015 (Rs.) |
|--------------------------------|-------|----------------------------------|----------------------------------|
| Equity and liabilities | | | |
| Shareholders' funds | | | |
| Share capital | 3.1 | 248,426,000 | 247,176,000 |
| Reserves and surplus | 3.2 | (217,142,582) | (243,936,561) |
| | | 31,283,418 | 3,239,439 |
| Share application money | | 25,000,000 | - |
| Non-current liabilities | | | |
| Long-term provisions | 3.3 | 2,249,600 | 2,038,176 |
| | | 2,249,600 | 2,038,176 |
| Current liabilities | | | |
| Trade payables | 3.4 | 19,043,261 | 28,645,945 |
| Other current liabilities | 3.4 | 43,920,518 | 30,963,353 |
| Short-term provisions | 3.3 | 954,867 | 1,118,685 |
| | | 63,918,646 | 60,727,983 |
| Total | | 122,451,664 | 66,005,598 |
| Assets | | | |
| Non-current assets | | | |
| Fixed assets | | | |
| Tangible assets | 3.5 | 4,839,275 | 4,651,479 |
| Intangible assets | 3.6 | 309,327 | 865,504 |
| Loans and advances | 3.7 | 15,002,842 | 20,964,254 |
| | | 20,151,444 | 26,481,237 |
| Current assets | | | |
| Trade receivables | 3.8 | 6,190,491 | 9,476,507 |
| Cash and bank balances | 3.9 | 88,147,183 | 25,168,234 |
| Loans and advances | 3.7 | 2,487,824 | 3,456,250 |
| Other current assets | 3.10 | 5,474,722 | 1,423,370 |
| | | 102,300,220 | 39,524,361 |
| TOTAL | | 122,451,664 | 66,005,598 |

Summary of significant accounting policies 2.1

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

For S.R. Batliboi & Co. LLP

Firm Registration No. 301003E/ E300005
Chartered Accountants

For Firefly e-Ventures Limited

Priyavrat Bhartia
Whole-time Director
(DIN: 00020603)

Rajiv Verma
Director
(DIN: 00017110)

per Vishal Sharma
Partner
Membership No. 96766

Jagdish Batra
Chief Financial Officer

Manoj Bhargava
Company Secretary
(Membership No: F5764)

Place: Gurgaon
Date: May 25, 2016

Firefly e-Ventures Limited
Statement of profit and loss for the period ended March 31, 2016

| Particulars | Notes | For the Year Ended March 31, 2016 (Rs.) | For the Year Ended March 31, 2015 (Rs.) |
|--|--------|---|---|
| Income | | | |
| Revenue from operations | | 147,896,130 | 147,765,041 |
| Other income | 3.11 | 3,709,101 | 1,339,680 |
| Total revenue (I) | | 151,605,231 | 149,104,721 |
| Expenditure | | | |
| Employee benefits expense | 3.12 | 105,059,201 | 97,030,190 |
| Other expenses | 3.13 | 137,994,432 | 117,892,006 |
| Financial expenses | 3.14 | 818,774 | 573,697 |
| Depreciation and amortisation Expenses | 3.15 | 4,484,491 | 4,270,647 |
| Total expenditure (II) | | 248,356,898 | 219,766,540 |
| Loss before tax (I-II) | | (96,751,667) | (70,661,819) |
| Provision for tax | | - | - |
| Total tax expense | | - | - |
| Net Loss after tax for the year | | (96,751,667) | (70,661,819) |
| Loss per equity share (Rs.) | 3.16 a | (3.93) | (2.87) |
| Basic and Diluted [Nominal value of shares Rs.10 each] | | | |

Summary of significant accounting policies

2.1

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

For S.R. Batliboi & Co. LLP

Firm Registration No. 301003E/E300005
Chartered Accountants

For Firefly e-Ventures Limited

Priyavrat Bhartia
Whole-time Director
(DIN: 00020603)

Rajiv Verma
Director
(DIN: 00017110)

per Vishal Sharma

Partner
Membership No. 96766

Jagdish Batra
Chief Financial Officer

Manoj Bhargava
Company Secretary
(Membership No: F5764)

Place: Gurgaon
Date: May 25, 2016

Firefly e-Ventures Limited
Cash flow statement for the year ended March 31, 2016

| Particulars | For the Year Ended March 31, 2016 (Rs.) | For the Year Ended March 31, 2015 (Rs.) |
|--|---|---|
| Cash flow from operating activities | | |
| Profit/(Loss) before tax | (96,751,667) | (70,661,819) |
| Depreciation/amortization | 4,484,491 | 4,270,647 |
| Provision for doubtful debts written back | (35,242) | (160,027) |
| Employee stock compensation expense | (204,354) | 44,633 |
| Loss/ (profit) on sale of fixed assets | 4,074 | (1,314) |
| Interest income | (3,583,277) | (1,135,827) |
| Operating Profit/(loss) before working capital changes | (96,085,975) | (67,643,707) |
| Movements in working capital : | | |
| Increase/(decrease) in trade payables and other liabilities | 3,402,087 | 17,333,641 |
| Decrease/(increase) in trade receivables | 3,321,258 | 4,767,081 |
| Decrease / (increase) in loans and advances | (3,395,392) | 607,256 |
| Cash generated from / (used in) operations | (92,758,022) | (44,935,729) |
| Direct taxes paid (net of refunds) | 5,961,412 | (4,703,172) |
| Net cash flow from/ (used in) operating activities (A) | (86,796,610) | (49,638,901) |
| Cash flows from investing activities | | |
| Purchase of fixed assets | (4,164,367) | (2,099,094) |
| Proceeds from sale of fixed assets | 44,184 | 10,143 |
| Investment in fixed deposits with maturity greater than 3 months but less than 12 months | 10,000,000 | (10,000,000) |
| Interest received | 3,895,742 | 749,389 |
| Net cash flow from/(used in) investing activities (B) | 9,775,559 | (11,339,562) |
| Cash flows from financing activities | | |
| Proceeds from issuance of share capital | 125,000,000 | 67,600,000 |
| Proceeds from share application money | 25,000,000 | - |
| Net cash flow from/(used in) in financing activities (C) | 150,000,000 | 67,600,000 |
| Net increase/(decrease) in cash and cash equivalents (A + B + C) | 72,978,949 | 6,621,537 |
| Cash and cash equivalents at the beginning of the year | 15,168,234 | 8,546,697 |
| Cash and cash equivalents at the end of the year | 88,147,183 | 15,168,234 |
| Components of cash and cash equivalents | | |
| With banks- on current account | 1,147,183 | 668,234 |
| -- on deposit account | 87,000,000 | 14,500,000 |
| Total cash and cash equivalents | 88,147,183 | 15,168,234 |

Summary of significant accounting policies

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

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

For S.R. Batliboi & Co. LLP

Firm Registration No. 301003E/ E300005
Chartered Accountants

per Vishal Sharma

Partner
Membership No. 96766

Place: Gurgaon
Date: May 25, 2016

For Firefly e-Ventures Limited

Priyavrat Bhartia **Rajiv Verma**
Whole-time Director Director
(DIN: 00020603) (DIN: 00017110)

Jagdish Batra **Manoj Bhargava**
Chief Financial Officer Company Secretary
(Membership No: F5764,

Firefly e-Ventures Limited
Notes to the financial statements for the period ended March 31, 2016

3.1. Share capital

| Particulars | As at March 31, 2016 (Rs.) | As at March 31, 2015 (Rs.) |
|--|----------------------------------|----------------------------------|
| Authorized shares (No.) | | |
| 40,000,000 (Previous year 40,000,000) equity shares of Rs. 10 each | 400,000,000 | 400,000,000 |
| 2,000,000,000 (Previous year: 2,000,000,000) 0.1% Optionally Convertible Cumulative Preference Shares (OCCPS) of Re 0.10 | 200,000,000 | 200,000,000 |
| | 600,000,000 | 600,000,000 |
| Issued, subscribed and fully paid-up shares (No.) | | |
| 24,650,000 (Previous year 24,650,000) equity shares of Rs. 10 each | 246,500,000 | 246,500,000 |
| 0.1% 19,260,000 (Previous year 6,760,000) OCCPS of Re 0.10 each | 1,926,000 | 676,000 |
| Total issued, subscribed and fully paid-up share capital | 248,426,000 | 247,176,000 |

Refer note (a) to (e) below:

a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting year

| Particulars | As at March 31, 2016 | | As at March 31, 2015 | |
|---|-------------------------|--------------------|-------------------------|--------------------|
| | No. | (Rs.) | No. | (Rs.) |
| Equity Shares | | | | |
| At the beginning of the year | 24,650,000 | 246,500,000 | 24,650,000 | 246,500,000 |
| Issued during the year | - | - | - | - |
| Outstanding at the end of the year | 24,650,000 | 246,500,000 | 24,650,000 | 246,500,000 |
| Preference shares | | | | |
| At the beginning of the year | 6,760,000 | 676,000 | - | - |
| Issued during the year | 12,500,000 | 1,250,000 | 6,760,000 | 676,000 |
| Outstanding at the end of the year | 19,260,000 | 1,926,000 | 6,760,000 | 676,000 |

b. Terms/rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the board of directors is subject to the approval of the shareholders in the ensuing annual general meeting.

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

c. Terms of conversion/ redemption of OCCPS

During the year ended March 31, 2016, the company had issued 12,500,000 (March 31, 2015: 6,760,000) OCCPS of Re. 0.10 each fully paid-up at a premium of Rs 9.90 per share. OCCPS carry cumulative dividend @ 0.1% p.a. 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. Each holder of OCCPS is entitled to one vote per share only on resolutions placed before the company which directly affect the rights attached to OCCPS.

Each holder of OCCPS can opt to redeem its preference shares or covert its preference shares into equity shares anytime during the period of 5 years from the date of Issue at a predetermined price.

d. Shares held by Holding Company

| Particulars | As at March 31, 2016 (Rs.) | As at March 31, 2015 (Rs.) |
|---|----------------------------------|----------------------------------|
| HT Digital Media Holdings Limited, the Holding Company | | |
| 24,649,994 equity shares of Rs. 10/- each (Previous year 24,649,994 equity shares of Rs. 10/- each) | 246,499,940 | 246,499,940 |
| HT Media Limited, the ultimate Holding Company | | |
| 0.1% 19,260,000 (Previous year 6,760,000) Optionally Convertible Cumulative Preference Shares of Re 0.10 each | 1,926,000 | 676,000 |
| | 248,425,940 | 247,175,940 |

Firefly e-Ventures Limited
Notes to the financial statements for the period ended March 31, 2016

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

| Particulars | As at March 31, 2016 | | As at March 31, 2015 | |
|---|-------------------------|------------------------|-------------------------|------------------------|
| | No. | % holding in the class | No. | % holding in the class |
| Equity shares of Rs 10 each fully paid up | | | | |
| HT Digital Media Holdings Limited, Holding Company | 24,649,994 | 99.99% | 24,649,994 | 99.99% |
| Preference shares of Re. 0.10 each fully paid up | | | | |
| HT Media Limited, Ultimate Holding Company | 19,260,000 | 100.00% | 6,760,000 | 100.00% |

f. Shares reserved for issue under options

For details of shares reserved for issue under the employee stock option (ESOP) plan of the company, please refer note 3.16 c.

3.2 Reserves and surplus

| Particulars | As at March 31, 2016 (Rs.) | As at March 31, 2015 (Rs.) |
|--|----------------------------------|----------------------------------|
| Securities premium account | | |
| Balance as per the last financial statements | 66,924,000 | - |
| Add : Premium on issue of OCCPS | 123,750,000 | 66,924,000 |
| Closing Balance | 190,674,000 | 66,924,000 |
| Employee stock options outstanding | | |
| Gross employee stock compensation for options granted in earlier years | 1,218,000 | 1,173,367 |
| Add: Gross compensation for options granted during the year | (204,354) | 44,633 |
| Closing balance (A) | 1,013,646 | 1,218,000 |
| Surplus/(deficit) in the statement of profit and loss | | |
| Balance as per last financial statements | (312,078,561) | (241,416,742) |
| Loss for the year | (96,751,667) | (70,661,819) |
| Net surplus in the statement of profit and loss (B) | (408,830,228) | (312,078,561) |
| Total reserves and surplus (A+B) | (217,142,582) | (243,936,561) |

3.3 Provisions

| Particulars | Long-term | | Short-term | |
|--|----------------------------------|----------------------------------|----------------------------------|----------------------------------|
| | As at March 31, 2016 (Rs.) | As at March 31, 2015 (Rs.) | As at March 31, 2016 (Rs.) | As at March 31, 2015 (Rs.) |
| Provision for employee benefits | | | | |
| Provision for gratuity (refer note 3.16 b) | 2,249,600 | 2,038,176 | 11,250 | 20,212 |
| Provision for leave benefits | - | - | 943,617 | 1,098,473 |
| | 2,249,600 | 2,038,176 | 954,867 | 1,118,685 |

3.4 Trade Payable & Other current liabilities

| Particulars | As at March 31, 2016 (Rs.) | As at March 31, 2015 (Rs.) |
|---|----------------------------------|----------------------------------|
| Trade payables (refer note 3.16 f for details of dues to micro and small enterprises) | | |
| -Total outstanding dues of micro enterprises and small enterprises | - | - |
| -Total outstanding dues of creditors other than micro enterprises and small enterprises | 19,043,261 | 28,645,945 |
| (A) | | |
| Other liabilities: | | |
| Withholding and other taxes payable | 3,088,635 | 2,545,376 |
| Payable to subsidiaries | 14,719,930 | 11,818,112 |
| Advance from customer for which value has still to be given | 16,930,613 | 16,207,930 |
| Book overdraft | 9,181,340 | 391,935 |
| (B) | 43,920,518 | 30,963,353 |
| Total (A+B) | 62,963,779 | 59,609,298 |

Firefly e-Ventures Limited
Notes to the financial statements for the period ended March 31, 2016

3.7 Loans and advances

| Particulars | Non-current | | Current | |
|--|----------------------------------|----------------------------------|----------------------------------|----------------------------------|
| | As at March 31, 2016 (Rs.) | As at March 31, 2015 (Rs.) | As at March 31, 2016 (Rs.) | As at March 31, 2015 (Rs.) |
| Advances recoverable in cash or kind | | | | |
| Secured considered good | | | | |
| Unsecured considered good* | - | - | 1,570,288 | 3,399,792 |
| (A) | - | - | 1,570,288 | 3,399,792 |
| Other loans and advances | | | | |
| Balances with statutory/government authorities | - | - | 917,536 | 56,458 |
| Advance payment of income tax | 15,002,842 | 20,964,254 | - | - |
| (B) | 15,002,842 | 20,964,254 | 917,536 | 56,458 |
| Total (A + B) | 15,002,842 | 20,964,254 | 2,487,824 | 3,456,250 |

3.8 Trade receivables

| Particulars | As at March 31, 2016 (Rs.) | As at March 31, 2015 (Rs.) |
|--|----------------------------------|----------------------------------|
| Unsecured, considered good unless stated otherwise | | |
| Outstanding for a period exceeding six months from the date they are due for payment | | |
| Unsecured, considered good | 5,833,308 | 3,897,137 |
| Unsecured, considered doubtful | 2,207,590 | 2,242,832 |
| (A) | 8,040,898 | 6,139,969 |
| Other receivables | | |
| Unsecured, considered good | 357,183 | 5,579,370 |
| (B) | 357,183 | 5,579,370 |
| Total (A + B) | 8,398,081 | 11,719,339 |
| Less: Provision for doubtful debt | 2,207,590 | 2,242,832 |
| Total (A + B) | 6,190,491 | 9,476,507 |

3.9 Cash and bank balances

| Particulars | As at March 31, 2016 (Rs.) | As at March 31, 2015 (Rs.) |
|--|----------------------------------|----------------------------------|
| Cash and cash equivalents | | |
| Balances with banks: | | |
| -On current accounts | 1,147,183 | 668,234 |
| -Deposits with original maturity of less than three months | 87,000,000 | 14,500,000 |
| | 88,147,183 | 15,168,234 |
| Other bank balances | | |
| -Deposits with original maturity of more than three months but less than 12 months | - | 10,000,000 |
| | 88,147,183 | 25,168,234 |

3.10 Other Current Assets

| Particulars | For the Year Ended March 31, 2016 (Rs.) | For the Year Ended March 31, 2015 (Rs.) |
|-----------------------------|---|---|
| Interest accrued on deposit | 73,973 | 386,438 |
| Income accrued but not due | 5,400,749 | 1,036,932 |
| | 5,474,722 | 1,423,370 |

Firefly e-Ventures Limited
Notes to the financial statements for the period ended March 31, 2016

3.11 Other income

| Particulars | For the Year Ended March 31, 2016 (Rs.) | For the Year Ended March 31, 2015 (Rs.) |
|---|---|---|
| Interest from bank on | | |
| -Deposits (Tax deducted at Source: Rs. 94,221 (Previous year: Rs. 43,469) | 1,866,737 | 1,135,827 |
| Interest on Income tax refunds | 1,716,540 | - |
| Foreign exchange gain (net) | 30,063 | 27,745 |
| Profit on sale of fixed assets | - | 1,314 |
| Miscellaneous income | 95,761 | 174,794 |
| | 3,709,101 | 1,339,680 |

3.12 Employee benefits expense

| Particulars | For the Year Ended March 31, 2016 (Rs.) | For the Year Ended March 31, 2015 (Rs.) |
|--|---|---|
| Salaries, wages and bonus | 99,432,994 | 92,348,383 |
| Contribution to provident and other fund | 4,039,461 | 3,318,971 |
| Employee stock option scheme (refer note 3.16 c) | - | 44,633 |
| Gratuity expense (refer note 3.16 b) | 1,098,748 | 1,160,352 |
| Staff welfare expenses | 487,998 | 157,851 |
| | 105,059,201 | 97,030,190 |

3.13 Other expenses

| Particulars | For the Year Ended March 31, 2016 (Rs.) | For the Year Ended March 31, 2015 (Rs.) |
|--|---|---|
| Printing and service charges | 165,324 | 219,561 |
| Advertising and sales promotion | 86,104,731 | 79,122,351 |
| Training and development | - | 210,320 |
| Rent (seat sharing) | 5,687,729 | 5,401,917 |
| Rates and taxes | 3,283,382 | 2,454,701 |
| Repairs and maintenance: | | |
| -Others | 45,778 | 65,288 |
| Travelling and conveyance | 15,372,372 | 13,115,710 |
| Communication costs | 2,257,288 | 1,568,810 |
| Bad debts written off | 333,921 | - |
| Legal and professional fees | 18,575,883 | 12,103,598 |
| Payment to Auditor : (excluding service tax) | | |
| Audit fee | 950,000 | 450,000 |
| Tax audit fee | 150,000 | 100,000 |
| Other Services | 550,000 | - |
| Out of pocket expenses | 30,800 | 25,300 |
| Housekeeping charges | 3,000 | 4,830 |
| Insurance | 636,915 | 712,756 |
| Loss on sale of fixed assets (net) | 4,074 | - |
| Miscellaneous expenses | 3,843,235 | 2,336,864 |
| | 137,994,432 | 117,892,006 |

3.14 Financial expenses

| Particulars | For the Year Ended March 31, 2016 (Rs.) | For the Year Ended March 31, 2015 (Rs.) |
|--------------|---|---|
| Bank charges | 818,774 | 573,697 |
| | 818,774 | 573,697 |

Firefly e-Ventures Limited
Notes to the financial statements for the period ended March 31, 2016

3.15 Depreciation and amortization expense

| Particulars | For the Year Ended March 31, 2016 (Rs.) | For the Year Ended March 31, 2015 (Rs.) |
|-----------------------------------|--|--|
| Depreciation of tangible assets | 3,928,314 | 3,109,051 |
| Amortization of intangible assets | 556,177 | 1,161,596 |
| | 4,484,491 | 4,270,647 |

Firefly e-Ventures Limited
Notes to the financial statements for the period ended March 31, 2016

| 3.5 Tangible assets | (Rs.) | | | |
|----------------------------|----------------------------------|-----------------------------------|-------------------------------|-------------------|
| | Plant and equipment's | Furniture and Fixtures | Office Equipment's | Total |
| Gross Block | | | | |
| At April 1, 2014 | 10,345,874 | 79,144 | 669,936 | 11,094,954 |
| Additions | 2,023,296 | - | 75,799 | 2,099,095 |
| Disposals | 176,588 | - | - | 176,588 |
| At March 31, 2015 | 12,192,582 | 79,144 | 745,735 | 13,017,461 |
| Additions | 4,164,367 | - | - | 4,164,367 |
| Disposals | 69,279 | - | - | 69,279 |
| At March 31, 2016 | 16,287,670 | 79,144 | 745,735 | 17,112,549 |
| Depreciation | | | | |
| At April 1, 2014 | 5,031,993 | 79,143 | 313,553 | 5,424,689 |
| Charge for the year | 2,980,017 | - | 129,034 | 3,109,051 |
| Disposals | 167,758 | - | - | 167,758 |
| At March 31, 2015 | 7,844,252 | 79,143 | 442,587 | 8,365,982 |
| Charge for the year | 3,820,320 | - | 107,994 | 3,928,314 |
| Disposals | 21,022 | - | - | 21,022 |
| At March 31, 2016 | 11,643,550 | 79,143 | 550,581 | 12,273,274 |
| Net Block | | | | |
| At March 31, 2015 | 4,348,330 | 1 | 303,148 | 4,651,479 |
| At March 31, 2016 | 4,644,120 | 1 | 195,154 | 4,839,275 |

Firefly e-Ventures Limited
Notes to the financial statements for the period ended March 31, 2016

| 3.6 Intangible assets | (Rs.) | | |
|------------------------------|--------------------------------|------------------------------|-------------------|
| | Website Development | Software Licenses | Total |
| Gross block | | | |
| At April 1, 2014 | 5,570,304 | 7,205,000 | 12,775,304 |
| Additions | - | - | - |
| Disposals | - | - | - |
| At March 31, 2015 | 5,570,304 | 7,205,000 | 12,775,304 |
| Additions | - | - | - |
| Disposals | - | - | - |
| At March 31, 2016 | 5,570,304 | 7,205,000 | 12,775,304 |
| Amortization | | | |
| At April 1, 2014 | 3,543,204 | 7,205,000 | 10,748,204 |
| Charge for the year | 1,161,596 | - | 1,161,596 |
| Disposals | - | - | - |
| At March 31, 2015 | 4,704,800 | 7,205,000 | 11,909,800 |
| Additions | 556,177 | - | 556,177 |
| Disposals | - | - | - |
| At March 31, 2016 | 5,260,977 | 7,205,000 | 12,465,977 |
| Net block | | | |
| At March 31, 2015 | 865,504 | - | 865,504 |
| At March 31, 2016 | 309,327 | - | 309,327 |

Significant Accounting Policies and Notes to accounts

1. Corporate Information

Firefly e-Ventures Limited is a subsidiary of HT Digital Media Holdings Limited. The Company was incorporated to carry on internet related business for providing educational services. The Company operates and runs internet business in the name of www.htcampus.com.

2. Basis of preparation

The financial statements of the company have been prepared in accordance with the generally accepted accounting principles in India (Indian GAAP). The company has prepared these financial statements to comply in all material respects with the accounting standards notified under section 133 of the Companies Act 2013, read together with Rule 7 of the Companies (Accounts) Rules 2014. The financial statements have been prepared on an accrual basis and under the historical cost convention.

The accounting policies adopted in the preparation of financial statements are consistent with those of previous year.

2.1 Summary of Significant Accounting Policies

a) Use of estimates

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and disclosure of contingent liabilities, at the date of the reporting year end. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

b) Tangible Fixed assets

Fixed assets are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing costs if capitalization criteria are met and 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.

Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing fixed 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.

The company adjusts exchange differences arising on translation/ settlement of long-term foreign currency monetary items pertaining to the acquisition of a depreciable asset to the cost of the asset and depreciates the same over the remaining life of the asset. In accordance with MCA circular dated 09 August 2012, exchange differences adjusted to the cost of fixed assets are total differences, arising on long-term foreign currency monetary items pertaining to the acquisition of a depreciable asset, for the period. In other words, the company does not differentiate between exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost and other exchange difference.

Gains or losses arising from de-recognition of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

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.

c) Depreciation on tangible fixed assets

Depreciation on fixed assets is calculated on a straight-line basis using the rates arrived at based on the useful lives estimated by the management. The identified components are depreciated over their useful lives; the remaining asset is depreciated over the life of the principal asset. The company has used the following rates to provide depreciation on its fixed assets:

| | Useful lives (in years) |
|---|------------------------------------|
| Plant and Machinery | 15-20 |
| Computers (included in Plant and Machinery) | 3 |
| Office Equipment | 3 |
| Furniture and Fittings | 8 |

d) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in an amalgamation in the nature of purchase is their fair value as at the date of amalgamation. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in the statement of profit and loss in the year in which the expenditure is incurred.

Intangible assets are amortized on a straight line basis over the estimated useful economic life. The company uses a rebuttable presumption that the useful life of an intangible asset will not exceed ten years from the date when the asset is available for use. If the persuasive evidence exists to the affect that useful life of an intangible asset exceeds ten years, the company amortizes the intangible asset over the best estimate of its useful life. Such intangible assets and intangible assets not yet available for use are tested for impairment annually, either individually or at the cash-generating unit level. All other intangible assets are assessed for impairment whenever there is an indication that the intangible asset may be impaired.

The amortization period and the amortization method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortization period is changed accordingly. If there has been a significant change in the expected pattern of economic benefits from the asset, the amortization method is changed to reflect the changed pattern. Such changes are accounted for in accordance with AS 5 Net Profit or Loss for the Period, Prior Period Items and Changes in Accounting Policies.

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 recognized in the statement of profit and loss when the asset is derecognized.

Software

Software is stated at cost, less accumulated amortization.

Software acquisition costs - Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Value for individual software license acquired is allocated based on valuation carried out by an independent expert.

Software licenses are amortized based on the estimated useful life of related product as estimated by the management, on a straight line basis. Acquired software is amortized over the remaining estimated useful life from the date of acquisition.

Copyrights

Purchased copyrights are accounted for at costs. In case of slump purchases, value for copyright acquired is allocated based on the valuation carried out by an independent expert at the time of acquisition. Copyrights are amortized over the estimated useful life of six years from the date of acquisition on a straight line basis.

Website development costs

Costs incurred in the planning or conceptual development of the web site are expensed as incurred. Once the planning or conceptual development of a web site has been achieved, and the project has reached the application development stage, the Company capitalizes all costs related to web site application and infrastructure development including costs relating to the graphics and content development stages. Training and routine maintenance costs are expensed as incurred.

Internal Website Development Costs - Internal website development costs consist primarily of salaries of internal employees and consulting fees for developing software platforms, if any, for sale to or use by customers in Internet domain. Capitalization of costs related to the development of software products, as all of the products are to be used as an integral part of a product or process to be sold or leased, such costs are capitalized. Once technological feasibility has been reached and development for the components of the products has been completed.

Website development costs are amortized over the estimated useful life of three years from the date of completion of website development on a straight line basis.

e) Leases

Finance leases, which effectively transfer to the Company substantially all the risks and benefits incidental to ownership of the leased item, are capitalized at the inception of the lease term at the lower of the fair value of the leased property and present value of minimum lease payments. Lease payments are apportioned between the 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 recognized as finance costs in the statement of profit and loss. Lease management fees, legal charges and other initial direct costs are capitalized.

A leased asset is depreciated on a straight-line basis over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain the ownership by the end of the lease term, the capitalized asset is depreciated on a straight-line basis over the shorter of the estimated useful life of the asset or the lease term.

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

f) Impairment of tangible and intangible 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 units (CGU) net selling price and its value in use. The 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. 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 net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

Firefly e-Ventures Limited
Notes to the financial statements for the year ended March 31, 2016

The Company bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the Company's cash-generating units to which the individual assets are allocated. These budgets and forecast calculations are generally covering 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.

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

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life. An assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the company estimates the asset's or cash-generating unit's recoverable amount. A previously recognized 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 recognized. 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 recognized for the asset in prior years. Such reversal is recognized in the statement of profit and loss unless the asset is carried at a revalued amount, in which case the reversal is treated as a revaluation increase.

g) Investments

Investments which are readily realizable and intended to be held for not more than one year from the date on which such investments are made are classified as current investments. All other investments are classified as long-term investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties. If an investment is acquired, or partly acquired, by the issue of shares or other securities, the acquisition cost is the fair value of the securities issued. If an investment is acquired in exchange for another asset, the acquisition is determined by reference to the fair value of the asset given up or by reference to the fair value of the investment acquired, whichever is more clearly evident.

Current investments are carried at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

h) Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized:

Revenue is recognized when persuasive evidence of an arrangement exists, service has been rendered, the sales prices are fixed or determinable and collection is probable. Revenues associated with multiple element contracts are allocated based on the fair value of the services included in the contract.

Revenue from sale of leads on www.htcampus.com is recognized at the time of delivery of the leads to the customer.
Revenue from online advertising on www.htcampus.com and www.mycollegesabroad.com by display of internet advertisements are typically contracted for a period of one month to twelve months. Revenue in this respect is recognized over the period of the contract, in accordance with the established principles of accrual accounting. Unearned revenues are reported on the balance sheet as deferred revenue.

Firefly e-Ventures Limited
Notes to the financial statements for the year ended March 31, 2016

The Company collects service tax on behalf of the government and, therefore, it is not an economic benefits flowing to the Company. Hence, it is excluded from revenue.

Interest

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head “Other Income” in the statement of profit and loss.

Dividends

Dividend income is recognized when the company’s right to receive dividend is established by the reporting date.

i) Foreign currency translation

Foreign currency transactions and balances

(i) Initial Recognition

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

(ii) Conversion

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

(iii) Exchange Differences

The company accounts for exchange differences arising on translation/ settlement of foreign currency monetary items as below:

1. Exchange differences arising on a monetary item that, in substance, forms part of the company’s net investment in a non-integral foreign operation is accumulated in the foreign currency translation reserve until the disposal of the net investment. On the disposal of such net investment, the cumulative amount of the exchange differences which have been deferred and which relate to that investment is recognized as income or as expenses in the same period in which the gain or loss on disposal is recognized.
2. Exchange differences arising on long-term foreign currency monetary items related to acquisition of a fixed asset are capitalized and depreciated over the remaining useful life of the asset.
3. Exchange differences arising on other long-term foreign currency monetary items are accumulated in the “Foreign Currency Monetary Item Translation Difference Account” and amortized over the remaining life of the concerned monetary item.
4. All other exchange differences are recognized as income or as expenses in the period in which they arise.

For this purpose 2 and 3 above, the company treats a foreign monetary item as “long-term foreign currency monetary item”, if it has a term of 12 months or more at the date of its origination. In accordance with MCA circular dated 09 August 2012, exchange difference for this purpose, are total difference arising on long term foreign currency monetary items for the period. In other words, the Company does not differentiate between exchange difference arising for foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost and other exchange difference.

(iv) Forward exchange contracts entered into to hedge foreign currency risk of an existing asset/ liability

The premium or discount arising at the inception of forward exchange contract is amortized and recognized as an expense/ income over the life of the contract. Exchange differences on such contracts, except the contracts which are

long-term foreign currency monetary items, are recognized in the statement of profit and loss in the period in which the exchange rates change. Any profit or loss arising on cancellation or renewal of such forward exchange contract is also recognized as income or as expense for the period. Any gain/ loss arising on forward contracts which are long-term foreign currency monetary items are recognized in accordance with paragraph (iii) (2) and (iii) (3).

j) Retirement and other employee benefits

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 expenditure, 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 liability is defined benefit obligation and is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year.

Accumulated leave, which is expected to be utilized within the calendar year, is treated as short term employee benefits. The measure the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlements that has accumulated at the reporting date.

The Company treats accumulated leaves expected to be carried forward beyond 12 months, as long term employee benefit for measurement purposes. Such long term compensated absences are provided for based on the actuarial valuations using the projected unit credit method made at the end of each financial year.

Actuarial gains/losses are immediately taken to profit and loss account and are not deferred.

k) Income taxes

Tax expense comprises 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 enacted in India. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date.

Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

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

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

l) Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they were entitled to participate in dividends relative to a fully paid equity share during the reporting period.

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

m) Employee Stock Compensation Cost

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

In accordance with the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and the Guidance Note on Accounting for Employee Share-based Payments, the cost of equity-settled transactions is measured using the intrinsic value method. The cumulative expense recognized 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 expense or credit recognized in the statement of profit and loss for a period represents the movement in cumulative expense recognized as at the beginning and end of that period and is recognized in employee benefits expense.

Where the terms of an equity-settled transaction award are modified, the minimum expense recognized is the expense as if the terms had not been modified, if the original terms of the award are met. An additional expense is recognized for any modification that increases the total intrinsic value of the share-based payment transaction, or is otherwise beneficial to the employee as measured at the date of modification.

n) Provisions

A provision is recognized when the Company has a present obligation as a result of past event, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

o) Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The company does not recognize a contingent liability but discloses its existence in the financial statements.

p) Cash and Cash equivalents

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

3.16 Additional Information to the financial statements

a) Earnings per share (EPS)

| Particulars | For the Year Ended March 31, 2016 Rs. | For the Year Ended March 31, 2015 Rs. |
|--|---|---|
| Net profit/ (loss) for the period after tax for calculation of basic & diluted EPS | (96,751,667) | (70,661,819) |
| Weighted average number of equity shares in calculating basic & diluted EPS | 24,650,000 | 24,650,000 |
| Earnings/ (Loss) per share (EPS) (Basic & Diluted) | (3.93) | (2.87) |

b) Employee benefits plan

Gratuity

The company has a defined benefit gratuity plan. Every employee who has completed five years or more of service on departure at 15 days salary (last drawn salary) for each completed year of service. The liability is provided as per actuarial valuation.

The following table summarizes the components of net benefit expense recognized in the profit and loss account and the funded status and amounts recognized in the balance sheet for Gratuity.

Statement of profit and loss

Net employee benefit expense recognized in the employee cost

| Particulars | 2015-16 | 2014-15 |
|---|-----------|-----------|
| | (Rs.) | (Rs.) |
| Current service cost | 1,103,621 | 748,270 |
| Interest cost on benefit obligation | 163,750 | 93,902 |
| Expected return on plan assets | - | - |
| Net actuarial (gain)/ loss recognised in the year | (218,645) | 318,990 |
| Past service cost | - | - |
| Net benefit expense | 10,48,726 | 1,160,352 |
| Actual return on plan assets | - | - |

*Excluding acquisition adjustment of Rs 50,022 in the current year.

Balance sheet

Benefit asset/liability

| Particulars | 2015-16 (Rs.) | 2014-15 (Rs.) |
|---------------------------------------|------------------|------------------|
| Defined benefit obligation | (2,260,850) | (2,058,388) |
| Fair value of plan assets | - | - |
| Less: Un-recognized past service cost | - | - |
| Plan asset / (liability) | (2,260,850) | (2,058,388) |

Changes in the present value of the defined benefit obligation are as follows:

Firefly e-Ventures Limited**Notes to the financial statements for the year ended March 31, 2016**

| Particulars | 2015-16 (Rs.) | 2014-15 (Rs.) |
|---|--------------------------|--------------------------|
| Opening defined benefit obligation | 2,058,388 | 1,034,351 |
| Interest cost | 163,750 | 93,902 |
| Current service cost | 1,153,643 | 748,270 |
| Benefits paid | (896,286) | (136,315) |
| Actuarial (gains)/ losses on obligation | (218,645) | 318,990 |
| Closing defined benefit obligation | 2,260,850 | 2,058,388 |

Changes in the fair value of plan assets are as follows:

There are no plan assets for gratuity.

The principal assumptions used in determining gratuity and post-employment medical benefit obligations for the company's plans are shown below:

| Particulars | 2015-16 (In %) | 2014-15 (In %) |
|--|---------------------------|---------------------------|
| Discount rate | 7.75 | 7.75 |
| Future Salary Increase | 7.50 | 7.50 |
| Expected rate of return on plan assets | - | - |
| Employee turnover: | | |
| Up to 30 years | 3.00 | 3.00 |
| From 31 to 44 years | 2.00 | 2.00 |
| Above 44 years | 1.00 | 1.00 |

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

The discount rate is based upon the market yields available on Government bonds at the accounting date with a term that matches that of liabilities.

Amounts for the current and previous four years are as follows:

| | 2015-16 (Rs.) | 2014-15 (Rs.) | 2013-14 (Rs.) | 2012-13 (Rs.) | 2011-12 (Rs.) |
|--|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| Gratuity | | | | | |
| Defined benefit obligation | (2,260,850) | 2,058,388 | 1,034,351 | 838,555 | 4,890,629 |
| Plan assets | - | - | - | - | - |
| Surplus/(deficit) | (218,645) | 318,990 | (54,655) | (81,599) | 1,089,911 |
| Experience adjustments on plan liabilities | (218,645) | 318,990 | (54,655) | (81,599) | 1,089,911 |
| Experience adjustments on plan assets | - | - | - | - | - |

c) Employee stock option plans

The company provides share-based payment schemes to its employees. During the year ended 31 March 2016, an employee stock option plan (ESOP) was in existence. The relevant details of the scheme and the grant are as below.

The Company has granted Employee Stock Options (ESOPs) to its own employees and to the employees of its Ultimate Holding Company "HT Media Limited" and to the employees of its Fellow subsidiaries "Hindustan Media Ventures Limited" during the year.

A. Details of these plans are given below:**Employee Stock Options-Plan A**

Firefly e-Ventures Limited
Notes to the financial statements for the year ended March 31, 2016

Stock option gives an employee, the right to purchase equity shares of Firefly e-Ventures Limited at a fixed price within a specific period of time. The grant price (or strike price) is fixed as below:

- i. For options granted during the financial year 2009-10 shall be Rs10 each per option
- ii. For options granted in any financial year commencing on or after April 1, 2010 shall be the fair market value of one share as on the date of grant or face value of share whichever is higher.

Employee Stock Options-Plan B

Stock option gives an employee, the right to purchase equity shares of Firefly e-Ventures Limited at a fixed price within a specific period of time. The grant price (or strike price) shall be the fair market value of one share as on the date of grant or face value of share whichever is higher.

B. Summary of activity under the plan for the year ended 31 March 2016 and 31 March, 2015 are given below.

Employee Stock Options-Plan A

| Employee Stock Options | Year ended 31 March 2016 | | | Year ended 31 March 2015 | | |
|--|--------------------------|---------------------------------|---|--------------------------|---------------------------------|---|
| | Number of options | Weighted-average exercise price | Weighted-average remaining contractual life | Number of options | Weighted-average exercise price | Weighted-average remaining contractual life |
| Outstanding at the beginning of the year | 7,636,574 | 10 | 9.60 | 7,636,574 | 10 | 9.60 |
| Granted during the year | - | - | - | - | - | - |
| Forfeited during the year | 141,350 | 10 | - | - | - | - |
| Exercised during the year | - | - | - | - | - | - |
| Expired during the year | - | - | 1 | - | - | - |
| Outstanding at the end of the year | 7,495,224 | 10 | 8.60 | 7,636,574 | 10 | 8.60 |

Employee Stock Options-Plan B

| Employee Stock Options | Year ended 31 March 2016 | | | Year ended 31 March 2015 | | |
|--|--------------------------|---------------------------------|---|--------------------------|---------------------------------|---|
| | Number of options | Weighted-average exercise price | Weighted-average remaining contractual life | Number of options | Weighted-average exercise price | Weighted-average remaining contractual life |
| Outstanding at the beginning of the year | 1,006,500 | 10 | 11.14 | 1,434,000 | 10 | 12.14 |
| Granted during the year | - | - | - | - | - | - |
| Forfeited during the year | 526,275 | 10 | - | 427,500 | 10 | - |
| Exercised during the year | - | - | - | - | - | - |
| Expired during the year | - | - | 1 | - | - | - |
| Outstanding at the end of the year | 480,225 | 10 | 10.14 | 1,006,500 | 10 | 11.14 |

Weighted average fair value of the options outstanding is Rs. 4.83 (Previous Year Rs. 4.82) per option. Since no options have been exercised during the period, thus weighted average share price has not been disclosed.

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

Firefly e-Ventures Limited**Notes to the financial statements for the year ended March 31, 2016**

| Grant Date | Expected volatility for stock options | Contractual life in years | Dividend yield | Risk-free interest rate | Exercise price of options | Fair Value of options granted |
|------------------|---------------------------------------|---------------------------|----------------|-------------------------|---------------------------|-------------------------------|
| October 16, 2009 | 0% | 7.74 | 0% | 7.62% | 10 | 4.82 |
| April 01, 2010 | 0% | 8.25 | 0% | 8.04% | 10 | 4.81 |
| April 11, 2011 | 0% | 8.25 | 0% | 8.40% | 10 | 5.11 |
| December 3, 2013 | 0% | 6.26 | 0% | 8.89% | 10.00 | 4.82 |

Difference between employee compensation cost (calculated using the intrinsic value of stock options) and the employee compensation cost (calculated on the fair value of the options) is Rs. 21.44 lacs (Previous Year Rs. 3.46 lacs). Had the fair value method been used the loss would have been lower/ (higher) by Rs. 21.44 lacs (Previous year Rs. (3.46) lacs) & adjusted basic & diluted EPS would have been Re. (0.09) (Previous year Rs. (0.01)) (Nominal value of share Rs.10).

d) Related Party Disclosures

- The list of related parties as identified by the management is as under:

| Name of the Party | Relationship |
|---|---------------------------------------|
| a) Parties having direct or indirect control over the Company : | |
| Earthstone Holding (Two) Limited | Ultimate Holding Company |
| HT Media Limited (HTML)# | Holding Company |
| HT Digital Media Holdings Limited (HTDML) | Holding Company |
| b) Names of other related parties with whom transactions have entered during the year: | |
| Hindustan Media Ventures Limited | Fellow Subsidiary |
| Topmovies Entertainment Limited | Fellow Subsidiary |
| HT Mobile Solutions Limited | Fellow Subsidiary |
| HT Learning Centers Limited | Fellow Subsidiary |
| India Education Services Private Limited | Companies where common control exists |

HT Media Limited do not hold any direct equity investment in the Company. However, HT Media Limited through its subsidiary HT Digital Media Holdings Limited holds equity shares in the Company.

Firefly e-Ventures Limited
Notes to the financial statements for the year ended March 31, 2016

The following transactions were carried out with the related parties and the balances of these related parties as at March 31, 2016 for the period then ended are presented herein below:

Amount in Rs.

| Particulars | Holding Company | | Holding Company | | Fellow Subsidiaries | | | | | | | | | | Total | | |
|---|-----------------|------------|-----------------------------------|-------------|----------------------------------|-----------|---------------------------------|-----------|-----------------------------|-----------|--|-----------|-----------------------------|-----------|------------|-------------|-------------|
| | HT Media Ltd.* | | HT Digital Media Holdings Limited | | Hindustan Media Ventures Limited | | Topmovies Entertainment Limited | | HT Learning Centers Limited | | India Education Services Private Limited | | HT Mobile Solutions Limited | | Total | | |
| | Mar-16 | Mar-15 | Mar-16 | Mar-15 | Mar-16 | Mar-15 | Mar-16 | Mar-15 | Mar-16 | Mar-15 | Mar-16 | Mar-15 | Mar-16 | Mar-15 | Mar-16 | Mar-15 | |
| Transactions during the year | | | | | | | | | | | | | | | | | |
| Expenses reimbursement | 17,87,904 | 3,697,822 | 20,000 | 259,250 | - | - | 3,375,851 | - | - | - | - | - | - | 120,000 | - | 3,515,851 | 3,957,072 |
| Expenses recovered | 5,273,435 | 4,300,214 | - | - | - | - | - | 1,206,917 | - | 11,543 | - | - | - | - | - | 5,273,435 | 5,518,674 |
| Advertising and Sales Promotion | 8,974,741 | 9,788,309 | - | - | 15,535,435 | 2,017,302 | - | - | - | - | - | - | 1,737,034 | 1,481,347 | 26,247,210 | 13,286,958 | |
| Infrastructure Support (Seat) Taken | 38,98,337 | 3,887,994 | - | - | - | - | - | - | - | - | - | - | - | - | - | 5,686,239 | 3,887,994 |
| Preference shares allotted including security premium | 125,000,000 | 67,600,000 | - | - | - | - | - | - | - | - | - | - | - | - | - | 125,000,000 | 67,600,000 |
| Share application money received | - | - | 25,000,000 | - | - | - | - | - | - | - | - | - | - | - | - | 25,000,000 | - |
| Revenue sharing | 25,136,539 | 35,642,700 | - | - | 4,775,670 | 4,555,127 | - | - | 1,612,002 | 2,177,918 | - | 8,270,815 | - | - | 31,524,210 | 50,646,560 | |
| Closing balance | | | | | | | | | | | | | | | | | |
| Trade payables | 19,07,956 | 10,636,937 | - | - | 1,28,11,974 | - | - | - | - | - | - | - | - | - | - | 14,719,930 | 10,636,936 |
| Trade receivables | - | 2,625,206 | - | - | - | 1,642,588 | - | - | - | - | - | 605,188 | - | - | - | - | 4,872,982 |
| Preference share capital | 1,926,000 | 676,000 | - | - | - | - | - | - | - | - | - | - | - | - | - | 1,926,000 | 676,000 |
| Share application money pending allotment | - | - | 25,000,000 | - | - | - | - | - | - | - | - | - | - | - | - | 25,000,000 | - |
| Equity Share Capital | - | - | 246,499,940 | 246,499,940 | - | - | - | - | - | - | - | - | - | - | - | 246,499,940 | 246,499,940 |

* Refer note k

Firefly e-Ventures Limited
Notes to the financial statements for the year ended March 31, 2016

e) Un hedged foreign currency exposure

| Description | Currency | 2015-16 | 2014-15 |
|------------------------|----------|---------|---------|
| | | (Rs.) | (Rs.) |
| Advance from customers | USD | - | 4,822 |
| | Rate | - | 63 |
| | INR | - | 301,820 |
| Unbilled revenue | USD | 751 | 982 |
| | Rate | 67 | 63 |
| | INR | 50,000 | 61,433 |

f) Details of dues to micro and small enterprises as defined under the MSMED Act, 2006

On the basis of information available with the Company based on the identification process carried out by it, there are no amounts due to Micro, Small and Medium enterprises registered under Micro Small and Medium Enterprises Development Act, 2006.

| | 2015-16 | 2014-15 |
|---|---------|---------|
| | Rs. | Rs. |
| The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year | | |
| Principal amount due to micro and small enterprises | - | - |
| Interest due on above | - | - |
| | - | - |
| The amount of interest paid by the buyer in terms of section 16 of the MSMED Act 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year | - | - |
| The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act 2006. | - | - |
| The amount of interest accrued and remaining unpaid at the end of each accounting year | - | - |
| The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006 | - | - |

g) Expenditure in foreign currency (on accrual basis)

| Particulars | 2015-16 | 2014-15 |
|------------------------|----------------|------------------|
| | Rs. | Rs. |
| Marketing expenses | 187,798 | 2,446,883 |
| Miscellaneous expenses | - | 1,604,998 |
| Total | 187,798 | 4,051,881 |

Firefly e-Ventures Limited
Notes to the financial statements for the year ended March 31, 2016

h) Earnings in foreign currency (on accrual basis)

| Particulars | 2015-16 Rs. | 2014-15 Rs. |
|------------------------|------------------------|------------------------|
| Income from Operations | 1,864,522 | 3,629,578 |
| Total | 1,864,522 | 3,629,578 |

i) Deferred Tax

The Company has carried out its tax computation in accordance with the mandatory standard on accounting, AS 22 – ‘Taxes on Income’ as notified by the Companies (Accounting Standard) Rules, 2006. Having regard to the significant accumulated losses, the Company has not recognised the net deferred tax assets of Rs. 132,910,306 (Previous year: 100,962,297) in the absence of virtual or reasonable certainty at this stage that there will be sufficient future taxable income available to realize such assets.

The Company has deferred tax assets on account of losses and depreciation respectively which is as follows:

| Particulars | As at March 31, 2016 (Rs.) | As at March 31, 2015 (Rs.) |
|---|---|---|
| Deferred tax liabilities | | |
| Fixed assets: Impact of difference between tax depreciation and depreciation/ amortization charged for the financial reporting | - | - |
| | - | - |
| Deferred tax assets | | |
| Fixed assets: Impact of difference between tax depreciation and depreciation/ amortization charged for the financial reporting | 307,296 | 288,634 |
| Carry forward of unabsorbed depreciation and losses | 129,922,758 | 97,461,469 |
| Impact of expenditure charged to the statement of profit and loss in the current year but allowed for tax purposes on payment basis | 2,680,252 | 3,212,194 |
| | 132,910,306 | 100,962,297 |
| Net deferred tax assets | 132,910,306 | 100,962,297 |

j) Operating Lease

- i. The Company has taken office premises under operating lease agreement. This is a cancellable lease and is renewable on expiry of the lease period subject to mutual agreement.
- ii. Lease payments recognised for the year are Rs. 5,687,729 (As at March 31, 2015: Rs. 5,401,917) and are disclosed as rent under note 3.13.

k) Note on Going Concern

The Company is having accumulated losses of Rs. 408,830,228 (Previous year Rs. 312,078,561) as of March 31, 2016. During the current year, the Company has incurred losses of Rs. 96,751,667 (Previous year Rs. 70,661,819) and a cash operating loss of Rs. 92,267,176 (Previous year Rs. 66,391,172). Further, the company has subsequently transferred 85 employees to its holding company HT Media Limited as a part of business strategy who were earlier employed on its payroll. These matters raise doubts regarding the Company's ability to continue as a going concern, which is dependent on continuing financial support from its parent Company.

The parent company has committed to provide continuous financial and operational support to the Company for its continued operations in the foreseeable future. The management is currently exploring various other business options to improve the financial position of the company.

Firefly e-Ventures Limited
Notes to the financial statements for the year ended March 31, 2016

Based on the above factors, management is of the view that the financial statements should continue to be prepared on going concern basis, and accordingly no adjustments have been made to the carrying values or classification of assets and liabilities in the financial statement.

1) Previous year figures

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

As per our report of even date

For S.R. Batliboi & Co. LLP

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

per Vishal Sharma

Partner

Membership No. 96766

For Firefly e-Ventures Limited

Priyavrat Bhartia
Whole-time Director
(DIN: 00020603)

Rajiv Verma
Director
(DIN: 00017110)

Jagdish Batra
Chief Financial Officer

Manoj Bhargava
Company Secretary
(Membership No.
F5164)

Place: Gurgaon

Date: May 25, 2016