

2014 - 2015
Annual Accounts

HT Digital Media Holdings Limited

INDEPENDENT AUDITOR'S REPORT

**To,
The Members of
HT DIGITAL MEDIA HOLDINGS LIMITED
New Delhi**

Report on the Financial Statements

We have audited the accompanying financial statements of **HT DIGITAL MEDIA HOLDINGS LIMITED** ("the Company"), which comprise the Balance Sheet as at 31 March 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters, which are required to be included in the Audit Report under the provisions of the Act and the rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those standards require that we comply with ethical requirements and plan & perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures, selected, depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 31 March 2015, its loss and its cash flows for the year ended on that date.

Other Matters

With respect to the Other Matters to be included in the Independent 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:

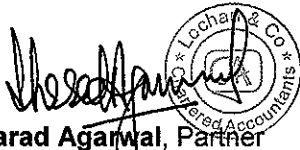


4

-
- The Company does not have any pending litigations, which would impact its financial position.
 - The Company did not have any long term contracts, including derivative contracts, for which there were any material foreseeable losses.
 - There were no amounts, which were required to be transferred to the Investor Education and Protection Fund, also reported into clause (vii)(c) of **Annexure** to the Independent Auditors' Report.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order"), issued by the Central Government in terms of sub section (11) of section 143 of the Companies Act, 2013, we give, in the **Annexure**, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
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 purposes of our audit.
 - b) In our opinion, proper books of account, as required by law, have been kept by the Company, so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.



Sharad Agarwal, Partner
Membership Number: 088861

Lochan & Co

Chartered Accountants

Firm Registration Number: 008019N

Place: Delhi

Date: 13 May 2015

Annexure to the Independent Auditor's Report

(Referred to the Independent Auditor's Report of even date to the members of HT DIGITAL MEDIA HOLDINGS LIMITED on the financial statements for the year ended on 31 March 2015)

- i. The Company had no fixed assets during the year. Hence, compliance as per clause 3(i) of the Companies (Auditor's Report) Order, 2015 is not applicable to the Company.
- ii. Considering the nature of activities of the Company, no inventories are maintained. Hence, compliance as per clause 3(ii) of the Companies (Auditor's Report) Order, 2015 is not applicable to the Company.
- iii. The company has not granted any loan, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Hence, compliance as per clause 3(iii) of the Companies (Auditor's Report) Order, 2015 is not applicable to the Company.
- iv. In our opinion and according to the information and explanation given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business, for purchase of fixed assets and for the sale of services. During the course of our audit, no failure in internal control system was observed.
- v. According to information and explanation given to us, the Company has not accepted any deposits during the year. Hence, compliance as per clause 3(v) of the Companies (Auditor's Report) Order, 2015 is not applicable to the Company.
- vi. The Company is not required to maintain any cost record as specified by the Central Government under sub section (1) of section 148 of the Companies Act, 2013. Hence, compliance as per clause 3(vi) of the Companies (Auditor's Report) Order, 2015 is not applicable to the Company.
- vii. (a) According to the information and explanation given to us and the records of the Company reviewed by us, in our opinion, the Company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, service tax, duty of custom, duty of excise, value added tax, cess and any other statutory dues with the appropriate authorities.
(b) According to the records of the Company reviewed by us, there are no dues of sale tax or service tax or duty of customs or duty of excise or value added tax or cess as on 31 March 2015, which have not been deposited on account of a dispute.
(c) The Company is not a listed company. Hence, compliance as per clause 3(vi)(c) of the Companies (Auditor's Report) Order, 2015 is not applicable to the Company.
- viii. The Company has been registered for a period not less than five years. However, its accumulated losses at the end of the financial year are less than fifty per cent of its net worth, but it has incurred cash losses amounting to INR 117,842 and INR 6,718,873 in the financial year and in the immediately preceding financial year.
- ix. The Company has not taken loans / deposits from financial institution or bank or debenture holders. Hence, compliance as per clause 3(ix) of the Companies (Auditor's Report) Order, 2015 is not applicable to the Company.
- x. According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from bank or financial institutions. Hence, compliance as per clause 3(x) of the Companies (Auditor's Report) Order, 2015 is not applicable to the Company.
- xi. The Company has not taken terms loans during the current year. Hence, compliance as per clause 3(xi) of the Companies (Auditor's Report) Order, 2015 is not applicable to the Company.
- xii. In our opinion and according to the information and explanations given to us, no fraud by the Company and no significant fraud on the Company has been noticed or reported by the Management during the year, that ultimately causes the financial statements to be materially misstated.


Sharad Agarwal, Partner
Membership Number: 088861

Lochan & Co

Chartered Accountants

Firm Registration Number: 008019N

Place: Delhi

Date: 13 May 2015

Lochan & Co

Chartered Accountants

BALANCE SHEET

as at 31 March 2015

(Amount in ₹)

Particulars	Notes	As at 31 March 2015	As at 31 March 2014
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	3	306,041,440	266,299,000
Reserves and Surplus	4	80,332,854	(12,506,864)
Subtotal (a)		386,374,294	253,792,136
Non Current Liabilities			
Long Term Borrowings	5	100,500,000	233,200,000
Subtotal (b)		100,500,000	233,200,000
Current Liabilities			
Other Current Liabilities	6	328,723	345,872
Subtotal (c)		328,723	345,872
Total [(a) + (b) + (c)]		487,203,017	487,338,008
ASSETS			
Non Current Assets			
Non Current Investments	7	483,684,625	483,684,625
Long Term Loans and Advances	8	47,552	28,261
Subtotal (a)		483,732,177	483,712,886
Current Assets			
Trade Receivables	9	-	20,950
Cash and Bank Balances	10	3,455,931	3,572,068
Other Assets		14,909	32,104
Subtotal (b)		3,470,840	3,625,122
Total [(a) + (b)]		487,203,017	487,338,008
Summary of Significant Accounting Policies	2		

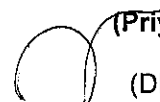
The accompanying notes are an integral part of these financial statements.
In terms of our report of even date attached

For and on behalf of the Board of Directors of
HT Digital Media Holdings Limited




Sharad Agarwal, Partner
Membership Number: 088861
Lochan & Co
Chartered Accountants
Firm Registration Number: 008019N

Place: New Delhi
Date: May 13, 2015


(Priyavrat Bhartia)
(Director)
(DIN: 00020603)


(Amit Garg)
(Manager)



(Shomit Bhartia)
(Director)
(DIN: 00020623)


(Vikas Prakash)
(Company Secretary)
(Membership Number: A-21117)



STATEMENT OF PROFIT AND LOSS

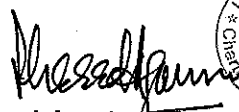

for the year ended on 31 March 2015

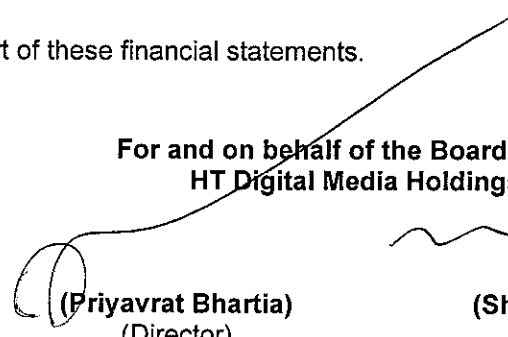
(Amount in ₹)


Particulars	Notes	For the year ended on 31 March 2015	For the year ended on 31 March 2014
CONTINUING OPERATIONS			
INCOME			
Revenue from Operations	11	259,250	193,686
Other Income	12	188,274	122,863
Total Revenue (i)		447,524	316,549
EXPENDITURE			
Employee Benefit Expenses	13	235,681	176,078
Financial Expenses	14	877	2,332
Other Expenses	15	328,808	6,857,012
Total Expenses (ii)		565,366	7,035,422
Profit / (Loss) before Extra Ordinary Items and tax		(117,842)	(6,718,873)
Extra Ordinary Items		-	-
Profit / (Loss) before tax		(117,842)	(6,718,873)
Provision for Tax		-	-
Profit / (Loss) for the year		(117,842)	(6,718,873)
Earnings / (Loss) Per Share (₹)			
Basic and Diluted [Nominal value of shares: ₹10 each]	16(a)	(.004)	(0.04)
Summary of Significant Accounting Policies	2		

The accompanying notes are an integral part of these financial statements.
In terms of our report of even date attached


For and on behalf of the Board of Directors of
HT Digital Media Holdings Limited



Sharad Agarwal, Partner
 Membership Number: 088861
Lochan & Co
 Chartered Accountants
 Firm Registration Number: 008019N
 Place: New Delhi
 Date: May 13, 2015


(Priyavrat Bhartia)
 (Director)
 (DIN: 00020603)


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


(Amit Garg)
 (Manager)


(Vikas Prakash)
 (Company Secretary)
 (Membership Number: A-21117)

CASH FLOW STATEMENT

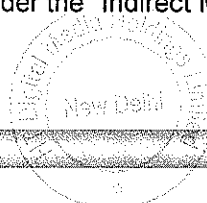
for the year ended on 31 March 2015

(Amount in ₹)

Particulars	For the year ended on 31 March 2015	For the year ended on 31 March 2014
A. CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before Taxation	(117,842)	(6,718,873)
Adjustments for:		
Provision for doubtful debts	20,950	-
Operating loss before working capital changes	(96,892)	(6,718,873)
Movements in working capital:		
Decrease/(Increase) in Sundry Debtors	-	-
Increase/(Decrease) in Loans & Advances and Other Assets	17,195	69,086
Increase / (Decrease) in Trade Payable	37,851	170,927
Increase / (Decrease) In Current Liabilities and Provisions	(55,000)	55,000
Cash generated from operations	(96,846)	(6,423,860)
Direct Taxes paid (net of refunds)	(19,291)	(9,369)
Net cash from / (used) in Operating Activities	(116,137)	(6,433,229)
B. CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of investments	-	(207,373,250)
Net cash from / (used) in Investing Activities	-	(207,373,250)
C. CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of fresh equity shares	-	203,900,000
Net cash from / (used) in Financing Activities	-	203,900,000
Net Increase / (Decrease) in Cash and Cash Equivalents [(A) + (B) + (C)]	(116,137)	(9,906,479)
Cash and Cash Equivalents at the beginning of the year	3,572,068	13,478,547
Cash and Cash Equivalents at the end of the year	3,455,931	3,572,068
Components of Cash and Cash Equivalents as at 31 March 2015:		
With scheduled bank:		
- On current account	355,931	572,068
- On fixed deposits account	3,100,000	3,000,000
	3,455,931	3,572,068

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


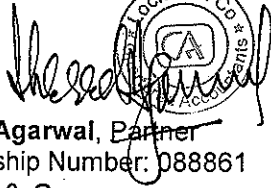
4



HT Digital Media Holdings Limited

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

In terms of our report of even date attached

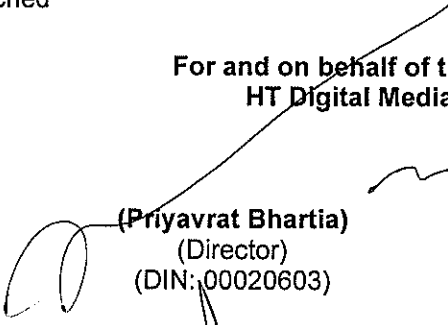


Sharad Agarwal, Partner
Membership Number: 088861
Lochan & Co
Chartered Accountants
Firm Registration Number: 008019N

Place: New Delhi
Date: May 13, 2015



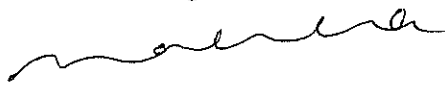
**For and on behalf of the Board of Directors of
HT Digital Media Holdings Limited**



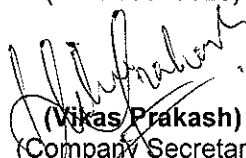
(Priyavrat Bhartia)
(Director)
(DIN: 00020603)



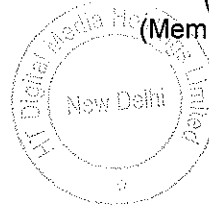
(Amit Garg)
(Manager)



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



(Vikas Prakash)
(Company Secretary)
(Membership Number: A-21117)



Notes to financial statements for the year ended on 31 March 2015

1. Corporate Information

HT Digital Media Holdings Limited, incorporated on **26 September 2007**, is a wholly owned subsidiary of HT Media Limited. The Company is engaged into the business of providing payroll processing services and consultancy services.

2. Summary of Significant Accounting Policies

(a) Basis of Preparation

The financial statements are prepared to comply in all material aspects with Indian Accounting Standards as notified by the Companies (Accounting Standards) Rules, 2006 and the relevant provisions of the Companies Act, 2013. The financial statements have been prepared under the historical cost convention on accrual basis.

(b) Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires the Management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period. Although, these estimates are based upon Management's best knowledge of current events and actions, actual results could differ from these estimates. Differences between the actual results and estimates are recognized in the year, in which the results are known or materialized.

(c) Recognition of Income and Expenditure

Revenue is recognized to the extent, it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

Interest

Revenue is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

Expenditure has been acknowledged in accordance with the accrual concept.

(d) Issue of Zero Coupon Compulsorily Convertible Debentures

The Company has issued Zero Coupon Compulsorily Convertible Debentures (CCDs) to its holding company "HT Media Limited". The said CCDs are compulsorily convertible into equity shares of the Company on the following terms:

- a) Anytime after 12 months, but before 36 months from the date of allotment, as may be decided by either the Company or the allottee after giving 30 day's notice to the other party.
- b) Conversion Price to be higher of either:
 - I. Par Value; or
 - II. Performance linked multiple calculated as 5x of the Consolidated Turnover of HT Digital Media Holdings Limited and its subsidiaries during the completed 12 months period immediately preceding the date of conversion.

(e) Provisions

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

(f) Fixed Assets

Fixed assets are stated at cost, net of accumulated depreciation. The cost comprises purchase price, borrowing costs, if capitalization criteria are met, and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discounts and rebates received are deducted in arriving at the purchase price. Borrowing costs relating to acquisition of fixed assets, which takes substantial period of time to get ready for its intended use, are also included to the extent, they relate to the period till such assets are ready to be put to use.

(g) Depreciation

There are no fixed assets in the company. Hence, there is no provision for depreciation.

(h) Investments

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



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

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the Statement of Profit and Loss.

(i) Income Tax

Tax expense comprises of current tax and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961 enacted in India.

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

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

(j) Preliminary Expenses

Preliminary expenses are expensed off in the year, in which they are incurred.

3. Share Capital

(Amount in ₹)

Particulars	As at 31 March 2015	As at 31 March 2014
Authorized Share Capital		
188,000,000 equity shares of ₹ 10 each (Previous year: 188,000,000 equity shares of ₹ 10 each)	1,880,000,000	1,880,000,000
Issued, subscribed and paid up Share Capital		
30,604,144 equity shares of ₹ 10 each (Previous Year: 26,629,900 equity shares of ₹ 10 each), fully paid	306,041,440	266,299,000
Total	306,041,440	266,299,000

Refer note (a) to (e) below

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

(Amount in ₹)

Equity Shares	As at 31 March 2015		As at 31 March 2014	
	Number of Shares	Amount in INR	Number of Shares	Amount in INR
At the beginning of the year	26,629,900	266,299,000	89,099,900	890,999,000
Add: Issued during the year	-	-	20,390,000	203,900,000
Add: Conversion of Zero Coupon Compulsorily Convertible Debentures (refer Note 16(c) below)	3,974,244	39,742,440	76,540,000	765,400,000
Less: Reduction of Share Capital	-	-	159,400,000	1,594,000,000
Outstanding at the end of the year	30,604,144	306,041,440	26,629,900	266,299,000

2

b) Terms / rights attached to equity shares

- The Company has only one class of equity shares having par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share.
- During the year ended on 31 March 2015, no dividend was recognized as distributions to equity shareholders.
- In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

c) 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, ultimate holding company and their subsidiaries / associates are as below:

(Amount in ₹)

Particulars	As on 31 March 2015	As on 31 March 2014
HT Media Limited, the holding company [30,604,144 equity shares of ₹ 10 each (Previous Year: 26,629,900 equity shares of ₹ 10 each), fully paid up]	306,041,440	266,299,000

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

Particulars	As on 31 March 2015		As on 31 March 2014	
	Number	% holding in the class	Number	% holding in the class
Equity shares of ₹ 10 each, fully paid up				
HT Media Limited, the holding company	30,604,144	100%	26,629,900	100%

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

e) Shares reserved for issue under options

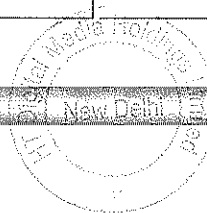
The Company does not have any stock option plan. So, no shares are reserved for issuance.

4. Reserves and Surplus

(Amount in ₹)

Particulars	As on 31 March 2015	As on 31 March 2014
(a) Share Premium Account		
Balance as per the last financial statements	-	-
Add: Created during the year	92,957,560	-
Subtotal (a)	92,957,560	-
Surplus / (Deficit) in the Statement of Profit and Loss		
Balance as per the last financial statements	(12,506,864)	(1,599,787,991)
Surplus on account of Capital Reduction	-	1,594,000,000
Add: Profit / (Loss) for the year	(117,842)	(6,718,873)

4



HT Digital Media Holdings Limited

Particulars	As on 31 March 2015	As on 31 March 2014
Subtotal (b)	(12,624,706)	(12,506,864)
Total [(a) + (b)]	80,332,854	(12,506,864)

5. Long Term Borrowings

(Amount in ₹)

Particulars	As on 31 March 2015	As on 31 March 2014
Zero Coupon Compulsorily Convertible Debentures (CCD's) (to Holding Company – HT Media Limited)	100,500,000	233,200,000
Total	100,500,000	233,200,000

6. Other Current Liabilities

(Amount in ₹)

Particulars	As on 31 March 2015	As on 31 March 2014
Other Payables	328,723	290,872
Other Liabilities	-	55,000
Total	328,723	345,872

7. Non Current Investments

(Amount in ₹)

Particulars	As on 31 March 2015	As on 31 March 2014
Equity shares in Firefly e-Ventures Limited [24,649,994 equity shares of ₹10 each (Previous Year: 24,649,994 equity shares of ₹ 10 each)]	246,499,940	246,499,940
Equity in HT Mobile Solutions Limited [22,878,571 equity shares of ₹10 each (Previous Year: 22,878,571 equity shares of ₹ 10 each)]	204,185,766	204,185,766
Equity in HT Overseas Pte. Ltd (Singapore) [810,000 equity shares of SGD 1 each, (Previous Year: 810,000 equity shares of SGD 1 each)]	32,998,919	32,998,919
Total	483,684,625	483,684,625

8. Long Term Loans and Advances

(Amount in ₹)

Particulars	As on 31 March 2015	As on 31 March 2014
Advance payment of Income Tax / Tax deducted at Source (T.D.S.)	47,552	28,261
Total	47,552	28,261

7



9. Trade Receivables

(Amount in ₹)

Particulars	As on 31 March 2015	As on 31 March 2014
Debts over six months		
Unsecured - considered good	-	20,950
Unsecured - considered doubtful	20,950	-
Less: Provision for doubtful debts	(20,950)	-
Total	-	20,950

10. Cash and Bank Balances

(Amount in ₹)

Particulars	As on 31 March 2015	As on 31 March 2014
Balance with scheduled bank:		
- On current account	355,931	572,068
- On fixed deposits	3,100,000	3,000,000
Total	3,455,931	3,572,068

11. Revenue

(Amount in ₹)

Particulars	For the year ended on 31 March 2015	For the year ended on 31 March 2014
Other Operating Income	259,250	193,686
Total	259,250	193,686

12. Other Income

(Amount in ₹)

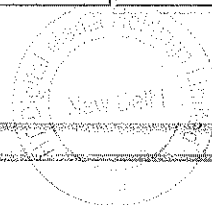
Particulars	For the year ended on 31 March 2015	For the year ended on 31 March 2014
Interest Income	187,169	107,200
Interest on Income Tax Refund	1,105	1,057
Exchange Gain	-	14,606
Total	188,274	122,863

13. Employee Benefit Expense

(Amount in ₹)

Particulars	For the year ended on 31 March 2015	For the year ended on 31 March 2014
Salary, Wages and Bonus	235,681	176,078
Total	235,681	176,078

4



14. Financial expenses

(Amount in ₹)

Particulars	For the year ended on 31 March 2015	For the year ended on 31 March 2014
Bank Charges	877	2,332
Total	877	2,332

15. Other Expenses

(Amount in ₹)

Particulars	For the year ended on 31 March 2015	For the year ended on 31 March 2014
Legal and Professional Fees	26,954	794,944
Payment to Auditors		
- Statutory Audit	22,472	22,472
- Limited Review	33,708	33,914
Rates and Taxes	224,184	6,003,578
Provision of Doubtful Debts	20,950	-
miscellaneous Expenses	540	2,104
Total	328,808	6,857,012

16. Other Disclosure

a) Earnings per share

The following reflects the profit / (loss) and share data used in the basic and diluted Earnings Per Share (EPS) Computations:

(Amount in ₹)

Particulars	For the year ended on 31 March 2015	For the year ended on 31 March 2014
a. Net Profit / (Loss) after tax available for equity shareholders (Amount in ₹)	(117,842)	(6,718,873)
b. Weighted average number of equity shares outstanding during the year	27,446,525	149,173,105
c. Basic and Diluted Earnings Per Share (Face Value: ₹ 10 per share) (Amount in ₹)	(0.004)	(0.04)

b) Related Party Disclosure under Accounting Standard (AS) 18

In accordance with requirements of Accounting Standard (AS) 18: "Related Party Disclosures", the names of the related party, where control exists and / or with whom transactions have taken place during the year and description of relationship, as identified and certified by the Management, are as below:

Names of Related Parties	
Holding Companies	HT Media Limited The Hindustan Times Limited [#]
Subsidiary Companies	Firefly e-Ventures Limited

HT Digital Media Holdings Limited

Names of Related Parties	
	HT Mobile Solutions Limited HT Overseas Pte. Limited, Singapore
Fellow Subsidiary Companies	HT Music and Entertainment Company Limited Hindustan Media Ventures Limited HT Burda Media Limited (Relationship ceased with effect from 30 September 2013) HT Information Services Limited (formerly known as HT Films Limited) HT Education Limited HT Learning Centers Limited HT Global Education Ivy Talent India Private Limited Ed World Private Limited Topmovies Entertainment Limited
Group companies where common control exists (Fellow Subsidiaries) and where transactions have taken place during the year	Paxton Trexim Private Limited India Education Services Private Limited Duke Commerce Limited
Key Management Personnel	Mr. Amit Garg (Manager)
Enterprises owned or significantly influenced by Key Management Personnel or their relatives and where transactions have taken place during the year	None

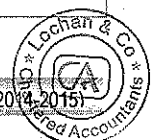
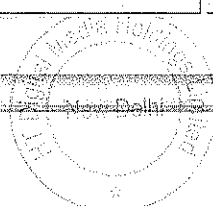
* The Hindustan Times Limited (HTL) does not hold any direct investment in the Company. However, HTL's subsidiary HT Media Limited holds shares in the Company.

Related Party Transactions:

(Amount in ₹)

Particulars	Holding Company		Subsidiary Companies	
	31 March 2015	31 March 2014	31 March 2015	31 March 2014
<u>Investment in Shares</u>				
- Firefly e-Ventures Limited	-	-	-	121,500,000
- HT Mobile Solutions Limited	-	-	-	78,500,000
- HT Overseas Pte. Limited, Singapore	-	-	-	7,373,250
<u>Conversion of CCDs into Shares</u>				
- HT Media Limited	132,700,000	765,400,000	-	-
<u>Revenue from operations</u>				
- Firefly e-Ventures Limited	259,250	137,808	-	-

4



Particulars	Holding Company		Subsidiary Companies	
	31 March 2015	31 March 2014	31 March 2015	31 March 2014
<u>Transactions during the year ended on</u>				
<u>Share Application Money received</u>				
- HT Media Limited	-	203,900,000	-	-
<u>Conversion of Share Application into Shares</u>				
- HT Media Limited	-	203,900,000	-	-
<u>Reduction in share capital pursuant to Order of Honorable High Court of Delhi</u>				
- HT Media Limited	-	1,594,000,000	-	-

(Amount in ₹)

Particulars	Holding Company		Subsidiary Companies	
	31 March 2015	31 March 2014	31 March 2015	31 March 2014
<u>Balance outstanding as on</u>				
<u>Investment in Shares</u>				
- Firefly e-Ventures Limited	-	-	246,499,940	246,499,940
- HT Mobile Solutions Limited	-	-	204,185,766	204,185,766
- HT Overseas Pte. Limited, Singapore	-	-	32,998,919	32,998,919
<u>Equity Share Capital</u>				
HT Media Limited	306,041,440	266,299,000	-	-
<u>Issue of Unsecured CCDs</u>				
HT Media Limited	100,500,000	233,200,000	-	-

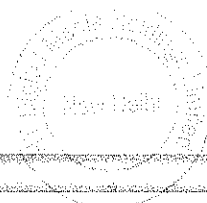
c) Conversion of Zero Coupon Compulsorily Convertible Debentures

During the year, the Company has converted 1,327,000 (Previous Year: 7,654,000) CCDs into 3,974,244 (Previous Year: 76,540,000) equity shares of ₹ 10 each at a premium of ₹ 23.39 (Previous Year: Nil) per share as per the terms of CCD, aggregating to ₹ 39,742,440 (Previous Year: ₹ 765,400,000) to its holding company "HT Media Limited".

d) Reduction in capital during previous year (financial year 2013-2014)

During the previous year, the Board of Directors of the Company approved to file a Petition under sections 100 to 105 of the Companies Act, 1956 for obtaining the confirmation and sanction of Honorable High Court of Delhi for the reduction of Company's paid up Share Capital by ₹ 1,594,000,000 divided into 159,400,000 equity shares of ₹ 10 each on account of loss of same amount, due to reduction in Company's Investment in its Subsidiary Company, Firefly e-Ventures Limited, in the previous year.

+



The Petition provided for reduction of Share Capital of the Company from ₹ 1,766,399,000 divided into 176,639,900 Equity Shares of ₹ 10 each to ₹ 172,399,000 divided into ₹ 17,239,900 of ₹ 10 each.

Honorable High Court of Delhi has sanctioned the Petition by way of its Order dated 26 February 2014. The said Order got effective on 29 March 2014 upon registration of the same by the Registrar of Companies, NCT of Delhi and Haryana.

Pursuant to the Order, the Company has reduced its Share Capital by ₹ 1,594,000,000 with a corresponding credit to the balance of Statement of Profit and Loss.

e) Small and Medium Enterprises

The balance due to suppliers registered under "The Micro, Small and Medium Enterprises Development Act, 2006" as on 31 March 2015 is Nil (Previous Year: Nil).

Further, no interest, during the period, has been paid or is payable under the terms of the Act.

f) Segment Information

As the Company is engaged in one type of business activities, the disclosure requirements of Accounting Standard (AS) 17 "Segment Reporting" is not applicable to the Company.

17. Previous Year's comparatives

Previous year's figures have been regrouped / reclassified, wherever necessary, to correspond with the current year's classification / disclosure.

In terms of our report of even date attached

For and on behalf of the Board of Directors of
HT Digital Media Holdings Limited



Sharad Agarwal, Partner
Membership Number: 088861
Lochan & Co.
Chartered Accountants
Firm Registration Number: 008019N

Place: New Delhi
Date: May 13, 2015

(Priyavrat Bhartia)
(Director)
(DIN: 00020603)

(Amit Garg)
(Manager)

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

(Vikas Prakash)
(Company Secretary)
(Membership Number: A-21117)

