

**INDEPENDENT AUDITOR'S REPORT**

To the Members of HT Digital Streams Limited

**Report on the Ind AS Financial Statements**

We have audited the accompanying Ind AS financial statements of HT Digital Streams Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

**Management's Responsibility for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS financial statements that 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 accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act., read with Rule 7 of the Companies (Accounts) Rules, 2014 and the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial control that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Ind AS financial statements. The procedures selected depend on the auditor's 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 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. 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**

In our opinion and to the best of our information and according to the explanations given to us, the 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, 2017, its loss including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

### **Emphasis of Matter**

We draw attention to Note 21 of the financial statement in respect of two separate Schemes of Arrangement u/s 391-394 of the Companies Act, 1956 between (i) the Company and HT Media Limited and (ii) the Company and Hindustan Media Ventures Limited (the Schemes) approved by the Hon'ble High Courts of Delhi and Patna. As per these approved schemes, the Company has followed the applicable Accounting Standards specified under section 133 of the Companies Act, 2013, read with Rule 7 of Companies (Accounts) Rules, 2014 and other Generally Accepted Accounting Principles as on the Appointed Date (i.e. March 31, 2016). This is not similar to the accounting as per the currently applicable Indian Accounting Standards (Ind-AS) prescribed under Section 133 of the Companies Act, 2013, read with relevant rules issued thereunder.

Our opinion is not qualified in respect to this matter.

### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure 1 a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143 (3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - (c) The Balance Sheet, Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and 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 Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 Companies (Indian Accounting Standards) Rules, 2015, as amended;
  - (e) On the basis of written representations received from the directors as on March 31, 2017, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017, from being appointed as a director in terms of section 164 (2) of the Act;
  - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;



# **S.R. BATLIBOI & Co. LLP**

Chartered Accountants

- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigations which would impact its financial position;
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company
  - iv. As per books of account of the Company and as represented by the management of the Company, the Company did not have cash balance as on November 8, 2016 and December 30, 2016 and has no cash dealings during this period

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

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

*Vishal Sharma*

per Vishal Sharma

Partner

Membership Number: 096766

Place of Signature: New Delhi

Date: May 17, 2017





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

**Re: HT Digital Streams Limited ('the Company')**

- (i)(a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (i)(b) All fixed assets have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (i)(c) According to the information and explanations given by the management, there are no immovable properties, included in fixed assets of the company and accordingly, the requirements under paragraph 3(i)(c) of the Order are not applicable to the Company.
- (ii) The Company's business does not involve inventories and, accordingly, the requirements under paragraph 3(ii) of the Order are not applicable to the Company.
- (iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iii)(a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.
- (iv) In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees, and securities given in respect of which provisions of section 185 and 186 of the Companies Act 2013 are applicable and hence not commented upon.
- (v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- (vi) To the best of our knowledge and as explained, the Company is not in the business of sale of any goods. Therefore, in our opinion, the provisions of clause 3(vi) of the Order are not applicable to the Company.
- (vii)(a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, income-tax, employees' state insurance, service tax, value added tax, cess and other statutory dues applicable to it. The provisions relating to sales-tax, duty of customs and excise duty are not applicable to the Company.
- (vii)(b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income-tax, employees' state insurance, service tax, value added tax, cess and other statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable. The provisions relating to sales-tax, duty of customs and excise duty are not applicable to the Company.
- (vii)(c) According to the information and explanations given to us, there are no dues of provident fund, income-tax, employees' state insurance, service tax, value added tax, cess and other statutory dues which have not been deposited on account of any dispute. The provisions relating to sales-tax, duty of customs and excise duty are not applicable to the Company.



# **S.R. BATLIBOI & CO. LLP**

Chartered Accountants

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

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

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005



per **Vishal Sharma**

Partner

Membership Number: 096766

Place of Signature: New Delhi

Date: May 17, 2017





**ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF HT DIGITAL STREAMS LIMITED**

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

We have audited the internal financial controls over financial reporting of HT Digital Streams Limited ("the Company") as of March 31, 2017 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

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

**Auditor's Responsibility**

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

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

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

**Meaning of Internal Financial Controls Over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the



# **S.R. BATLIBOI & CO. LLP**

Chartered Accountants

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**

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

## **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005



per **Vishal Sharma**

Partner

Membership Number: 096766

Place of Signature: New Delhi

Date: May 17, 2017





HT Digital Streams Limited  
Balance sheet as at March 31, 2017

		As at March 31, 2017	As at March 31, 2016
	Note No.	INR Lacs	INR Lacs
<b>I ASSETS</b>			
<b>1) Non-current assets</b>			
(a) Property, plant and equipment	3	182.02	-
(b) Intangible assets	4	14,487.67	-
(c) Deferred Tax assets (net)	5	381.50	-
(d) Income Tax assets	6	475.75	-
<b>Total Non-current assets</b>		<b>15,526.94</b>	<b>-</b>
<b>2) Current assets</b>			
<b>(a) Financial assets</b>			
(i) Trade receivables	7A	4,240.16	-
(ii) Cash and cash equivalents	7B	797.95	5.00
(iii) Other financial assets	7C	81.93	-
<b>(b) Other current assets</b>	8	<b>113.10</b>	<b>-</b>
<b>Total current assets</b>		<b>5,233.14</b>	<b>5.00</b>
<b>TOTAL ASSETS</b>		<b>20,760.08</b>	<b>5.00</b>
<b>II EQUITY AND LIABILITIES</b>			
<b>1) Equity</b>			
(a) Equity share capital	9	2,005.00	5.00
(b) Other equity	10	14,248.14	(1.72)
<b>Total equity</b>		<b>16,253.14</b>	<b>3.28</b>
<b>2) Liabilities</b>			
<b>Current liabilities</b>			
<b>(a) Financial liabilities</b>			
(i) Trade Payables	11	3,863.46	1.72
(b) Other current liabilities	12	234.56	-
(c) Provisions	13	408.92	-
<b>Total current liabilities</b>		<b>4,506.94</b>	<b>1.72</b>
<b>Total liabilities</b>		<b>4,506.94</b>	<b>1.72</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>20,760.08</b>	<b>5.00</b>
<b>Summary of significant accounting policies</b>	2		

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

For S.R. Batliboi & CO. LLP

Chartered Accountants

ICAI Firm Registration Number: 301003E/ E300005

*Vishal Sharma*

per Vishal Sharma

Partner

Membership No. 096766



For and on behalf of the Board of Directors of HT Digital Streams Limited

*Vikas Chaksh*  
Vikas Chaksh  
Company Secretary

*Jagdish Datta*  
Jagdish Datta  
Chief Financial Officer

*Shantanu Bhanja*  
Shantanu Bhanja  
Chief Executive Officer

Place: New Delhi

Date: May 17, 2017

*Dinesh Mittal*  
Dinesh Mittal  
Director  
(DIN: 00105769)

*Sharad Saxena*  
Sharad Saxena  
Director  
(DIN: 02239469)

*RRR*



HT Digital Streams Limited  
Statement of Profit and Loss for the year ended March 31, 2017

Particulars	Note No	Year ended	Year ended
		March 31, 2017	March 31, 2016
		INR Lacs	INR Lacs
<b>I Income</b>			
a) Revenue from operations	14	23,077.74	-
b) Other Income	15	4.68	-
<b>Total Income</b>		<b>23,082.42</b>	<b>-</b>
<b>II Expenses</b>			
a) Employee benefits expense	16	12,505.05	-
b) Finance costs	17	55.78	-
c) Depreciation and amortization expense	18	3,793.15	-
d) Other expenses	19	7,985.95	1.72
<b>Total expenses</b>		<b>24,339.93</b>	<b>1.72</b>
<b>III Profit/(loss) before tax (I-II)</b>		<b>(1,257.51)</b>	<b>(1.72)</b>
<b>IV Earnings before interest, tax, depreciation and amortization (EBITDA) [III+II(b+c)]</b>		<b>2,591.42</b>	<b>(1.72)</b>
<b>V Tax expense:</b>			
Current tax	5	-	-
Deferred tax charge/(credit)	5	(323.79)	-
<b>Total tax expense</b>		<b>(323.79)</b>	<b>-</b>
<b>VI Profit/ (loss) for the year after tax (IV-V)</b>		<b>(933.72)</b>	<b>(1.72)</b>
<b>VII Other Comprehensive Income</b>	20		
Items that will not to be reclassified to profit or loss			
Remeasurement gain/(loss) on defined benefit plans		(224.13)	-
Income tax effect		57.71	-
Other comprehensive income for the year, net of tax		(166.42)	-
<b>VIII Total Comprehensive Income for the year, net of tax (VI+VII)</b>		<b>(1,100.14)</b>	<b>(1.72)</b>
<b>IX Earnings/(loss) per share for operations</b>			
Basic (Nominal value of share INR 10/-)	22	(4.66)	(3.44)
Diluted (Nominal value of share INR 10/-)	22	(4.66)	(3.44)
Summary of significant accounting policies	2		

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

As per our report of even date

For S.R. Batliboi & CO. LLP

Chartered Accountants

ICAI Firm Registration Number: 301003725900005

per Vishal Sharma

Partner

Membership No. 096766



For and on behalf of the Board of Directors of HT Digital Streams Limited

Vikas Prakash  
Company Secretary

Jagdish Batra  
Chief Financial Officer

Shantanu Bhanja  
Chief Executive Officer

Dinesh Mittal  
Director  
(DIN: 00105769)

Sharad Saxena  
Director  
(DIN: 02239469)

Place: New Delhi  
Date: May 17, 2017

*[Handwritten signature]*

HT Digital Streams Limited  
Statement of Cash Flows for the year ended March 31, 2017

(INR Lacs)

Particulars	March 31, 2017	March 31, 2016
<b>Operating activities</b>		
Profit before tax	(1,257.51)	(1.72)
<b>Adjustments to reconcile profit before tax to net cash flows:</b>		
Interest Income from deposits	(4.50)	-
Depreciation of property, plant and equipment and intangible assets	3,793.15	-
Impairment of doubtful debts and advances (including bad debts written off)	231.13	-
Interest Expense	53.75	-
<b>Movement in Working capital :</b>		
(Increase)/Decrease in Trade receivables	(3,258.26)	-
Increase/(Decrease) in Trade payables, Provisions and Other current Liabilities	1,836.31	1.72
(Increase)/Decrease in other financial assets and other current assets	(76.12)	-
<b>Total Cash from Operations</b>	<b>1,317.95</b>	<b>-</b>
Income tax paid	(475.75)	-
<b>Net cash flows from operating activities (A)</b>	<b>842.20</b>	<b>-</b>
<b>Investing activities</b>		
Fixed Deposits Placed	(2,550.00)	-
Fixed Deposits Matured	2,554.50	-
<b>Net cash flows from Investing activities (B)</b>	<b>4.50</b>	<b>-</b>
<b>Financing activities</b>		
Interest Paid	(53.75)	-
Inter-corporate deposits received	1,900.00	-
Inter-corporate deposits repaid	(1,900.00)	-
Proceeds from issue of equity shares	-	5.00
<b>Net cash flows from/(used in) financing activities (C)</b>	<b>(53.75)</b>	<b>5.00</b>
<b>Net change in cash and cash equivalents (D=A+B+C)</b>	<b>792.95</b>	<b>5.00</b>
Cash and cash equivalents at the beginning of the year (E)	5.00	-
<b>Cash and cash equivalents at the end of the year (D+E)</b>	<b>797.95</b>	<b>5.00</b>





HT Digital Streams Limited

Statement of Cash Flows for the year ended March 31, 2017

(INR Lacs)

Particulars	March 31, 2017	March 31, 2016
<b>Components of cash and cash equivalents as at end of the year</b>		
Cash on hand	5.44	-
<b>With banks</b>		
- On current accounts	792.51	5.00
<b>Total Cash and Cash Equivalents</b>	<b>797.95</b>	<b>5.00</b>

The accompanying notes are an integral part of the financial statements

As per our report of even date

For S.R. Batliboi & CO. LLP  
Chartered Accountants  
ICAI Firm Registration Number: 301003E/ E300005

For and on behalf of the Board of Directors  
of HT Digital Streams Limited

*Vishal Sharma*  
per Vishal Sharma  
Partner  
Membership No. 096766



*Vikas Prakash*  
Vikas Prakash  
Company Secretary

*Jagdish Batra*  
Jagdish Batra  
Chief Financial Officer

*Shantanu Bhanja*  
Shantanu Bhanja  
Chief Executive Officer

Place: New Delhi  
Date: May 17, 2017

*Dinesh Mittal*  
Dinesh Mittal  
Director  
(DIN: 00105769)

*Sharad Saxena*  
Sharad Saxena  
Director  
(DIN: 02239469)

*APR*

HT Digital Streams Limited  
Statement of changes in equity for the year ended March 31, 2017

A. Equity Share Capital (Refer Note 9)  
Equity Shares of INR 10 each issued, subscribed and fully paid up

Particulars	Number of shares	INR Lacs
Balance as at April 1, 2015	-	-
Changes in share capital during the year	50,000	5.00
Balance as at March 31, 2016	50,000	5.00
Changes in share capital during the year (refer note 21)	2,00,00,000	2,000.00
Balance as at March 31, 2017	2,00,50,000	2,005.00

B. Other Equity attributable to equity holders (Refer Note 10)

Particulars	Securities Premium Reserve	Retained earnings	Total (INR Lacs)
Balance as at April 1, 2015	-	-	-
Profit/ (loss) for the period	-	(1.72)	(1.72)
Balance as at March 31, 2016	-	(1.72)	(1.72)
Change during the year (refer note 21)	15,350.00	-	15,350.00
Profit/ (loss) for the period	-	(933.72)	(933.72)
Other comprehensive income	-	(166.42)	(166.42)
Balance as at March 31, 2017	15,350.00	(1,101.86)	14,248.14

The accompanying notes are an integral part of the financial statements

As per our report of even date

For S.R. Batliboi & CO. LLP  
Chartered Accountants  
ICAI Firm Registration Number: 301003E/E3000005



per Vishal Sharma  
Partner  
Membership No. 096766

For and on behalf of the Board of Directors of HT Digital Streams Limited

*[Signature]*  
Ajayish Batra  
Chief Financial Officer

*[Signature]*  
Shantanu Bhanja  
Chief Executive Officer

*[Signature]*  
Dinesh Mittal  
Director  
(DIN: 00105769)

*[Signature]*  
Sharad Saxena  
Director  
(DIN: 02239469)

Place: New Delhi  
Date: May 17, 2017

*[Signature]*



## 1. Corporate Information

HT Digital Stream Limited (“the Company”) is a public company domiciled in India and is incorporated on November 2, 2015 under the provisions of the Companies Act applicable in India. It is a subsidiary of HT Media Limited (HTML). The business operations of the Company are dissemination of news, knowledge, information, entertainment and content of general interest, in English, Hindi or any other language, globally through various digital and electronic media; and management of advertising time and space on its news websites namely hindustantimes.com, livemint.com and livehindustan.com. The registered office of the company is located at Budh Marg, Patna - 800001.

Information on related party relationship of the Company is provided in Note No 23.

The financial statements of the Company for the year ended March 31, 2017 are authorized for issue in accordance with a resolution of the Board of directors on May 17, 2017.

## 2 Significant accounting policies followed by company

### 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 Standards) 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 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 Company was incorporated on November 2, 2015 and accordingly the date of transition to Ind-AS for the preparation of first time Ind-AS financial statement of the Company is November 2, 2015.

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),

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

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



## 2.2 Summary of significant accounting policies

### a) Current versus non-current classification

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

- Expected to be realized or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realized 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 the display of advertisement on websites and delivery of content and their realization 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 settlement or translation of monetary items are recognized in profit or loss

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

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

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

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

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

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

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

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized 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 recognized in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by reassessing categorization (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 recognized 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 duty. The Company assesses its revenue arrangements against specific criteria to determine if it is acting as principal or agent. The Company has concluded that it is acting as a principal in all of its revenue arrangements.

Service Tax is not received by the Company on its own account. Rather, it is tax collected on value of 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 from Content Selling*

Revenue from Content Selling is recognized as and when service is rendered. Revenue is measured at the fair value of the consideration received or receivable, net of allowances, trade discounts and volume rebates.

##### *Revenue from online advertising*

Revenue from digital platforms by display of internet advertisements is typically contracted for a period of one 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.

#### **(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 recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognized 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 recognized for all taxable temporary differences.

Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized 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 utilized.

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 utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized 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 realized 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 recognized outside profit or loss is recognized outside profit or loss. Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

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

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

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

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

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

#### **(f) Property, plant and equipment**

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

Cost comprises the purchase price, borrowing costs (if any) 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 repair and maintenance expenditure and cost of replacing parts, are charged to the Statement of Profit and Loss for the period during which such expenses are incurred.

Value for individual assets acquired under Scheme of Arrangement under section 391 to 394 of the Companies Act, 1956, from 'HT Media Limited' (the holding company) and 'Hindustan Media Ventures Limited' during the year are measured at book value and are depreciated over the remaining useful life of the asset.

Depreciation on fixed assets is provided on Straight Line Method over its economic useful life of fixed assets as follows:

Fixed Assets	Useful life estimated by management (Years)
Plant & Machinery	3-6
Office Equipment's	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.

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.

An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition 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 derecognized.

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

**(g) 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 amortization and accumulated impairment losses. Internally generated intangibles, excluding capitalized development costs, are not capitalized and the related





expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

Value for individual assets acquired under Scheme of Arrangement under section 391 to 394 of the Companies Act, 1956, from 'HT Media Limited' (the holding company) and 'Hindustan Media Ventures Limited' during the year are measured at book value and are amortized over the remaining useful life of the asset.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at 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 amortization period or method, as appropriate, and are treated as changes in accounting estimates. The amortization expense on intangible assets with finite lives is recognized in the Statement of Profit and Loss.

Intangible assets with indefinite useful lives are not amortized, 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 derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the income statement when the asset is derecognized.

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

Intangible Assets	Useful Life (in Years)
Software Licenses	6
Goodwill*	5

\*Represents goodwill acquired under Scheme of Arrangement under section 391-394 of Companies Act, 1956 and is amortized over a period of 5 years in terms of the scheme.

#### (h) Provisions

Provisions are recognized 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 recognized 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.





### **(i) Impairment of non-financial assets**

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash generating units (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 and 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.

### **(j) 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 group has no obligation, other than the contribution payable to the provident fund. The group 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 recognized in profit or loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Company recognizes related restructuring costs

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

The Company recognizes the following changes in the net defined benefit obligation as an expense in the consolidated 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 leaves expected to be carried forward for measurement purposes. Such



compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred. The company presents the entire leave as a current liability in the balance sheet, since 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.

#### **(k) 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 recognized 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 amortized cost.

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

The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

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 amortized cost using the effective interest rate (EIR) method. 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 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.

###### *Derecognition*

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognized (i.e. removed from the Company's consolidated 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 recognize the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognizes 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 amortized cost e.g., loans, debt securities, deposits, trade receivables and bank balance
- b) Lease receivables under Ind-AS 17
- c) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind-AS 11 and Ind-AS 18 (referred to as 'contractual revenue receivables' in these financial statements)

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

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

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

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

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

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



- All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms. As a practical expedient, the Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

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

- Financial assets measured as at amortized cost, contractual revenue receivables and lease receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount. For assessing increase in credit risk and impairment loss. The Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

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

### ***Financial liabilities***

#### *Initial recognition and measurement*

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

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

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

#### *Subsequent measurement*

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

#### *Financial liabilities at fair value through profit or loss*

Financial liabilities at fair value through profit or loss include financial liabilities designated upon initial recognition as at fair value through profit or loss. This category includes





derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind-AS 109.

Financial liabilities designated upon initial recognition at fair value through profit and loss are designated as such at the initial date of recognition, and only if the criteria in Ind-AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risks are recognized in OCI. These gains/ loss are not subsequently transferred to Statement of Profit and Loss. 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 and 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 amortization 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 and Loss.

#### *Embedded derivatives*

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

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



### *Offsetting of financial instruments*

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

### **l) Leases**

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

#### *Company as a lessee*

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

Finance leases are capitalized at the commencement of the lease at the inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability.

Finance charges are recognised in finance costs in the Statement of Profit and Loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the Company's general policy on the borrowing costs. Contingent rentals are recognised as expenses in the periods in which they are incurred. A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Operating lease payments are recognised as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term.

### **(m) 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.





## **(n) Earnings per share**

### *Basic earnings per share*

Basic earnings per share is 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, if any.

### *Diluted earnings per share*

Diluted earnings per share adjusts 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.

## **(o) Measurement of EBITDA**

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

## **2.3 Significant accounting judgments, estimates and assumptions**

The preparation of the Company's financial statements requires management to make judgments, 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 judgment 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 Ind-AS 17.



## *Taxes*

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

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

## *Defined benefit plans*

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

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

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

## *Fair value measurement of financial instruments*

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

## *Impairment of financial assets*

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





*Impairment of non-financial assets*

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or CGU's fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pretax 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.

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HT Digital Streams Limited  
Notes to financial statements for the year ended March 31, 2017

Particulars	Plant and Machinery			Office Equipments	Total (Tangible Assets)
	(INR Lacs)				
<b>Note 3 : Property, Plant and Equipment</b>					
<b>Cost</b>					
Opening Balance as at November 2, 2015	-	-	-	-	-
Additions	-	-	-	-	-
Disposals/ Adjustments	-	-	-	-	-
<b>As at March 31, 2016</b>	-	-	-	-	-
Acquisitions (Refer Note 21)	348.82		0.09		348.91
Disposals/ Adjustments	-		-		-
<b>As at March 31, 2017</b>	<b>348.82</b>		<b>0.09</b>		<b>348.91</b>
<b>Depreciation/ Impairment</b>					
As at April 1, 2015	-		-		-
Charge for the year	-		-		-
Disposals	-		-		-
<b>As at March 31, 2016</b>	-		-		-
Charge for the year (Refer Note 21)	166.80		0.09		166.89
Disposals	-		-		-
<b>As at March 31, 2017</b>	<b>166.80</b>		<b>0.09</b>		<b>166.89</b>
<b>Net Block</b>					
As at March 31, 2017	182.02		-		182.02
As at March 31, 2016	-		-		-





HT Digital Streams Limited  
Notes to financial statements for the year ended March 31, 2017

Note 4 : Intangible Assets

Particulars	Software Licenses	Acquired Goodwill on business acquisition(Refer Note 21)	(INR Lacs)	
			Total (Intangible Assets) (INR Lacs)	(INR Lacs)
<b>Cost</b>				
Opening Balance as at November 2, 2015	-	-	-	-
Additions	-	-	-	-
Disposals/ Adjustments	-	-	-	-
<b>As at March 31, 2016</b>	-	-	-	-
Acquisitions (Refer Note 21)	19.36	18,094.57	18,113.93	18,113.93
Disposals/ Adjustments	-	-	-	-
<b>As at March 31, 2017</b>	19.36	18,094.57	18,113.93	18,113.93
<b>Depreciation</b>				
As at 1 April 2015	-	-	-	-
Charge for the year	-	-	-	-
Disposals	-	-	-	-
<b>As at March 31, 2016</b>	-	-	-	-
Charge for the year	7.35	3,618.91	3,626.26	3,626.26
Disposals	-	-	-	-
<b>As at March 31, 2017</b>	7.35	3,618.91	3,626.26	3,626.26
<b>Net Block</b>				
As at March 31, 2017	12.01	14,475.66	14,487.67	14,487.67
As at March 31, 2016	-	-	-	-



**HT Digital Streams Limited**  
Notes to financial statements for the year ended March 31, 2017

**Note 5 : Income Tax**

The major components of income tax expense for the year ended March 31, 2017 and March 31, 2016 are :

**Statement of profit and loss :**

**Profit or loss section**

Particulars	(INR Lacs)	
	March 31, 2017	March 31, 2016
<b>Current income tax :</b>		
Current income tax charge	-	-
<b>Deferred tax :</b>		
Relating to origination and reversal of temporary differences	(323.79)	-
<b>Income tax expense reported in the statement of profit or loss</b>	<b>(323.79)</b>	<b>-</b>

**OCI section :**

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

Particulars	(INR Lacs)	
	March 31, 2017	March 31, 2016
Income tax (charge)/credit on remeasurements of defined benefit plans	57.71	-
<b>Income tax charged to OCI</b>	<b>57.71</b>	<b>-</b>

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for March 31, 2017 and March 31, 2016:

Particulars	(INR Lacs)	
	March 31, 2017	March 31, 2016
Accounting loss before income tax	(1,257.51)	(1.72)
At India's statutory income tax rate of 25.75% (31 March 2016: 30.90%)	(323.79)	(0.53)
Net losses on which deferred tax asset have not been recognised	-	0.53
<b>At the effective income tax rate</b>	<b>(323.79)</b>	<b>-</b>
<b>Income tax expense reported in the statement of profit and loss</b>	<b>(323.79)</b>	<b>-</b>

**Deferred tax**

Deferred tax relates to the following:

Particulars	(INR Lacs)	
	March 31, 2017	March 31, 2016
<b>Deferred tax liabilities</b>		
Differences in depreciation in block of fixed assets as per tax books and financial books	229.93	-
<b>Gross deferred tax liabilities</b>	<b>229.93</b>	<b>-</b>
<b>Deferred tax assets</b>		
Carried Forward Losses and unabsorbed depreciation	439.76	-
Provision for doubtful debts and advances	59.52	-
Effect of expenditure debited to statement of profit and loss in the current year but allowed for tax purposes in following years	112.15	-
<b>Gross deferred tax assets</b>	<b>611.43</b>	<b>-</b>
<b>Deferred Tax assets (net)</b>	<b>381.50</b>	<b>-</b>

**Reconciliation of deferred tax assets (net):**

Particulars	(INR Lacs)	
	March 31, 2017	March 31, 2016
Opening balance as of 1 April	-	-
Tax income/(expense) during the period recognised in profit or loss	323.79	-
Tax income/(expense) during the period recognised in OCI	57.71	-
<b>Closing balance as at 31 March</b>	<b>381.50</b>	<b>-</b>

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





HT Digital Streams Limited  
Notes to financial statements for the year ended March 31, 2017

**Note 6 : Income tax assets**

Particulars	March 31, 2017	March 31, 2016
Income tax assets	475.75	-
<b>Total</b>	<b>475.75</b>	<b>-</b>
Non-Current	475.75	-
Current	-	-

**Note 7 A : Trade Receivables**

Particulars	(INR Laacs)	
	March 31, 2017	March 31, 2016
Trade receivables	1,967.88	-
Receivables from related parties (Note 23A)	2,272.28	-
<b>Total</b>	<b>4,240.16</b>	<b>-</b>

Particulars	(INR Laacs)	
	March 31, 2017	March 31, 2016
Secured, considered good	-	-
Unsecured, considered good	4,240.16	-
Unsecured, considered doubtful	510.06	-
<b>Total</b>	<b>4,750.22</b>	<b>-</b>
Impairment of unsecured Doubtful Debts	(510.06)	-
<b>Total Trade Receivables</b>	<b>4,240.16</b>	<b>-</b>

Trade receivables do not include any due from directors or other officers of the company either severally or jointly with any other person. For details of amount due from other Related Parties refer Note 23. For terms and conditions relating to related party receivables, refer Note 23. Trade receivables are non-interest bearing and credit period generally falls in the range of 0 to 90 days.

**Note 7 B : Cash and cash equivalents**

Particulars	(INR Laacs)	
	March 31, 2017	March 31, 2016
Balance with banks on current accounts	792.51	5.00
Cash on hand	5.44	-
<b>Total</b>	<b>797.95</b>	<b>5.00</b>

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

Particulars	(INR Laacs)	
	March 31, 2017	March 31, 2016
Balance with banks on current accounts	792.51	5.00
Cash on hand	5.44	-
	<b>797.95</b>	<b>5.00</b>

**Note 7C : Other Financial Assets**

Particulars	(INR Laacs)	
	March 31, 2017	March 31, 2016
<b>Other Financial Assets at Amortised Cost</b>		
Income Accrued but not due	81.93	-
<b>Total Other Financial Assets</b>	<b>81.93</b>	<b>-</b>
Current	81.93	-
Non - Current	-	-

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

Particulars	(INR Laacs)	
	March 31, 2017	March 31, 2016
Trade receivables (Note 7A)	4,240.16	-
Cash and cash equivalents (Note 7B)	797.95	5.00
Other receivables (Note 7C)	81.93	-
<b>Total financial assets carried at amortised cost</b>	<b>5,120.04</b>	<b>5.00</b>

**Note 8 : Other current assets**

Particulars	(INR Laacs)	
	March 31, 2017	March 31, 2016
Prepaid Expenses	5.51	-
Advances Recoverable	65.93	-
Balance with Government authorities	41.66	-
<b>Total</b>	<b>113.10</b>	<b>-</b>



HT Digital Streams Limited  
Notes to financial statements for the year ended March 31, 2017

Note 9 : Share Capital  
Authorised Share Capital

Particulars	No. of shares	INR lacs
At April 1, 2015	50,000	5.00
Changes during the year	50,000	5.00
At March 31, 2016	2,49,50,000	2,495.00
Changes during the year	2,50,00,000	2,500.00
At March 31, 2017		

Terms/ rights attached to equity shares

The Company has only one class of equity shares having par value of INR 10 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Issued and subscribed capital

Equity shares of INR 10 each issued, subscribed and fully paid	No. of shares	INR lacs
At April 1, 2015	50,000	5.00
Equity shares issued during the year	50,000	5.00
At March 31, 2016	2,00,00,000	2,000.00
Equity shares issued during the year (refer note 21)	2,00,50,000	2,005.00
At March 31, 2017		

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

Particulars	March 31, 2017		March 31, 2016	
	No. of shares	Amount(INR Lacs)	No. of shares	Amount(INR Lacs)
Shares outstanding at the beginning of the year	50,000	5.00	50,000	5.00
Shares issued during the year	2,00,00,000	2,000.00	50,000	5.00
Shares outstanding at the end of the year	2,00,50,000	2,005.00	50,000	5.00

Shares held by holding/ ultimate holding company and/ or their subsidiaries/ associates  
Out of equity shares issued by the company, shares held by its holding company are as below:

Particulars	(INR Lacs)	
	March 31, 2017	March 31, 2016
HT Media Limited, the holding company		
1,14,62,104 (March 31, 2016 - 50,000) equity shares of INR 10 each fully paid	1,146.21	5.00
Hindustan Media Ventures Limited		
85,87,896 (March 31, 2016 - Nil) equity shares of INR 10 each fully paid	858.79	-

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

Particulars	As at March 31, 2017		As at March 31, 2016	
	No. of shares	% holding in the No in class	No. of shares	% holding in the No in class
Equity shares of INR 10 each fully paid	1,14,62,104	57%	50,000.00	100%
HT Media Limited, the holding company	85,87,896	43%	-	0%
Hindustan Media Ventures Limited				
As per records of the Company, including its register of shareholders/members and other declaration received from the shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.				

Aggregate number of equity shares issued for consideration other than cash during the period of five years immediately preceding the reporting date:

Particulars	March 31, 2017	March 31, 2016
Equity shares issued pursuant to acquisition of business under the scheme of arrangement(Refer Note 21)	2,00,00,000	-





**HT Digital Streams Limited**  
**Notes to financial statements for the year ended March 31, 2017**

**Note 10 : Other Equity**

Particulars	(INR Lacs)	
	March 31, 2017	March 31, 2016
Share Premium	15,350.00	-
Retained Earnings	(1,101.86)	(1.72)
<b>Total</b>	<b>14,248.14</b>	<b>(1.72)</b>

**Share Premium**

Particulars	INR lacs
At 1 April, 2015	-
Changes during the year	-
At 31 March, 2016	-
Changes during the year (refer note 21)	15,350.00
At 31 March, 2017	<b>15,350.00</b>

**Retained Earnings**

Particulars	(INR Lacs)	
	March 31, 2017	March 31, 2016
Opening Balance	(1.72)	-
Net Profit/(Loss) for the period	(933.72)	(1.72)
Add: Items of other comprehensive income recognised directly in retained earnings		
- Remeasurements of post-employment benefit obligation, net of tax	(166.42)	-
<b>Closing Balance</b>	<b>(1,101.86)</b>	<b>(1.72)</b>

**Note 11 : Trade Payables**

Particulars	(INR Lacs)	
	March 31, 2017	March 31, 2016
Trade Payables	2,303.81	1.72
Trade Payables to related parties(Refer Note 23)	1,559.65	-
<b>Total</b>	<b>3,863.46</b>	<b>1.72</b>
<b>Current</b>	<b>3,863.46</b>	<b>1.72</b>
<b>Non- Current</b>	<b>-</b>	<b>-</b>

Terms and conditions of the above financial liabilities:

- Trade payables are non-interest bearing and are normally settled in the range of 30 to 90 days terms.
- For terms and conditions with related parties, refer to Note 23.

**Break up of financial liabilities carried at amortised cost**

Particulars	(INR Lacs)	
	March 31, 2017	March 31, 2016
Trade payables	3,863.46	1.72
<b>Total financial liabilities carried at amortised cost</b>	<b>3,863.46</b>	<b>1.72</b>

**Note 12 : Other current liabilities**

Particulars	(INR Lacs)	
	March 31, 2017	March 31, 2016
Statutory dues	234.56	-
<b>Total</b>	<b>234.56</b>	<b>-</b>

**Note 13 : Provisions**

Particulars	(INR Lacs)	
	March 31, 2017	March 31, 2016
<b>Provision for employee benefits</b>		
Provision for Leave Benefits	77.30	-
Provision for Gratuity (refer note 24)	331.62	-
<b>Total</b>	<b>408.92</b>	<b>-</b>
<b>Current</b>	<b>408.92</b>	<b>-</b>
<b>Non- Current</b>	<b>-</b>	<b>-</b>



**HT Digital Streams Limited**  
**Notes to financial statements for the year ended March 31, 2017**

**Note 14 : Revenue from operations\***

Particulars	(INR Lacs)	
	March 31, 2017	March 31, 2016
<b>Sale of services</b>		
- Income from Digital Services	3,632.57	-
- Income from Multi-Media Content Management Services	19,445.17	-
<b>Total</b>	<b>23,077.74</b>	<b>-</b>

\*includes income generated from appointed date to effective date of the Scheme mentioned in Note 21 amounting to INR 17,477.01 Lacs.

**Note 15 : Other Income\***

Particulars	(INR Lacs)	
	March 31, 2017	March 31, 2016
Interest Income on Bank deposits	4.50	-
<b>Other non - operating income</b>		
Miscellaneous Income	0.18	-
<b>Total</b>	<b>4.68</b>	<b>-</b>

\*includes the income generated from appointed date to effective date of the Scheme mentioned in Note 21 amounting to Rs 2.00 Lacs.

**Note 16 : Employee benefits expense\***

Particulars	(INR Lacs)	
	March 31, 2017	March 31, 2016
Salaries, wages and bonus	11,656.12	-
Contribution to provident and other funds	448.74	-
Gratuity expense (Refer Note 24)	112.24	-
Workmen and Staff welfare expenses	287.95	-
<b>Total</b>	<b>12,505.05</b>	<b>-</b>

\*includes the expenses incurred from appointed date to effective date of the Scheme mentioned in Note 21 amounting to INR 9,009.58 Lacs.

**Note 17 : Finance costs\***

Particulars	(INR Lacs)	
	March 31, 2017	March 31, 2016
Interest on inter-corporate loans	53.75	-
Bank charges	2.03	-
<b>Total</b>	<b>55.78</b>	<b>-</b>

\*includes the expenses incurred from appointed date to effective date of the Scheme mentioned in Note 21 amounting to INR 1.22 Lacs.

**Note 18 : Depreciation and amortization expense\***

Particulars	(INR Lacs)	
	March 31, 2017	March 31, 2016
Depreciation of tangible assets (Refer Note 3)	166.89	-
Amortization of intangible assets (Refer Note 4)	3,626.26	-
<b>Total</b>	<b>3,793.15</b>	<b>-</b>

\*includes the expenses incurred from appointed date to effective date of the Scheme mentioned in Note 21 amounting to INR 103.00 Lacs.

**Note 19 : Other expenses\***

Particulars	(INR Lacs)	
	March 31, 2017	March 31, 2016
Newsservice and despatches	1,446.43	-
Power and fuel	232.73	-
Advertising and sales promotion	307.82	-
Rent	2,195.43	-
Rates and taxes	24.92	-
Insurance	98.62	-
Repairs and maintenance:		
- Plant and machinery	1,324.55	-
- Building	35.20	-
- Others	33.16	-
Travelling and conveyance	1,112.36	-
Communication costs	304.13	-
Legal and professional fees	215.48	-
Payment to auditor (refer details below)	9.78	1.72
Impairment for doubtful debts and advances	231.13	-
Miscellaneous expenses	414.21	-
<b>Total</b>	<b>7,985.95</b>	<b>1.72</b>

\*includes the expenses incurred from appointed date to effective date of the Scheme mentioned in Note 21 amounting to INR 5,426.83 Lacs.





**Payment to auditors**

Particulars	(INR Lacs)	
	March 31, 2017	March 31, 2016
<b>As auditor :</b>		
- Audit fee	7.50	1.50
- Tax audit fee	1.00	-
Service tax on above	1.28	0.22
<b>Total</b>	<b>9.78</b>	<b>1.72</b>

**Note 20 : Other Comprehensive Income**

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

During the year ended March 31, 2017

Particulars	(INR Lacs)	
	Retained earnings	Total
Re- measurement gains/(losses) on defined benefit plans	(224.13)	(224.13)
Income tax relating to items that will not be reclassified to profit or loss	57.71	57.71
<b>Total</b>	<b>(166.42)</b>	<b>(166.42)</b>

During the year ended March 31, 2016

Particulars	(INR Lacs)	
	Retained earnings	Total
Re- measurement gains/(losses) on defined benefit plans	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

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**HT Digital Streams Limited**  
Notes to financial statements for the year ended March 31, 2017

**Note 21:**

During the year, pursuant to a Scheme of Arrangement u/s 391-394 of the Companies Act, 1956 between the Company and HT Media Limited ('HTML'), the Multimedia Content Management Undertaking of HTML ('MMCM Undertaking-1') was acquired by the Company, as a 'going concern' on slump exchange basis, with effect from closing hours of March 31, 2016 ('Appointed Date') ('Scheme-1').

Further pursuant to another Scheme of Arrangement u/s 391-394 of the Companies Act, 1956 between the Company and Hindustan Media Ventures Limited ('HMVL'), the Multimedia Content Management Undertaking of HMVL ('MMCM Undertaking-2') was acquired by the Company, as a 'going concern' on slump exchange basis, with effect from closing hours of March 31, 2016 ('Appointed Date') ('Scheme-2').

Consequent upon filing of the judgement/order(s) passed by the Hon'ble High Courts with respective Registrar of Companies, both, Scheme-1 and Scheme-2 became effective from December 31, 2016 (closing hours) ('Effective Date').

The financial impact, in terms of both the Schemes, was considered in current year, by the Company and its impact on financial statements as summarized below:

a) The Company allotted 1,14,12,104 Equity Shares of Rs 10/- each at a premium of Rs. 76.75/- each to HTML and 85,87,896 Equity Shares of Rs 10/- each at a premium of Rs 76.75/- each to HMVL, aggregating to Rs 17,350.00 Lacs (including aggregate Securities Premium of Rs 15,350.00 Lacs) in discharge of purchase consideration. Consequent upon allotment of shares by the Company, HTML now holds 57.17% of equity share capital of the Company, while 42.83% is held by HMVL.

b) The Company has recorded the excess of purchase consideration over the book value of net assets taken over from HTML and HMVL on the appointed date as Goodwill. The Company has followed the applicable Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of Companies (Accounts) Rules, 2014 and other Generally Accepted Accounting Principles as on the Appointed Date in accordance with the Scheme approved by the Hon'ble High Courts. This is not similar to the accounting as per applicable Indian Accounting Standards (Ind-AS) prescribed under Section 133 of the Companies Act, 2013, read with relevant rules issued thereunder. However, this was in compliance with Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of Companies (Accounts) Rules, 2014 and other Generally Accepted Accounting Principles as applicable when the scheme was filed before with Hon'ble High Court and as on the Appointed Date i.e March 31, 2016.

Details of assets and liabilities acquired from HTML and HMVL as on the appointed date are as below:-

Particulars	(INR Lacs)		
	HTML	HMVL	Total
<b>Non-current Investments</b>			
Property, Plant and Equipment/ Intangible assets	327.44	40.83	368.27
<b>Current Investments</b>			
a) Financial Assets			
i) Trade Receivables	1,214.24	-	1,214.24
ii) Loans	59.63	-	59.63
b) Other Current Assets	50.50	7.56	58.06
<b>Total Current Assets</b>	<b>1,324.37</b>	<b>7.56</b>	<b>1,331.93</b>
<b>Total Assets(A)</b>	<b>1,651.81</b>	<b>48.39</b>	<b>1,700.20</b>
<b>Current Liabilities</b>			
a) Provisions	2,011.89	308.88	2,320.77
b) Other Current Liabilities	107.12	16.88	124.00
<b>Total Current Liabilities</b>	<b>2,119.01</b>	<b>325.76</b>	<b>2,444.77</b>
<b>Total Liabilities(B)</b>	<b>2,119.01</b>	<b>325.76</b>	<b>2,444.77</b>
<b>Net liabilities acquired by the Company (B-A)</b>	<b>467.20</b>	<b>277.37</b>	<b>744.57</b>
<b>Add: Purchase Consideration</b>	<b>9,900.00</b>	<b>7,450.00</b>	<b>17,350.00</b>
<b>Accounted as Goodwill</b>	<b>10,367.20</b>	<b>7,727.37</b>	<b>18,094.57</b>

c) Revenue and expenses relating to MMCM Undertaking-1 and MMCM Undertaking-2, for the nine months period i.e. from Appointed Date till Effective Date, was transferred to the Company by HTML and HMVL and recorded by the Company.

Particulars	(INR Lacs)		
	HTML	HMVL	Total
<b>Income</b>			
Revenue from operations	12,144.92	5,332.09	17,477.01
Other Income	1.00	1.00	2.00
<b>Total Income</b>	<b>12,145.92</b>	<b>5,333.09</b>	<b>17,479.01</b>
<b>Expenses</b>			
Employee benefits expense	6,463.58	2,546.00	9,009.58
Finance costs	1.22	-	1.22
Depreciation and amortization expense	92.00	11.00	103.00
Other expenses	4,370.74	1,056.09	5,426.83
<b>Total expenses</b>	<b>10,927.54</b>	<b>3,613.09</b>	<b>14,540.63</b>
<b>Profit before tax (I-II)</b>	<b>1,218.38</b>	<b>1,720.00</b>	<b>2,938.38</b>





**HT Digital Streams Limited**  
**Notes to financial statements for the year ended March 31, 2017**

**Note 22: Earnings per share (EPS)**

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

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

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

Particulars	March 31, 2017	March 31, 2016
Profit/(loss) attributable to equity holders for basic earnings (INR in lacs)	(933.72)	(1.72)
Weighted average number of Equity shares for basic EPS* (shares in lacs)	200.50	0.50
Weighted average number of Equity shares adjusted for the effect of dilution *	200.50	0.50
Earnings/(loss) per share		
Basic EPS (INR)	(4.66)	(3.44)
Diluted EPS (INR)	(4.66)	(3.44)

\* Fresh issue of shares for purchase consideration towards acquisition of business from HTML and HMVL, are considered from appointed date being March 31, 2016 since the revenue and expenses for the period between appointed date and effective date (December 31, 2016) were transferred to the Company. Refer Note 21 for details.

**Note 23 : Related party transactions**

**i) List of Related Parties and Relationships:-**

Name of related parties where control exists whether transactions have occurred or not.	HT Media Limited (Holding Company) The Hindustan Times Limited # Earthstone Holding (Two) Limited ##
Entity having significant influence over the Company	Hindustan Media Ventures Ltd (w.e.f. December 30, 2016)
Fellow Subsidiaries (with whom transactions have occurred during the year)	Firefly e-Ventures Ltd HT Mobile Solutions Ltd HT Overseas Pte. Ltd. Topmovies Entertainment Limited

# The Hindustan Times Limited (HTL) does not hold any direct investment in the Company. However, HTL's subsidiary HT Media Limited holds shares in the Company.

## Earthstone Holding (Two) Limited is the holding Company of The Hindustan Times Limited.

**ii) Transactions with related parties**

Refer Note 23 A

**iii) Terms and conditions of transactions with related parties**

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free. 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) Transactions with Key Management Personnel or their relatives**

No transactions have occurred during the year.



**Note 23A TRANSACTIONS DURING THE YEAR WITH RELATED PARTIES**

(INR Lacs)

Particulars	Holding Company		Entity having significant control over the Company/Fellow Subsidiary		Fellow Subsidiaries						Total	
	Mar-17	Mar-16	Mar-17	Mar-16	Mar-17	Mar-16	Mar-17	Mar-16	Mar-17	Mar-16	Mar-17	Mar-16
<b>REVENUE TRANSACTIONS</b>												
INCOME												
Digital Services	3.00	-	-	-	1.70	-	-	-	9.45	-	-	14.15
Multi-Media Content Management Services(Refer Note B)	2,711.27	-	1,800.28	-	-	-	-	-	-	-	-	4,511.54
<b>EXPENSE</b>												
Advertisement Expenses	0.68	-	-	-	-	-	0.29	-	-	-	-	0.97
Infrastructure Support Services(Refer Note B)	669.88	-	155.28	-	-	-	-	-	-	-	-	825.17
Interest Paid on Inter Corporate Loan	53.75	-	-	-	-	-	-	-	-	-	-	53.75
<b>OTHERS</b>												
Reimbursement of expenses incurred on behalf of the company by parties	513.00	-	66.35	-	-	-	-	-	-	-	-	579.34
Reimbursement of expenses incurred on behalf of the party by company	1.27	-	-	-	-	-	-	-	-	-	25.90	27.17
Inter Corporate Loan taken during the year	1,900.00	-	-	-	-	-	-	-	-	-	-	1,900.00
Inter Corporate Loan repaid during the year	1,900.00	-	-	-	-	-	-	-	-	-	-	1,900.00
Share issued during the year	-	5.00	-	-	-	-	-	-	-	-	-	-
<b>BALANCE OUTSTANDING</b>												
Trade Receivables	1,612.86	-	635.25	-	9.86	-	4.85	-	9.45	-	-	2,272.28
Trade Payables	1,129.03	-	247.99	-	2.04	-	29.96	-	-	-	150.63	1,559.65

Note A.- The transactions above does not include service tax etc.

Note B \* - Scheme of Arrangement u/s 391 -394 of Companies Act, 1956 (Scheme) between the Company, Hindustan Media Ventures Limited (HMVL) and HT Media Limited (HTML), for acquisition of the Multi-media Content Management Undertakings of HTML and HMVL by the Company as going concern on slump exchange basis has been sanctioned by Delhi and Patna High Court. The Scheme became effective upon filing of aforesaid orders with the Registrar of Companies, Bihar on 31st December, 2016 (Effective Date).

In terms of the Scheme, following transactions have taken place between the Appointed date (March 31, 2016) and the effective date (December 31, 2016):

- Assets and liabilities relating to MMCM Undertakings of HTML and HMVL on appointed date have become the assets and liabilities of the Company.
- The Company allotted 1,14,12,104 Equity Shares of Rs 10/- each at a premium of Rs. 76.75/- each to HTML and 85,87,896 Equity Shares of Rs 10/- each at a premium of Rs 76.75/- each to HMVL, aggregating to Rs 17,350.00 Lacs (including aggregate Securities Premium of Rs 15,350.00 Lacs) in discharge of purchase consideration. Consequent upon allotment of shares by the Company, HTML now holds 57.17% of equity share capital of the Company, while 42.83% is held by HMVL.

- Transfer of revenue and expenses relating to MMCM undertaking from the appointed date (closing hours of March 31, 2016) and effective date (December 31, 2016) for acquisition of MMCM undertaking from HTML and HMVL to the Company. These are not a related party transaction by virtue of clause 6.5.1(iv) of scheme of arrangement and accordingly transactions after the effective date with HTDSL have been disclosed above.

\* For details of transactions with related parties pursuant to the Scheme refer note 21.





**Note 24 : Gratuity**

Particulars	(INR Laacs)	
	March 31, 2017	March 31, 2016
Gratuity plan	331.62	-
<b>Total</b>	<b>331.62</b>	<b>-</b>
<b>Current</b>	<b>331.62</b>	<b>-</b>
<b>Non- Current</b>	<b>-</b>	<b>-</b>

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

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

**Gratuity Plan**

Changes in the defined benefit obligation and fair value of plan assets as at March 31, 2017 :

*Present value of Obligation*

Particulars	(INR Laacs)	
	March 31, 2017	March 31, 2016
Opening Balance	-	-
Current Service Cost	120.80	-
Interest Expense or cost	20.45	-
Re-measurement (or Actuarial) (gain) / loss arising from:		
- change in financial assumptions	-	-
- experience variance (i.e. Actual experience vs assumptions)	245.67	-
Benefits Paid	(78.63)	-
Inter-group Adjustments	492.11	-
<b>Total</b>	<b>800.40</b>	<b>-</b>

*Fair Value of Plan Assets*

Particulars	(INR Laacs)	
	March 31, 2017	March 31, 2016
Opening Balance	-	-
Investment Income	29.01	-
Employer's contribution	122.17	-
Benefits Paid	(78.63)	-
Return on plan assets, excluding amount recognised in net interest expenses	21.54	-
Inter-group Adjustments	374.69	-
<b>Total</b>	<b>468.78</b>	<b>-</b>

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

Particulars	March 31, 2017	March 31, 2016
Investment in Funds managed by insurer	100%	-

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

Particulars	March 31, 2017		March 31, 2016	
	%		%	
Discount Rate		7.50%		-
Salary Growth Rate		5%		-
Withdrawal Rate				
Up to 30 years		3%		-
31 - 44 years		2%		-
Above 44 years		1%		-



A quantitative sensitivity analysis for significant assumption as at 31 March 2017 is as shown below:

Particulars	(INR Lacs)	
	March 31, 2017	March 31, 2016
Defined Benefit Obligation (Base)	800.39	-

Impact on defined benefite obligation

Particulars	March 31, 2017		March 31, 2016	
	Decrease	Increase	Decrease	Increase
Assumptions				
Discount Rate (-/+ 1%)	86.86	(74.64)	-	-
Salary Growth Rate (-/+ 1%)	(77.03)	88.28	-	-
Attrition Rate (-/+ 50%)	(13.57)	12.22	-	-

The sensitivity analyses above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

The following payments are expected contributions to the defined benefit plan in future years:

Particulars	(INR Lacs)	
	March 31, 2017	March 31, 2016
Within the next 12 months (next annual reporting period)	38.82	-
Between 2 and 5 years	176.90	-
Between 6 and 10 years	567.15	-
Beyond 10 years	1,269.39	-
<b>Total expected payments</b>	<b>2,052.26</b>	<b>-</b>

Average duration of the defined benefit plan obligation

Particulars	March 31, 2017	March 31, 2016
Weighted Average duration	10 Years	10 Years

**Defined Contribution Plan**

Particulars	(INR Lacs)	
	March 31, 2017	March 31, 2016
Contribution to Provident and Other funds		
Charged to Statement of Profit and Loss	448.74	-

**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	(INR Lacs)	
	March 31, 2017	March 31, 2016
Liability at the beginning of the year	-	-
Inter-group Adjustments	61.11	-
Provided during the year	16.19	-
<b>Liability at the end of the year</b>	<b>77.30</b>	<b>-</b>

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**HT Digital Streams Limited**

Notes to financial statements for the year ended March 31, 2017

**Note 25 : Segment Information**

For management purposes, the Company is organised into business units based on its products and services and has two reportable segments, as follows:

- Digital Business of providing internet related services through 'Hindustantimes.com' (news web-site), 'livehindustan.com'(news web-site) and 'livemint.com' (business news web-sites).
- Multimedia Content Management (MMCM) is in the Business operation of dissemination of news, knowledge, information, entertainment and content of general interest, in English, Hindi or any other language, globally through various Digital and electronic media.

No operating segments have been aggregated to form the above reportable operating segments. The management of the Company monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment.

(Rs in Lacs)

Particulars	March 31, 2017	March 31, 2016
<b>1. Segment Revenue</b>		
a) Digital	3,623.12	-
b) Multimedia Content Management	19,454.62	-
c) Unallocated	-	-
<b>Total</b>	<b>23,077.74</b>	<b>-</b>
<b>2. Segment results profit/(loss) before tax and finance costs from each segment</b>		
a) Digital	(531.28)	-
b) Multimedia Content Management	(665.35)	-
c) Unallocated	(9.78)	(1.72)
<b>Total</b>	<b>(1,206.41)</b>	<b>(1.72)</b>
Less: Finance Costs	55.78	-
Add: Other Income	4.68	-
<b>Profit/(Loss) before tax</b>	<b>(1,257.51)</b>	<b>(1.72)</b>
<b>3. Segment assets</b>		
a) Digital	5,798.46	5.00
b) Multimedia Content Management	14,062.71	-
c) Unallocated	898.91	-
<b>Total Assets</b>	<b>20,760.08</b>	<b>5.00</b>
<b>4. Segment liabilities</b>		
a) Digital	1,861.85	-
b) Multimedia Content Management	2,645.09	-
c) Unallocated	-	1.72
<b>Total Liabilities</b>	<b>4,506.94</b>	<b>1.72</b>

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**HT Digital Streams Limited**

Notes to financial statements for the year ended March 31, 2017

**Note 26 : Fair values**

The management assessed that cash and cash equivalents, trade receivables, trade payables and other current financial assets approximate their carrying amounts largely due to the short-term maturities of these instruments.

**Note 27 : Capital management**

For the purpose of the companies capital management, capital includes issued equity capital, share premium and all other equity reserves. The primary objective of the companies 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 plus net debt. The company includes within net debt, interest bearing loans and borrowings, trade and other payables, less cash and cash equivalents.

Particulars	(INR Laacs)
	March 31, 2017
Trade payables (Note 11)	3863.46
Other current liabilities(Note 13)	408.92
<b>Sub-Total</b>	<b>4272.38</b>
Less: cash and cash equivalents (Note 7B)	797.95
<b>Net debt</b>	<b>3474.43</b>
Equity & other equity	16253.14
<b>Total capital</b>	<b>16253.14</b>
<b>Capital and net debt</b>	<b>19727.57</b>
<b>Gearing ratio</b>	<b>18%</b>



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HT Digital Streams Limited  
Notes to financial statements for the year ended March 31, 2017

Note 28 : Reconciliation of equity as at March 31, 2016

Particulars	Indian GAAP	Ind-AS Adjustment	Ind AS
	INR lacs	INR lacs	INR lacs
<b>I. ASSETS</b>			
<b>1. Non-current assets</b>			
(a) Property, plant and equipment	-	-	-
(b) Intangible assets	-	-	-
(c) Deferred Tax assets (net)	-	-	-
(d) Income Tax assets (net)	-	-	-
<b>Total Non- current assets</b>	-	-	-
<b>2. Current assets</b>			
(a) Financial assets			
(i) Trade receivables	-	-	-
(ii) Cash and cash equivalents	5.00	-	5.00
(iii) Other financial assets	-	-	-
(b) Other current assets	-	-	-
<b>Total Non- current assets</b>	<b>5.00</b>	-	<b>5.00</b>
<b>TOTAL ASSETS</b>	<b>5.00</b>	-	<b>5.00</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity share capital	5.00	-	5.00
(b) Other equity	(1.72)	-	(1.72)
<b>Total equity</b>	<b>3.28</b>	-	<b>3.28</b>
<b>Liabilities</b>			
<b>Current liabilities</b>			
(a) Financial liabilities			
(i) Trade Payables	1.72	-	1.72
(b) Other current liabilities	-	-	-
(c) Provisions	-	-	-
<b>Total current liabilities</b>	<b>1.72</b>	-	<b>1.72</b>
<b>Total liabilities</b>	<b>1.72</b>	-	<b>1.72</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>5.00</b>		<b>5.00</b>



Note 29 : Reconciliation of Total Comprehensive Income for the year ended March 31, 2016

Particulars	(INR Lacs)		
	Regrouped Indian GAAP	Ind-AS Adjustment (Remeasurement & Reclassification)	Ind-AS
<b>I. Income</b>			
a) Revenue from operations	-	-	-
b) Other Income	-	-	-
<b>Total Income</b>	-	-	-
<b>II. Expenses</b>			
a) Employee benefits expense	-	-	-
b) Finance costs	-	-	-
c) Depreciation and amortization expense	-	-	-
d) Other expenses	1.72	-	1.72
<b>Total Expenses</b>	1.72	-	1.72
<b>III. Profit/(Loss) before tax (I-II)</b>	(1.72)	-	(1.72)
<b>IV. Earnings before interest, tax, depreciation and amortization (EBITDA) [III+II(b+c)]</b>	(1.72)	-	(1.72)
<b>V. Tax expense:</b>			
Current tax	-	-	-
Deferred tax charge/(credit)	-	-	-
<b>Total tax expense</b>	-	-	-
<b>VI. Profit/ (loss) for the year after tax</b>	(1.72)	-	(1.72)
<b>VII. Other Comprehensive Income</b>			
Items that will not to be reclassified to profit or loss			
Remeasurement gain/(loss) on defined benefit plans	-	-	-
Income tax effect	-	-	-
<b>Other comprehensive income for the year, net of tax</b>	-	-	-
<b>VIII. Total Comprehensive Income for the year, net of tax (VI+VII)</b>	(1.72)	-	(1.72)

Note 30 : Specified Bank Notes (SBNs)

Ministry Of Corporate Affairs issued an amendment to Schedule III of the Companies Act, 2013, regarding general instructions for The aforesaid disclosure is as follows:

Particulars	(INR Lacs)		
	SBNs	Other denomination notes	Total
Closing cash in hand - November 8, 2016	-	-	-
+ Permitted receipts	-	-	-
- Permitted payments	-	-	-
- Amount deposited into banks	-	-	-
<b>Closing cash in hand - December 30, 2016</b>	-	-	-

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 November 8, 2016.

Note 31

Based on the information available with the Company, there are no dues towards Micro and Small Enterprises as defined under the MSMED Act, 2006.





**HT Digital Streams Limited**  
**Notes to financial statements for the year ended March 31, 2017**

**Note 32 : Standards issued but not yet effective**

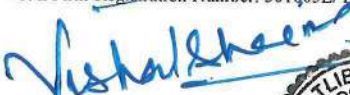
In March 2017, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2017, notifying amendments to Ind-AS-7, 'Statement of cash flows'. These amendments are in accordance with the recent amendments made by International Accounting standards Board (IASB) to IAS 7, 'Statement of cash flows'. The amendments are applicable to the Company from April 1, 2017.

**Amendment to Ind-AS 7:**

The amendment to Ind-AS 7 required the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the balances sheet for liabilities arising from financing activities, to meet the disclosure requirements.

As per our report of even date

For S.R. Batliboi & CO. LLP  
Chartered Accountants  
ICAI Firm Registration Number: 301003E/ E300005

  
per Vishal Sharma  
Partner  
Membership No. 096766




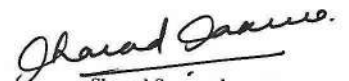
For and on behalf of the Board of Directors of HT Digital Streams Limited

  
Vikas Prakash  
Company Secretary

  
Jagdish Batra  
Chief Financial Officer

  
Shantanu Bhanja  
Chief Executive Officer

  
Dinesh Mittal  
Director  
(DIN: 00105769)

  
Sharad Saxena  
Director  
(DIN: 02239469)

Place: New Delhi  
Date: May 17, 2017

