

Price Waterhouse & Co Chartered Accountants LLP

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF FIREFLY E-VENTURES LIMITED

Report on the Indian Accounting Standards (Ind AS) Financial Statements

1. We have audited the accompanying Ind AS financial statements of Firefly e-Ventures Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2018 the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Ind AS Financial Statements

2. 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 Ind AS financial statements to give a true and fair view of the financial position, financial performance (including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified in the Companies (Indian Accounting Standards) Rules, 2015 (as amended) under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

3. Our responsibility is to express an opinion on these Ind AS financial statements based on our audit.
4. We have taken into account the provisions of the Act and the Rules made thereunder including 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.
5. We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Ind AS financial statements are free from material misstatement.



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Price Waterhouse & Co. (a Partnership Firm) converted into Price Waterhouse & Co Chartered Accountants LLP (a Limited Liability Partnership with LLP identity no: LLPIN AAC-4362) with effect from July 7, 2014. Post its conversion to Price Waterhouse & Co Chartered Accountants LLP, its ICAI registration number is 304026E/E-300009 (ICAI registration number before conversion was 304026E)

6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Ind AS financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the Ind AS 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 Ind AS 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 the 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 Ind AS financial statements.
7. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS financial statements.

Opinion

8. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS 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, 2018, and its total comprehensive income (comprising of loss and other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Emphasis of Matter

9. We draw attention to Note 20A to the Ind AS financial statements in respect of a composite scheme of capital reduction and arrangement between Firefly e-Ventures Limited, HT Digital Media Holdings, HT Mobile Solutions Limited and their respective shareholders and creditors under section 100 to 104 of the Companies Act, 1956 along with section 52 of the Companies Act, 2013 and sections 391 to 394 of the Companies Act, 1956 read with the Companies (Court) Rules, 1959 sanctioned by the Hon'ble National Company Law Tribunal. The Scheme, inter-alia, envisages demerger of HT Campus Undertaking (Demerged Undertaking) of Firefly e-Ventures Limited and transfer and vesting thereof into HT Mobile Solutions Limited w.e.f. from June 30, 2016 (the Appointed Date) as compared to the effective date i.e. October 27, 2017. Our opinion is not qualified in respect of this matter.

Other Matter

10. The Ind AS financial statements of the Company for the year ended March 31, 2017, were audited by another firm of chartered accountants under the Companies Act, 2013 who, vide their report dated May 16, 2017, expressed an unmodified opinion on those Ind AS financial statements. Our opinion is not qualified in respect of this matter.

Report on Other Legal and Regulatory Requirements

11. As required by the Companies (Auditor's Report) Order, 2016, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act ("the Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure B a statement on the matters specified in paragraphs 3 and 4 of the Order.



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

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- (c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Cash Flow Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account. .
- (d) In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.
- (e) On the basis of the written representations received from the directors as on March 31, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial controls with reference to the Ind AS financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure A.
- (g) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our knowledge and belief and according to the information and explanations given to us:
 - i The Company does not have any pending litigations as at March 31, 2018 which would impact its financial position.
 - ii. The Company has long-term contracts including derivative contracts as at March 31, 2018 for which there were no material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2018.
 - iv The reporting on disclosures relating to Specified Bank Notes is not applicable to the Company for the year ended March 31, 2018.

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



Anupam Dhawan
Partner
Membership Number: 084451

Place: New Delhi
Date: April 30, 2018



Annexure A to Independent Auditors' Report

Referred to in paragraph 12(f) of the Independent Auditors' Report of even date to the members of Firefly e-Ventures Limited on the Ind AS financial statements for the year ended March 31, 2018

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

1. We have audited the internal financial controls over financial reporting of Firefly e-Ventures Limited ("the Company") as of March 31, 2018 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls 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 deemed to be prescribed under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system 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.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.



Annexure A to Independent Auditors' Report

Referred to in paragraph 12(f) of the Independent Auditors' Report of even date to the members of Firefly e-Ventures Limited on the Ind AS financial statements for the year ended March 31, 2018

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Meaning of Internal Financial Controls Over Financial Reporting

6. 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 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

7. 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

8. 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, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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



Anupam Dhawan
Partner
Membership Number: 084451

Place: New Delhi
Date: April 30, 2018



Annexure B to Independent Auditors' Report

Referred to in paragraph 11 of the Independent Auditors' Report of even date to the members of Firefly e-Ventures Limited on the Ind AS financial statements as of and for the year ended March 31, 2018

- i. (a) The Company does not own any fixed assets. Therefore, the provisions of Clause 3(i)(a) and 3(i)(b) of the said order are not applicable to the Company.
(b) The Company does not own any immovable property. Therefore, the provisions of Clause 3(i)(c) of the said Order are not applicable to the Company.
- ii. The Company is in the business of rendering services, and consequently, does not hold any inventory. Therefore, the provisions of Clause 3(ii) of the said Order are not applicable to the Company.
- iii. The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act. Therefore, the provisions of Clause 3(iii), (iii)(a), (iii)(b) and (iii)(c) of the said Order are not applicable to the Company.
- iv. The Company has not granted any loans or made any investments, or provided any guarantees or security to the parties covered under Section 185 and 186. Therefore, the provisions of Clause 3(iv) of the said Order are not applicable to the Company.
- v. The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.
- vi. The Central Government of India has not specified the maintenance of cost records under sub-section (1) of Section 148 of the Act for any of the products of the Company.
- vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues in respect of service tax and income tax though there has been a slight delay in a few cases, and is regular in depositing undisputed statutory dues, including provident fund and goods and service tax with effect from July 1, 2017 and other material statutory dues, as applicable, with the appropriate authorities.
(b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of income-tax, sales-tax, service-tax, duty of customs, and duty of excise or value added tax or goods and service tax which have not been deposited on account of any dispute.
- viii. As the Company does not have any loans or borrowings from any financial institution or bank or Government, nor has it issued any debentures as at the balance sheet date, the provisions of Clause 3(viii) of the Order are not applicable to the Company.
- ix. The Company has not raised any moneys by way of initial public offer, further public offer (including debt instruments) and term loans. Accordingly, the provisions of Clause 3(ix) of the Order are not applicable to the Company.



Annexure B to Independent Auditors' Report

Referred to in paragraph 11 of the Independent Auditors' Report of even date to the members of Firefly e-Ventures Limited on the Ind AS financial statements for the year ended March 31, 2018

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- x. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.
- xi. The provisions of Section 197 read with Schedule V to the Act are not applicable to the company. Hence reporting under Clause 3(xi) of the Order are not applicable to the Company.
- xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the provisions of Clause 3(xii) of the Order are not applicable to the Company.
- xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified under Section 133 of the Act.
- xiv. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of Clause 3(xiv) of the Order are not applicable to the Company.
- xv. The Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.
- xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

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



Anupam Dhawan
Partner
Membership Number 084451

New Delhi
April 30, 2018



Firefly e-Ventures Limited.
Balance Sheet as at March 31, 2018

		As at March 31, 2018	As at March 31, 2017
	Notes	(Rs. in '000)	(Rs. in '000)
I ASSETS			
1) Non-current assets			
(a) Property, plant and equipment	3	-	-
(b) Intangible assets	4	-	-
(c) Income Tax Assets (Net)	5	756	-
Total Non-current Assets		756	-
2) Current assets			
(a) Financial assets			
(i) Trade receivables	6	38	-
(ii) Cash and cash equivalents	7	11,878	64,455
(iii) Other bank balances	7A	70	-
(iv) Others financial assets	8	54	-
Total current assets		12,040	64,455
TOTAL ASSETS		12,796	64,455
II EQUITY AND LIABILITIES			
1) Equity			
(a) Equity share capital	9	1,243	1,243
(b) Other equity	10	(2,085)	411
Total Equity		(842)	1,654
2) Liabilities			
Non-current liabilities			
(a) Long-term Provisions	11	38	126
(b) Other non-current liabilities		-	-
Total Non-current liabilities		38	126
3) Current liabilities			
(a) Financial liabilities			
(i) Trade Payables	12	961	6,201
(ii) Other financial liabilities	12A	9,242	50,491
(b) Short-term Provisions	11	12	69
(b) Other current liabilities	13	3,385	5,914
Total Current liabilities		13,600	62,675
Total Liabilities		13,638	62,801
TOTAL EQUITY AND LIABILITIES		12,796	64,455


Summary of significant accounting policies 2.1

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

As per our report of even date

For and on behalf of the Board of Directors of Firefly e-Ventures Limited

For Price Waterhouse & Co Chartered Accountants LLP
 Firm Registration No.304026E/E300009

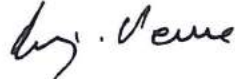

 Anupam Dhawan
 Partner

Membership No. 084451

Place: New Delhi

Date: Apr 30, 2018


 Priyavrat Bhartia
 Whole-time Director
 (DIN: 00020603)


 Rajiv Verma
 Director
 (DIN: 00017110)

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Firefly e-Ventures Limited.
Statement of Profit and Loss for the year ended March 31, 2018

Particulars	Notes	Year Ended March 31, 2018 (Rs. in '000)	Year Ended March 31, 2017 (Rs. in '000)
I Income			
a) Revenue from operations	14	1,871	3,563
b) Other Income	15	3,084	4,047
Total Income		4,955	7,610
II Expenses			
a) Employee benefits expense	16	4,473	1,928
b) Finance costs	17	7	77
c) Depreciation and amortization expense	18	-	-
d) Other expenses	19	3,739	2,869
Total expenses		8,219	4,874
III Profit before tax from continuing operations(I-II)		(3,264)	2,736
IV Profit/ (Loss) before interest, tax, depreciation and amortization (EBITDA)			
-Continuing operation III+II(b)=II(c)		(3,257)	2,813
-Discontinuing Operation	20A	-	(9,473)
(Loss) before interest, tax, depreciation and amortization (EBITDA)		(3,257)	(6,660)
V Tax Expense relating to continuing operations			
-Current Tax		-	-
-Deferred Tax		-	-
Total Tax Expense		-	-
VI Profit from continuing operations after tax (Iii- V)		(3,264)	2,736
Loss from discontinuing operations	20A	-	(11,011)
Tax charge including deferred tax relating to discontinuing operations		-	-
VII (Loss) from discontinuing operations (After Tax)		-	(11,011)
VIII (Loss) for the year after tax (VII+VI)		(3,264)	(8,275)
IX Other comprehensive income for the year			
Items that will not to be reclassified to profit or loss			
-Remeasurement gain/loss on defined benefit plans	19A	660	-
- Income tax effect		-	-
Other comprehensive income for the year, net of tax		660	-
X Total Comprehensive Income/(Loss) for the Year , net of tax. (VIII+IX)		(2,604)	(8,275)
XI Earnings/(Loss) per equity share			
Earnings/(loss) per share for continuing and discontinued operations			
Basic (Nominal value of shares Rs. 10/-)	20	(26.25)	(1.25)
Diluted (Nominal value of shares Rs. 10/-)	20	(26.25)	(1.25)
Earnings per share for continuing operations			
Basic (Nominal value of shares Rs. 10/-)	20	(26.25)	0.41
Diluted (Nominal value of shares Rs. 10/-)	20	(26.25)	0.41
Earnings/(loss) per share for discontinued operations			
Basic (Nominal value of shares Rs. 10/-)	20	-	(1.67)
Diluted (Nominal value of shares Rs. 10/-)	20	-	(1.67)

Summary of significant accounting policies

2.1

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

As per our report of even date

For and on behalf of the Board of Directors of Firefly e-Ventures Limited

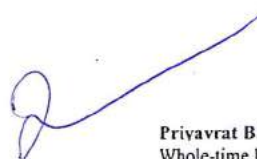
For Price Waterhouse & Co Chartered Accountants LLP
Firm Registration No.304026E/E300009



Anupam Dhanraj
Partner
Membership No. 084451

Place: New Delhi

Date: Apr 30, 2018



Priyavrat Bhartiya
Whole-time Director
(DIN: 00020603)



Rajiv Verma
Director
(DIN: 00017110)

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Firefly e-Ventures Limited.
Cash Flow Statement for the year ended March 31, 2018
(Rs. in '000)

Particulars	Year Ended March 31, 2018	Year Ended March 31, 2017
Cash Flow from Operating activities		
Profit/(Loss) before tax from continuing operations	(3,264)	2,736
Profit/(loss) before tax from discontinuing operations	-	(11,011)
Loss before tax	(3,264)	(8,275)
<i>Adjustments to reconcile profit before tax to net cash fund:</i>		
Depreciation of property, plant and equipment & Intangible assets.	-	750
Employee Stock Compensation Expenses / (credits)	108	(1,998)
Interest income from bank deposits and others	(1,980)	(4,039)
<i>Working capital adjustments:</i>		
Decrease in trade and other receivables	(38)	(662)
Decrease in other bank balances	(70)	-
Increase/(decrease) in trade payables	(5,240)	3,351
Increase/(decrease) in provisions	515	(2,497)
Increase in other financial liabilities	(41,249)	(23,190)
Decrease in other financial assets and other current assets	-	(1,746)
Increase/(decrease) in other current liabilities	(2,529)	5,894
	(53,747)	(32,412)
Income tax (paid)/refund received	(756)	4,681
Net cash out flows from operating activities	(54,503)	(27,731)
Investing activities		
Interest received	1,926	4,039
Net cash flows used in investing activities	1,926	4,039
Net increase in cash and cash equivalents	(52,577)	(23,692)
Cash and cash equivalents at the beginning of the year	64,455	88,147
Cash and cash equivalents at year end	11,878	64,455



Firefly e-Ventures Limited.
Cash Flow Statement for the year ended March 31, 2018

Particulars	(Rs. in '000)	
	Year Ended March 31, 2018	Year Ended March 31, 2017
Component of cash and cash equivalent as at end of the year		
Balances with banks		
- on current accounts	1,878	8,455
- on deposit accounts	10,000	56,000
Cash and cash equivalents as per Cash Flow Statement	11,878	64,455

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

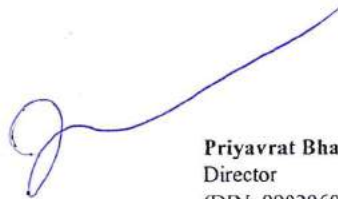
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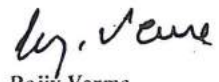
For and on behalf of the Board of Directors of Firefly e-Ventures Limited



Anupam Dhawan
Partner
Membership No. 084451



Priyavrat Bhartiya
Director
(DIN: 00020603)



Rajiv Verma
Director
(DIN: 00017110)

Place: New Delhi
Date: Apr 30, 2018



Firefly e-Ventures Limited.

Statement of changes in equity for the year ended March 31, 2018.

A. Equity Share Capital (refer note 9)

Particulars	No. of Shares	(Rs. in '000)
		Amount
Equity Shares of Rs. 10 each issued, subscribed and fully paid up		
Balance as at April 1, 2016	24,650,000	246,500
Issued during the year	2,500,000	25,000
Reduction pursuant to Scheme of Capital Reduction (refer note 20A)	(23,857,402)	(238,574)
Reduction of share capital on account of Demerger of HT Campus business (refer note 20A)	(3,168,255)	(31,683)
Balance as at March 31, 2017	124,343	1,243
Issued during the year	-	-
Balance as at March 31, 2018	124,343	1,243

B. Instruments entirely equity in nature (refer note 9)

Particulars	No. of Shares	(Rs. in '000)
		Amount
0.1% Optionally Convertible Cumulative Preference Shares of Re 0.10 each issued, subscribed and fully paid up		
Balance as at April 1, 2016	19,260,000	1,926
Issued during the year	-	-
Reduction pursuant to Scheme of Capital Reduction (refer note 20A)	(16,924,250)	(1,692)
Reduction of share capital on account of Demerger of HT Campus business (refer note 20A)	(2,335,750)	(234)
Balance as at March 31, 2017	-	-
Issued during the year	-	-
Balance as at March 31, 2018	-	-

C. Other Equity (refer Note 10)

Attributable to equity shareholders of Firefly e-Ventures Limited.

Particulars	Reserve & Surplus		Share Based Payment Reserve	(Rs. in '000)
	Securities premium reserve	Retained earnings		Total Amount
Balance as at April 1, 2016	190,674	(410,383)	2,566	(217,143)
Reduction pursuant to Scheme of Capital Reduction (refer note 20A)	(167,350)	407,817	-	240,267
Reduction pursuant to Demerger of HT Campus business (refer note 20A)	(23,124)	10,684	-	(12,440)
Net Profit for the period	-	(8,275)	-	(8,275)
Change during the period	-	-	(1,998)	(1,998)
Other comprehensive income	-	523	-	523
Other comprehensive income transferred in relation to HT Campus business	-	(523)	-	(523)
Balance as at March 31, 2017	-	(157)	568	411
Net Profit for the period	-	(3,264)	-	(3,264)
Change during the period	-	-	108	108
Other comprehensive income	-	660	-	660
Balance as at March 31, 2018	-	(2,761)	676	(2,085)

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

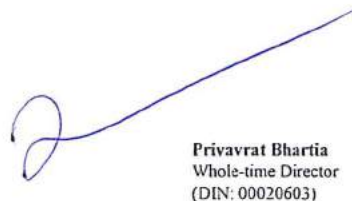
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Firm Registration No.304026E/E300009

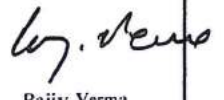
For and on behalf of the Board of Directors of Firefly e-Ventures Limited



Anupam Dhawan
Partner
Membership No. 084451



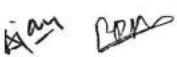
Privavrat Bhartia
Whole-time Director
(DIN: 00020603)



Rajiv Verma
Director
(DIN: 00017110)

Place: New Delhi
Date: Apr 30, 2018





1. Corporate information

Firefly e-Ventures Limited (“FEVL” or “the Company”) is a public company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India having investment through HT Digital Media Holdings Limited to carry on internet related business for providing educational services. The Company operates and runs internet business in the name of www.htcampus.com for providing educational services.

The registered office of the Company is located at Hindustan Times House, 18-20, Kasturba Gandhi Marg, New Delhi – 110001.

Information on other related party relationships of the Company is provided in Note 27.

The financial statements of the Company for the year ended 31st March, 2018 were authorised for issue in accordance with a resolution of the Board of Directors on Apr 30, 2018.

2. Significant accounting policies

2.1 Basis of preparation

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (‘Ind-AS’) notified under the Companies (Indian Accounting Standard) Rules, 2015 (as amended).

For all periods up to and including the year ended March 31, 2016, the Company prepared its financial statements in accordance with Accounting Standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP). These financial statements for the year ended March 31, 2017 and March 31, 2018 are the first the Company has prepared in accordance with Ind-AS.

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

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

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

The Financial statements are presented in Indian Rupees (INR), which is also the Company’s functional currency. All amounts disclosed in the financial statements and notes have been rounded off to the nearest thousand as per the requirement of Schedule III, unless otherwise stated. Rounding of errors has been ignored.

2.2 Summary of significant accounting policies

a) Current versus non- current classification

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

- Expected to be realised or intended to sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period. or



- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

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

The Company classifies all other liabilities as non-current.

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

The operating cycle is the time between getting delivery orders and making delivery of required projects and its realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

b) Foreign currencies

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 year, or reported in previous financial statements, are recognized as income or as expenses in the year in which they arise.

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.

c) Fair value measurement

The Company measures financial instruments 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.

d) 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.

Goods & Service Tax / Service Tax is not received by the Company on its own account, rather, it is tax collected on value of the services by the service provider 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

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.

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

Interest income

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

Interest income on bank deposit is recognised on time proportion basis taking into account on the amount outstanding & the applicable interest rate. Interest income is included under the head "Other income" in the statement of profit & loss.

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 year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

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

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

Goods & Service Tax/ value added taxes paid on acquisition of assets or on incurring expenses

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

- When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable

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

f) Discontinued operations

A disposal group qualifies as discontinued operation if it is a component of an entity that either has been disposed of, or is classified as held for sale, and:

- Represents a separate major line of business or geographical area of operations,
- Is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations

Or

- Is a subsidiary acquired exclusively with a view to resale.

Discontinued operations are excluded from the results of continuing operations and are presented as a single amount as profit or loss after tax from discontinued operations in the statement of profit and loss.

All other notes to the financial statements mainly include amounts for continuing operations, unless otherwise mentioned.



g) Property, plant and equipment

Property, plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment if the recognition criteria are met.

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

Recognition:

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

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

All other expenses on existing assets, including day-to day- repairs 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.

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

Type of asset	Useful lives estimated by management (Years)
Computers (included in Plant and Machinery)	3-6
Office Equipment	2-5

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

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

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

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.

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.

On transition to Ind-AS, the Company has elected to continue with the carrying value of all of its Intangible assets recognised as at April 1, 2015 measured as per the Indian 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.

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 cost 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.

i) 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 arrangements conveys a right to use the asset or assets, even if that rights is not explicitly specified in an arrangement.



Company as a lessee

A lease is classified at the inception date as 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 lease 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 charge 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 according 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 leases 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.

j) 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.

k) 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 recognized as a finance cost.

l) 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. Actuarial gains/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.

m) 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, debt instruments are measured 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.

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, 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.

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. Upon consideration of the fact that there has been no material history of defaults, the company does not estimate any provision on its outstanding trade receivable.

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 payables, 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 and bank overdrafts.

Subsequent measurement

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

Financial liabilities at fair value through profit or loss

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

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in IND AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognised in profit and loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortized 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.

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.

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.



n) Cash and cash equivalents

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

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

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. Contingent assets are only disclosed when it is probable that the economic benefits will flow to the entity.

p) 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 from continuing operations on the face of statement of profit and loss. In the measurement, the Company does not include depreciation and amortization expense, finance costs and tax expense.

q) 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.

r) 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.

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

Fair value measurement of financial instruments

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

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.

Share Based Payment

The Company measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them. The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in Note 26.

Defined benefit plans (gratuity benefits)

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.

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.



Firefly e-Ventures Limited.

Notes to financial statements for the year ended March 31, 2018

Notes 3 : Property, Plant and Equipment .

(Rs. in '000)

Particulars	Plant and Machinery	Office Equipments	Total Tangible Assets
Cost			
As at April 01, 2016	8,578	168	8,746
Additions	-	-	-
Transfer pursuant to scheme of arrangement (refer note 20A)	8,578	168	8,746
As at 31 March 2017	-	-	-
Additions	-	-	-
Disposals/ Adjustments	-	-	-
As at 31 March 2018	-	-	-
Depreciation			
As at 1 April 2016	3,799	108	3,907
Charge for the year (refer Note 20A on Discontinued Operations)	597	14	611
Transfer pursuant to scheme of arrangement (refer note 20A)	4,396	122	4,518
As at 31 March 2017	-	-	-
Charge for the year	-	-	-
Disposals/ Adjustments	-	-	-
As at 31 March 2018	-	-	-
Net Block			
As at 31 March 2018	-	-	-
As at 31 March 2017	-	-	-



Firefly e-Ventures Limited.

Notes to financial statements for the year ended March 31, 2018

Notes 4 : Intangible Assets

Particulars	Website / Software	(Rs. in '000)
		Total Intangible Assets
Cost		
As at April 01, 2016	866	866
Additions	-	-
Transfer pursuant to scheme of arrangement (refer note 20A)	866	866
As at 31 March 2017	-	-
Additions	-	-
Disposals/ Adjustments	-	-
As at 31 March 2018	-	-
Depreciation		
As at 1 April 2016	557	557
Charge for the year (refer Note 20A on Discontinued Operations)		
	139	139
Transfer pursuant to scheme of arrangement (refer note 20A)	696	696
As at 31 March 2017	-	-
Charge for the year	-	-
Disposals/ Adjustments	-	-
As at 31 March 2018	-	-
Net Block		
As at 31 March 2018	-	-
As at 31 March 2017	-	-



Firefly e-Ventures Limited.

Notes to financial statements for the year ended March 31, 2018 .

Notes 5 : Income Tax Assets (Net)		(Rs. in '000)	
Particulars	As at March 31, 2018	As at March 31, 2017	
Income Tax Assets (Net)	756	-	
Total	756	-	

Notes 6 : Trade Receivables		(Rs. in '000)	
Particulars	As at March 31, 2018	As at March 31, 2017	
Trade receivables	38	-	
Total	38	-	

Break up for Trade Receivable :		(Rs. in '000)	
	As at March 31, 2018	As at March 31, 2017	
Unsecured, considered good	38	-	
Unsecured, considered doubtful	-	-	
Total Trade Receivables	38	-	

Trade receivables are non-interest bearing and credit period generally falls in the range of 1 to 90 days. Trade receivables do not include any dues from directors or other officers of the company either severally or jointly with any other person. For terms and conditions relating to related party receivables and details of amount due from other Related Parties, refer note 27 and 27A respectively.

Notes 7 : Cash and cash equivalents		(Rs. in '000)	
Particulars	As at March 31, 2018	As at March 31, 2017	
Balance with banks :			
- On current accounts	1,878	8,455	
- Deposits with original maturity of less than three months	10,000	56,000	
Total	11,878	64,455	

Notes 7A : Other Bank Balances		(Rs. in '000)	
Particulars	As at March 31, 2018	As at March 31, 2017	
Other Bank Balances :			
- Deposits with original maturity of more than three months but less than 12 months	70	-	
Total	70	-	

For the purpose of the statement of cash flows, cash and cash equivalents comprise the following:		(Rs. in '000)	
	As at March 31, 2018	As at March 31, 2017	
Balance with banks :			
- On current accounts	1,878	8,455	
- Deposits with original maturity of less than three months	10,000	56,000	
Total	11,878	64,455	

Notes 8 : Other Financial Assets		(Rs. in '000)	
Particulars	As at March 31, 2018	As at March 31, 2017	
Interest accrued on deposits with bank	54	-	
Total Other Financial Assets	54	-	

Break up of financial assets carried at amortised cost		(Rs. in '000)	
Particulars	March 31, 2018	March 31, 2017	
Trade receivables (Note 6)	38	-	
Cash and cash equivalents (Note 7)	11,878	64,455	
Other bank balances (Note 7A)	70	-	
Other Financial assets (Note 8)	54	-	
Total	12,040	64,455	



Firefly e-Ventures Limited.
Notes to financial statements for the year ended March 31, 2018

Notes 9 : Share Capital

Particulars	No. of Shares	(Rs in '000)
a) Authorised Equity Share Capital		
At 1 April 2016	40,000,000	400,000
Changes during the period	-	-
At 31 March 2017	40,000,000	400,000
Changes during the period	-	-
At 31 March 2018	40,000,000	400,000

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.

b) Instruments entirely equity in nature

0.1% Optionally Convertible Cumulative Preference Shares (OCCPS) of Rs 0.10 each

Particulars	No. of Shares	(Rs in '000)
At 1 April 2016	2,000,000,000	200,000
Changes during the period	-	-
At 31 March 2017	2,000,000,000	200,000
Changes during the period	-	-
At 31 March 2018	2,000,000,000	200,000

Terms of conversion/ redemption of OCCPS

OCCPS carry cumulative dividend @ 0.1% p.a. Each holder of OCCPS is entitled to one vote per share only on resolutions placed before the Company which directly effects the rights attached to OCCPS. Each holder of OCCPS can opt to redeem its preference shares or convert its preference shares into equity shares anytime during the period of 5 years from the date of issue at a pre-determined price.

Issued and subscribed capital

Particulars	No. of Shares	(Rs in '000)
a) Equity Share Capital		
Equity shares of INR 10 each issued, subscribed and fully paid	24,650,000	246,500
At 1 April 2016	2,500,000	25,000
Issued during the year	(23,857,402)	(238,574)
Reduction pursuant to Scheme of Capital Reduction (refer note 20A)	(3,168,255)	(31,683)
At 31 March 2017	124,343	1,243
Issued/Change during the year	-	-
At 31 March 2018	124,343	1,243

b) Instruments entirely equity in nature

OCCPS of INR 0.1 each issued, subscribed and fully paid

Particulars	No. of Shares	(Rs in '000)
At 1 April 2016	19,260,000	1,926
Issued during the year	-	-
Reduction pursuant to Scheme of Capital Reduction (refer note 20A)	(16,924,250)	(1,692)
At 31 March 2017	(2,335,750)	(234)
Issued during the year	-	-
At 31 March 2018	-	-

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

Particulars	31st March, 2018	31st March, 2017
Shares outstanding at the beginning of the year	No. of shares	(Rs in '000)
Shares Issued during the year	124,343	246,500
Reduction pursuant to Scheme of Capital Reduction (refer note 20A)	-	25,000
Reduction of share capital on account of Demerger of HIT Campus business (refer note 20A)	-	(238,574)
Shares outstanding at the end of the year	124,343	(31,683)



Firefly e-Ventures Limited.
Notes to financial statements for the year ended March 31, 2018

Reconciliation of the OCCPS outstanding at the beginning and at the end of the year :

Particulars	31st March, 2018		31st March, 2017	
	No. of shares	(Rs in '000)	No. of shares	(Rs in '000)
Shares outstanding at the beginning of the year	-	-	19,260,000	1,926
Shares issued during the year	-	-	-	-
Reduction pursuant to Scheme of Capital Reduction (refer note 20A)	-	-	(16,924,250)	(1,692)
Reduction of share capital on account of Demerger of HT Campus business (refer note 20A)	-	-	(2,335,750)	(234)
Shares outstanding at the end of the year	-	-	-	-

Shares held by Holding / ultimate holding company and / or their subsidiaries / associates:

Out of Equity & Preference share issued by the company, share held by its holding company, ultimate holding company and their subsidiaries/associates are as below.

Particulars	31st March, 2018		31st March, 2017	
	No. of shares	(Rs.in '000)	No. of shares	(Rs.in '000)
Equity share of Rs 10 each of fully paid:				
HT Digital Media Holdings Limited, the Holding Company	1,243	1,243	-	-
1,24,337 Equity Share of Rs 10/- each (April 1, 2017- 1,24,337 equity shares of Rs 10/- each)	1,243	1,243	-	-

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

Particulars	31st March, 2018		31st March, 2017	
	No. of Shares	% holding in the class	No. of Shares	% holding in the class
Equity shares of Rs 10 each fully paid up				
HT Digital Media Holdings Limited, Holding Company	124,337	99.99%	124,337	99.99%
Optionally Convertible Cumulative Preference Shares (OCCPS) of Rs 0.10 each fully paid:				
HT Media Limited, Ultimate Holding Company	-	-	-	-

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

Shares reserved for issue under options

For details of equity shares reserved for the issue under Employee Stock Options (ESOP) of the Company refer note 26.



Firefly e-Ventures Limited.

Notes to financial statements for the year ended March 31, 2018

Notes 10 : Other Equity

Particulars	(Rs. in '000)	
	As at March 31, 2018	As at March 31, 2017
Security Premium	-	-
Share based payment reserve	676	568
Retained Earnings	(2,761)	(157)
Share application money pending for allotment	-	-
Total	(2,085)	411

Security Premium

Particulars	(Rs. in '000)
	Amount
At 1 April, 2016	190,674
Reduction pursuant to Scheme of Capital Reduction (refer note 20A)	(167,550)
Reduction pursuant to Demerger of HT Campus business (refer note 20A)	(23,124)
At 31 March, 2017	-
Change during the year	-
At 31 March, 2018	-

Retained Earnings

Particulars	(Rs. in '000)	
	As at March 31, 2018	As at March 31, 2017
Opening Balance	(157)	(410,383)
Reduction pursuant to Scheme of Capital Reduction (refer note 20A)	-	407,817
Transfer pursuant to scheme of arrangement (refer note 20A)	-	10,684
Net Profit for the period	(3,264)	(8,275)
Items of other comprehensive income recognised directly in retained earnings		
Remeasurements of post-employment benefit obligation, net of tax	660	523
Other comprehensive income transferred in relation to HT Campus business (refer not 20A)	-	(523)
Closing Balance	(2,761)	(157)



Firefly e-Ventures Limited.

Notes to financial statements for the year ended March 31, 2018

Note 11 : Provisions

(Rs. in '000)

Particulars	As at March 31, 2018	As at March 31, 2017
Provision for employee benefits		
Provision for Leave Benefits (refer note 21)	11	67
Provision for Gratuity (refer note 21)	39	128
Total Provisions	50	195
Current	12	69
Non- Current	38	126

Notes 12 : Trade Payables

(Rs. in '000)

Particulars	As at March 31, 2018	As at March 31, 2017
Trade Payables (refer note 22 for details of dues to micro, small and medium enterprises)	961	6,201
Total	961	6,201
Current	961	6,201
Non- Current	-	-

Terms and conditions of the above financial liabilities:

- Trade payables are non-interest bearing and are normally settled as per agreed credit terms of 30 to 90 Days.
- For terms and conditions with related parties, refer note 27

Notes 12A : Other financial liabilities

(Rs. in '000)

Particulars	As at March 31, 2018	As at March 31, 2017
Amount Payables to related party	9,242	50,491
Total	9,242	50,491

Notes 13 : Other current liabilities

(Rs. in '000)

Particulars	As at March 31, 2018	As at March 31, 2017
Deferred Revenue	861	-
Customers and agents balances	2,369	-
Statutory dues	155	5,914
Total	3,385	5,914

Break up of financial liabilities carried at amortised cost

(Rs. in '000)

Particulars	As at March 31, 2018	As at March 31, 2017
Trade payables (Note 12)	961	6,201
Amount Payables to related party (Note 12A)	9,242	50,491
Total financial liabilities carried at amortised cost	10,203	56,692



Firefly e-Ventures Limited.
Notes to financial statements for the year ended March 31, 2018

Note 14 : Revenue from operations (Rs. in '000)

Particulars	As at March 31, 2018	As at March 31, 2017
Sale of services		
- Income from digital services	1,871	64,078
Total Revenue	1,871	64,078
Less : discontinuing operation (Refer Note 20A)	-	60,515
Total for continuing operations	1,871	3,563

Notes 15 : Other Income (Rs. in '000)

Particulars	As at March 31, 2018	As at March 31, 2017
Interest income on		
- Bank deposits	1,980	4,039
- Income tax refund	1,101	-
Miscellaneous Income	3	8
Total for continuing operations	3,084	4,047

Notes 16 : Employee benefits expenses (Rs. in '000)

Particulars	As at March 31, 2018	As at March 31, 2017
Salaries, wages and bonus	4,251	17,046
Contribution to provident and other funds	12	222
Employee Stock Option Scheme	108	-
Gratuity expense (Refer note 21)	59	142
Workmen and Staff welfare expenses	43	185
Total Employee benefits expenses	4,473	17,595
Less : discontinuing operation (Refer Note 20A)	-	15,667
Total for continuing operations	4,473	1,928

Notes 17 : Finance costs (Rs. in '000)

Particulars	As at March 31, 2018	As at March 31, 2017
Interest- others	-	59
Bank charges	7	806
Total Finance Costs	7	865
Less : discontinuing operation (Refer Note 20A)	-	788
Total for continuing operations	7	77

Notes 18 : Depreciation and amortization expense (Rs. in '000)

Particulars	As at March 31, 2018	As at March 31, 2017
Depreciation of tangible assets	-	611
Amortization of intangible assets	-	139
Total Depreciation & amortization Exp.	-	750
Less : discontinuing operation (Refer Note 20A)	-	750
Total for continuing operations	-	-

Notes 19 : Other expenses (Rs. in '000)

Particulars	As at March 31, 2018	As at March 31, 2017
Advertising and sales promotion	1,977	45,566
Rent	684	1,513
Rates and taxes	16	1,008
Insurance	4	186
Plant and machinery	2	5
Travelling and conveyance	24	1,272
Communication costs	10	239
Legal and professional fees	655	5,859
Payment to auditor (refer details below)	250	164
Foreign exchange differences (net)	-	5
Impairment of doubtful debts and advances	-	166
Miscellaneous expenses	117	1,206
Total Other Expenses	3,739	57,189
Less : discontinuing operation (Refer Note 20A)	-	54,320
Total for continuing operations	3,739	2,869

Payment to auditors (Rs. in '000)

Particulars	31 st March, 2018	31 st March, 2017
As auditor :		
- Audit fee	250	150
- Tax audit fee	-	-
Reimbursement of expenses	-	14
Total	250	164



Firefly e-Ventures Limited.

Notes to financial statements for the year ended March 31, 2018

Notes 19A : Other Comprehensive Income

The disaggregation of changes to OCI by each type of reserve in equity is shown below :

During the year ended 31 March, 2018

(Rs. in '000)

Particulars	Retained earnings	Amount
Re- measurement gains(losses) on defined benefit plans	660	660
Total	660	660

During the year ended 31 March, 2017

Particulars	Retained earnings	Amount
Re- measurement gains(losses) on defined benefit plans	-	-
Total	-	-

Notes 19B :

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for 31 March 2017 and 31 March 2018:

(Rs. in '000)

Particulars	As at March 31, 2018	As at March 31, 2017
Accounting profit before tax	(3,264)	(8,275)
Accounting profit before income tax	(3,264)	(8,275)
At India's statutory income tax rate of 26% (31 March 2017: 26 %)	(849)	(2,152)
Effects of		
Unrecognised deferred tax (net for the year ended 31 March)	849	2,152

Deductible temporary differences, unused tax losses, and unused tax credits for which no deferred tax asset is recognised in the balance sheet as on 31 March:

(INR '000)

Particulars	March 31, 2018	March 31, 2017
Temporary differences arising on:		
Unabsorbed brought forward losses	-	41
Provision for defined benefit obligation	13	51
Impairment of doubtful debts and advances	-	43
Deferred tax Asset (net)	13	135

Deferred tax assets have not been recognised in respect of brought forward losses and other deductible temporary differences, as they may not be used to offset taxable profits, they have arisen as the Company has been loss making up to previous year, and there are no other tax planning opportunities or other evidence of recoverability in the near future.

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



Firefly e-Ventures Limited.**Notes to financial statements for the year ended March 31, 2018****Note 20 : Earnings per share (EPS)**

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

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

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

Particulars	(Rs in '000, except for number of shares)	
	March 31, 2018	March 31, 2017
Profit attributable to equity holders		
Continuing operations	(3,264)	2,736
Discontinued operation	-	(11,011)
Profit attributable to equity holders	(3,264)	(8,275)
Weighted average number of Equity shares for basic and diluted		
EPS	124,343	6,595,091
Effect of dilution	-	-
Weighted average number of Equity shares adjusted for the		
effect of dilution	124,343	6,595,091
Earnings/ (loss) per share for continuing and discontinued		
operations		
Basic EPS	(26.25)	(1.25)
Diluted EPS	(26.25)	(1.25)
Earnings per share for continuing operations		
Basic EPS	(26.25)	0.41
Diluted EPS	(26.25)	0.41
Earnings/ (loss) per share for discontinued operations		
Basic EPS	-	(1.67)
Diluted EPS	-	(1.67)



Firefly e-Ventures Limited
Notes to financial statements for the year ended March 31, 2018

Note 20A : Transfer of HT Campus business of the Company to HT Mobile Solutions Limited.

The Board of Directors and Shareholders of Firefly, HT Digital and HT Mobile approved a Composite Scheme of Capital Reduction and Arrangement under Sections 100 to 104 of the Companies Act 1956, along with Section 52 of the Companies Act 2013 and Sections 391-394 of Companies Act, 1956 (the Scheme), among Firefly, HT Digital and HT Mobile (the Companies) and their respective shareholders and creditors, subject to requisite approval(s) and sanction by the Hon'ble National Company Law Tribunal (NCLT). The Scheme, inter-alia, envisages demerger of HT Campus Undertaking (Demerged Undertaking) of Firefly and transfer and vesting thereof into HT Mobile w.e.f from June 30, 2016 (the Appointed Date).

During the year ended March 31, 2018, NCLT sanctioned the Scheme vide its order dated October 17, 2017. Consequent upon filing of the order passed by NCLT with the Registrar of Companies, the Scheme became effective from October 27, 2017 (closing hours) ('Effective Date').

Accordingly, the financial impact in terms of the Scheme, have been considered in the financial statements for the year ended March 31, 2018; as summarized below:

1. Capital reduction of Firefly e-ventures Ltd.(Rs. In '000)

The Equity share capital, Preference Share Capital and Securities Premium of Firefly e-ventures Ltd. has been reduced as per below mentioned details & the same has been utilized for writing off the Accumulated Losses.

Details	Amount (Rs in '000)
Equity Share Capital	238,574
Preference Share Capital	1,693
Securities Premium	167,550
Total	407,817
Less: Accumulated losses	407,817
Total	-

2. Demerger of HT Campus Business

a) The net assets pertaining to HT Campus business are being transferred to HT Mobile at values appearing in books of Firefly as on the Appointed Date.

b) The amount of "Profit & Loss Account" pertaining to HT Campus business is being reduced from balance in books of Firefly.

c) The difference between book values, as on the Appointed Date, of the net assets of HT Campus business, transferred to HT Mobile and balance standing in "Profit & Loss Account" pertaining to HT Campus business is being adjusted against following balances as appearing in books of Firefly as on the Appointed Date, in the following order:

- Securities Premium Account
- Balance, if any, is being adjusted against fully paid optionally convertible preference share capital
- Balance, if any, is being adjusted against fully paid equity share capital

Details of assets and liability transferred as on 30 June 2016 are as below:-

Particulars	(Rs in '000)
Particulars	Amount
1. Non-current assets	
Property, plant and equipment	4,228
Intangible assets	171
Income Tax Assets (Net)	10,322
2. Current assets	
(a) Financial assets	
(i) Trade receivables	6,832
(ii) Cash and cash equivalents*	64,500
(iii) Others financial assets	9,185
(b) Other current assets	525
Total Assets (A)	95,783
1. Non-current liabilities	
Provisions	513
2. Current liabilities	
(a) Financial liabilities	
(i) Trade Payables	30,913
Other current liabilities	20,000
Total liabilities(B)	51,426
Net Asset transferred to the Company (A-B)	44,357
Less: Transfer of Accumulated Losses	10,684
Balance	55,041
Balance Adjusted by reduction of-	
Securities Premium	23,124
Optionally convertible preference share capital	234
Equity share capital	31,683
	55,041

* Liability equivalent to cash and cash equivalent position as on 30 June 2016 was carried forward by the Company.

The financial statements for year ended March 31, 2018 do not include financials of HT Campus Undertaking (discontinued operations). The revenues earned and expenses incurred in relation to HT Campus business for the period beginning with 1.4.2017 upto October 27, 2017 ('Effective Date') were transferred to HT Mobile on the effective date which resulted into lower profit after tax amount of INR -448.00 Lakhs during the current year.

The comparatives for FY 2016-17 have been restated to exclude revenues earned and expenses incurred in relation to HT Campus business for the period w.e.f from June 30, 2016 ('Appointed Date') upto March 31, 2017. The financials for the year ended March 31, 2017 includes net expenses relating to HT Campus Undertaking of INR -110.11 Laacs (net of tax of INR -110.11 Laacs) for the period April 1, 2016 to June 30, 2016.

The detailed relatable information of discontinued operations (HT Campus business) for the year ended March 31, 2017 is as under:-

Particulars	(Rs in '000)		
	From April 1, 2016 to June 30, 2016	From June 30, 2016 to March 31, 2017	Total 2016-17
Total Income	60,515	111,294	171,809
Expenses			
Employee benefits expense	15,668	53,353	69,021
Finance Costs	788	70	858
Depreciation [Rs. 611 (in '000)] and amortisation [Rs. 139 (in '000)] expense	750	1,834	2,584
Other expenses	54,320	84,325	138,646
Total Expenses	71,526	139,582	211,109
Profit/(loss) before Tax	(11,011)	(28,288)	(39,300)
Tax Expense/(Credit)	-	-	-
Net Profit/(loss) for the period	(11,011)	(28,288)	(39,300)



Firefly e-Ventures Limited.
Notes to financial statements for the year ended March 31, 2018.

Notes 21 : Gratuity

Particulars	(Rs. in '000)	
	As at March 31, 2018	As at March 31, 2017
Gratuity	39	128
Total	39	128
Current	39	128
Non- Current	-	-

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 gratuity plan is governed by the Payment of Gratuity Act, 1972

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

Defined Benefit Gratuity Plan

Changes in the defined benefit obligation and fair value of plan assets as at 31 March, 2018 :

Particulars	(Rs. in '000)	
	March 31, 2018	March 31, 2017
Present value of Obligation		
Opening Balance	128	2,261
Transferred as a part of transfer of business to HT Mobile Solutions Limited	-	(512)
Current Service Cost	11	75
Interest Expense or cost	48	67
Re-measurement (or Actuarial) (gain) / loss arising from:		
- experience variance (i.e. Actual experience vs assumptions)	(660)	-
Benefits Paid	512	-
Acquisition Adjustment during the year	-	(1,763)
Total	39	128

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

Particulars	March 31, 2018	March 31, 2017
	%	%
Discount Rate	8.00%	7.50%
Salary Growth Rate	7.50%	7.50%
Withdrawal Rate		
Up to 30 years	3.00%	3.00%
31 - 44 years	2.00%	2.00%
Above 44 years	1.00%	1.00%

A quantitative sensitivity analysis for significant assumption as at 31 March 2018 is as shown below:

India gratuity plan:

Particulars	(Rs. in '000)	
	March 31, 2018	31-Mar-17
Defined Benefit Obligation (Base)	39	128

Particulars	(Rs. in '000)			
	March 31, 2018		March 31, 2017*	
Assumptions	1% decrease	1% increase	1% decrease	1% increase
Discount Rate	9	(7)	145	(113)
Salary Growth Rate	(7)	9	(109)	137
Withdrawal Rate	0	0	15	(14)

The sensitivity analysis above has been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

The following represents the maturity profile of Defined Benefit Obligations in future years:

Particulars	(Rs. in '000)	
	March 31, 2018	March 31, 2017*
Within the next 12 months (next annual reporting period)	0	2
Between 2 and 5 years	5	57
Between 6 and 10 years	7	107
Beyond 10 years	238	3,510
Total expected payments	250	3,676

* No restatement on account of business demerger of HT Campus.

Average duration of the defined benefit plan obligation

Particulars	March 31, 2018	March 31, 2017
Range of Duration	21 Year	21 Year

Defined Contribution Plan

Particulars	March 31, 2018	March 31, 2017
Contribution to Provident and Other funds		
Charged to Statement of Profit and Loss	12	222

Leave Encashment (unfunded)

The Company recognises the leave encashment expenses in the Statement of Profit & Loss based on actuarial valuation.

The expenses recognised in the Statement of Profit & Loss and the Leave encashment liability at the beginning and at the end of the year :

Particulars	(Rs. in '000)	
	March 31, 2018	March 31, 2017
Liability at the beginning of the year	67	944
Benefits paid during the year	-	-
Acquisition Adjustment during the year	-	(540)
Provided during the year	(56)	(337)
Liability at the end of the year	11	67



Firefly e-Ventures Limited.

Notes to financial statements for the year ended March 31, 2018

Note 22. Details of dues to Micro, Small & Medium Enterprises as defined under the MSMED Act, 2006 are as follows:

Based upon the information available with the Company, the balance due to suppliers registered under "The Micro, Small and Medium Enterprises Development Act, 2006" as on March 31, 2018 is Rs. Nil (As at March 31, 2017: Rs. Nil). Further, no interest during the year has been paid or is payable under the terms of the Act.

Note 22A: Specified Bank Notes (SBNs)

Ministry Of Corporate Affairs issued an amendment to Schedule III of the Companies Act, 2013, regarding general instructions for preparation of Balance Sheet, to disclose the details of Specified Bank Notes (SBN) held and transacted during the period November 8, 2016 to December 30, 2016.

The aforesaid disclosure is as follows:

Particulars	(Rs. in '000)		
	SBNs	Other denomination notes	Total
Closing cash in hand - November 8, 2016	-	-	-
+ Permitted receipts	-	-	-
- Permitted payments	-	-	-
- Amount deposited into banks	-	-	-
Closing cash in hand - December 30, 2016	-	-	-

Explanation: For the purposes of this clause, the term 'Specified Bank Notes'(SBN) shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs number S.O. 3407(E), dated the 8 November, 2016.

Note 23 : Fair values

The management assessed that cash and cash equivalents, trade receivables, trade payables, other financial liabilities and current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments. The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

Note 24 : Segment Reporting

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

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

Note 25 : 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. 684 thousands (Year ended March 31, 2017: Rs. 1,513 thousands) and are disclosed as rent under note 19.





Firefly e-Ventures Limited.
Notes to financial statements for the year ended March 31, 2018

Note 26 : Share-based payments

The Company provides share-based payment schemes to its employees, during the year ended 31st March 2018 an employee stock option plan (ESOP) was in existence. The scheme detailed below is managed and administered, compensation benefits in respect of the scheme is assessed and accounted by the Company in accordance with Ind AS 102 (Share based payments).
The relevant details of the scheme and the grant are as below.

A. Details of Options granted as on March 31, 2018 are given below:

Type of Arrangement	Date of Grant	Number of options granted	Fair Value on the date of Grant (In Rs)	Vesting conditions	Weighted average remaining contractual life (in years)	Method of Settlement
Employee Stock Option (Plan A)	Friday, October 16, 2009	9,869,800	4.82	25% - 12 Month from the date of Grant, 25% - 24 Month from the date of Grant, 25% - 36 Month from the date of Grant, 25% - 48 Month from the date of Grant.	5.59	Equity
Employee Stock Option (Plan A)	Thursday, April 01, 2010	339,200	4.81	25% - 12 Month from the date of Grant, 25% - 36 Month from the date of Grant, 25% - 48 Month from the date of Grant.	5.59	Equity
Employee Stock Option (Plan A)	Monday, April 11, 2011	424,050	5.11	25% - 12 Month from the date of Grant, 25% - 24 Month from the date of Grant, 25% - 36 Month from the date of Grant, 25% - 48 Month from the date of Grant.	5.59	Equity
Employee Stock Option (Plan B)	Tuesday, December 03, 2013	1,434,000	4.82	40% - 12 Month from the date of Grant, 20% - 24 Month from the date of Grant, 20% - 36 Month from the date of Grant, 20% - 48 Month from the date of Grant.	NA	Equity

B-1. Summary of activity under the plans is given below : - Plan A

	31-Mar-18	31-Mar-17
	Number of options	Number of options
Outstanding at the beginning of the year	7,348,249	7,495,224
Granted during the year	-	-
Forfeited during the year	588,000	146,975
Exercised during the year	-	-
Expired during the year	-	-
Outstanding at the end of the period	6,760,249	7,348,249
Exercisable at the end of the period	6,760,249	7,348,249
Weighted average remaining contractual life (in years)	5.59	6.60

As no stock options have been granted during the current year and Previous Year, the disclosures regarding estimated fair value are not provided.

B-2. Summary of activity under the plans is given below : Plan B

	31-Mar-18	31-Mar-17
	Number of options	Number of options
Outstanding at the beginning of the year	-	480,225
Granted during the year	-	-
Forfeited during the year	-	-
Exercised during the year	-	480,225
Expired during the year	-	-
Outstanding at the end of the period	-	-
Exercisable at the end of the period	-	-
Weighted average remaining contractual life (in years)	NA	NA

As no stock options have been granted during the current year and previous year, the disclosures regarding estimated fair value are not provided.

Options granted are exercisable for a maximum period of 14 years after the scheduled vesting date as per the Scheme.

The Company has availed exemption under Ind AS 101 in respect of Share-based payments that had been vested before the transition date. The Company has elected to avail this exemption and accordingly, vested options have been measured at intrinsic value.

Firefly e-Ventures Limited.

Notes to financial statements for the year ended March 31, 2018

Note 27: Related party transactions

i) List of Related Parties and Relationships:-

Name of related parties where control exists (whether transactions have occurred or not)	
	HT Media Limited*
	The Hindustan Times Limited #
	HT Digital Media Holdings Limited (Holding Company)
	Earthstone Holding (Two) Private Limited ##
Fellow Subsidiaries (with whom transactions have occurred during the year)	HT Digital Streams Limited
	HT Learning Centers Limited
	Hindustan Media Ventures Limited
	HT Mobile Solutions Limited
	India Education Services Private Limited
	Topmovies Entertainment Limited

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

The Hindustan Times Limited (HTL) does not hold any direct investment in the Company. However, HTL's subsidiary HT Media Limited holds is the Holding Company of HT Digital Media Holdings Limited.

Earthstone Holding (Two) Private Limited (formerly known as Earthstone Holding (Two) Limited) is the holding Company of The Hindustan Times Limited.

ii) Transactions with related parties

Refer Note 27A

iii) Terms and conditions of transactions with related parties

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

iv) Transaction with key management personnel or their relatives

No transactions have occurred during the year.



FEVL - Related Party Transactions for the year ended - March 2018

Note 27A: Transactions with related parties

The following transactions were carried out with the related parties during the year ended March 31, 2018 and March 31, 2017:

Particulars*	Ultimate Holding Company		Holding Company		Fellow Subsidiaries										Amount in Rs.			
	HT Media Ltd.		HT Digital Media Holdings Limited		Hindustan Media Ventures Limited		Topmovies Entertainment		HT Learning Centers Limited		India Education Services Private		HT Digital Streams Ltd		HT Mobile Solutions Limited		March 31, 2018	March 31, 2017
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017		
Revenue Transactions																		
Income																		
Revenue from Digital Services	7,972	21,747	-	-	3,822	-	-	-	1,225	3,322	192	-	-	-	-	-	9,197	29,083
Expenses																		
Advertising and Sales Promotion	14,867	12,510	-	-	22,860	14,168	-	-	-	-	-	-	1,190	698	2,148	38,425	30,016	
Infrastructure Support (Scan) Taken	4,359	5,704	-	-	-	-	-	-	-	-	-	-	-	-	-	4,359	5,704	
Others																		
Expenses reimbursement	-	16	-	-	-	-	1,983	3,060	-	-	-	-	-	3,395	126	5,378	3,202	
Reimbursement of expenses incurred on behalf of the company	38,197	96,930	-	-	-	-	-	-	-	-	-	-	-	-	-	38,197	96,930	
Paid by company on behalf of party	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	8,017	8,017	
Paid by party on behalf of company	3,486	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3,486	-	
Issue of Equity Shares	-	-	-	25,000	-	-	-	-	-	-	-	-	-	-	-	-	-	25,000

Note 1: Related party disclosures have not been restated for previous year ended March 31, 2017 in relation to Demerger of HT Campus business w.e.f June 30, 2016.

Note 2: The Company has received letter of support from HTML to enable it to continue its operations.

* From July 2016 to Oct 27, 2017

The above Transactions includes those related to HT Campus business which has been transferred to HT Mobile Solutions Limited under the scheme of arrangement approved by NCLT (refer note 20A). The related balance as at Oct 27, 2017 (effective date) have been transferred to HT Mobile Solutions Limited.



Firefly e-Ventures Limited.
Notes to financial statements for the year ended March 31, 2018

Note 28: Financial risk management objectives and policies

The company's principal financial liabilities comprise trade and other payables. The main purpose of these financial liabilities is to finance the company's operations. The company's principal financial assets include loans, trade and other receivables, and cash and cash equivalents that derive directly from its operations.

Market risk

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

This is based on the financial assets and financial liabilities held at 31 March 2018 and 31 March 2017.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The company's exposure to the risk of changes in foreign exchange rates relates primarily to the company's operating activities (when revenue or expense is denominated in a foreign currency). However, the Company earns revenue and incurs expenses in INR and do not have any material foreign currency receivable and payables as on March 31, 2018 and March 31, 2017, and accordingly the Company envisages relatively low exposure to foreign currency risks.

Foreign currency sensitivity

The Company does not have any foreign currency receivable and payables as on March 31, 2018 and March 31, 2017.

Credit risk

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

Trade receivables

An impairment analysis is performed at each reporting date on an individual basis for major clients. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in Note 4. The Company does not hold collateral as security.

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

Liquidity risk

The Company assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Company has access to a sufficient variety of sources of funding and debt maturing within 12 months can be rolled over with existing lenders. Also, the Parent Company has committed to provide continuous financial and operational support to the Company for its continued operations in the foreseeable future.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

Year ended	(Rs. in '000)		Total
	Within 1 year	More than 1 years	
31-Mar-18			
Trade and other payables (refer note 12)	961	-	961
Other financial liabilities (refer note 12A)	9,242	-	9,242
Year ended			
31-Mar-17			
Trade and other payables (refer note 12)	6,201	-	6,201
Other financial liabilities (refer note 12A)	50,491	-	50,491



Firefly e-Ventures Limited.
Notes to financial statements for the year ended March 31, 2018.

Note 29: Capital management

For the purpose of the company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the parent. The primary objective of the company's capital management is to maximise the shareholder value.

The company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The company monitors capital using a gearing ratio, which is net debt divided by total capital and net debt. The company includes within net debt, interest bearing loans and borrowings, trade and other payables, less cash and cash equivalents.

(Rs in '000)

Particulars	As at March 31, 2018	As at March 31, 2017
Trade payables (note 12)	961	6,201
Other financial liabilities (note 12A)	9,242	50,491
Less: Cash and cash equivalents (note 7)	(11,878)	(64,455)
Less: Other Bank Balances (note 7A)	(70)	-
Net debt	(1,745)	(7,763)
Equity Share Capital & Other Equity	(842)	1,654
Total capital	(842)	1,654
Capital and net debt	(2,587)	(6,109)
Gearing ratio	67%	127%

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2018 and March 31, 2017.

Note 29A: Going Concern

The Company is having accumulated losses of INR 2,761 thousands as of March 31, 2018 (March 31, 2017: INR 157 thousands). 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. Also, as per business plan, the Company expects an increase in sales and cash flows in subsequent years.

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 statements.



Firefly e-Ventures Limited.

Notes to financial statements for the year ended March 31, 2018.

Note 30: Standards issued but not yet effective

Ind AS 115 Revenue from Contracts with Customers

Ind AS 115 was issued on 28 March 2018 and establishes a five-step model to account for revenue arising from contracts with customers. Ind AS 115 revenue is recognized at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. The new revenue standard will supersede all current revenue recognition requirements under Ind AS. This Standard is effective for accounting periods beginning on or after 1 April, 2018.

Either a so called full retrospective application or a modified retrospective application is required for annual periods beginning on or after 1 April 2018.

During 2017-18, the Company performed a preliminary assessment of Ind AS 15. The initial application of Ind AS 115 is not expected to have material impact on the Company's financial statements.

Amendments to Ind AS 12 Income Taxes: Recognition of Deferred Tax Assets for Unrealized Losses

The amendments clarify that an entity needs to consider whether tax law restricts the sources of taxable profits against which it may make deductions on the reversal of deductible temporary difference related to unrealized losses. Furthermore, the amendments provide guidance on how an entity should determine future taxable profits and explain the circumstances in which taxable profit may include the recovery of some assets for more than their carrying amount. This amendment is applicable retrospectively for annual periods beginning on or after 1 April, 2018.

During 2017-18, the Company performed a preliminary assessment of this amendment. The application of this amendment is not expected to have material impact on the Company's financial statements.

Ind AS 21 Foreign Currency Transactions and Advance Consideration

The amendment clarifies that, in determining the spot exchange rate to use on initial recognition of the related asset, expense or income (or part of it) on the derecognition of a non-monetary asset or non-monetary liability relating to advance consideration, the date of the transaction is the date on which an entity initially recognises the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, then the entity must determine the transaction date for each payment or receipt of advance consideration.

The amendment is applicable for accounting periods beginning on or after 1 April 2018 (retrospective application is permitted).

Since the Company's current practice is in line with the amendment, the Company does not expect any effect on its financial statements.



Firefly e-Ventures Limited.
Notes to financial statements for the year ended March 31, 2018.

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

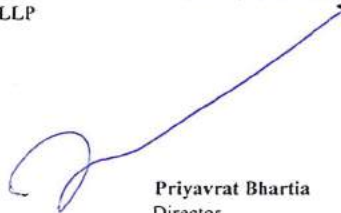
As per our report of even date

For Price Waterhouse & Co Chartered Accountants LLP
Firm Registration No.304026E/E300009

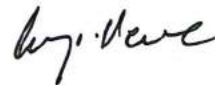
For and on behalf of the Board of Directors of Firefly e-Ventures Limited



Anupam Dhawan
Partner
Membership No. 084451



Priyavrat Bhartia
Director
(DIN: 00020603)



Rajiv Verma
Director
(DIN: 00017110)

Place: New Delhi
Date: Apr 30, 2018

