

Price Waterhouse Chartered Accountants LLP

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF MIDDAY INFOMEDIA LIMITED

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

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

Management's Responsibility for the Ind AS Financial Statements

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

Auditors' Responsibility

3. Our responsibility is to express an opinion on these Ind AS financial statements based on our audit.
4. We have taken into account the provisions of the Act and the Rules made thereunder including the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.
5. We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Ind AS financial statements are free from material misstatement.
6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Ind AS financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Ind AS financial statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Ind AS financial statements.


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Price Waterhouse (a Partnership Firm) converted into Price Waterhouse Chartered Accountants LLP (a Limited Liability Partnership with LLP identity no: LLPIN AAC-5001) with effect from July 25, 2014. Post its conversion to Price Waterhouse Chartered Accountants LLP, its ICAI registration number is 012754NIN600016 (ICAI registration number before conversion was 012754N)

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

Opinion

8. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2018, and its total comprehensive income (comprising profit and other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Report on Other Legal and Regulatory Requirements

9. As required by the Companies (Auditor's Report) Order, 2016, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act ("the Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure B a statement on the matters specified in paragraphs 3 and 4 of the Order.
10. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Cash Flow Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.
 - (e) On the basis of the written representations received from the directors as on March 31, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure A.
 - (h) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our knowledge and belief and according to the information and explanations given to us:
 - i. The Company has disclosed the impact, if any, of pending litigations as at March 31, 2018 on its financial position in its Ind AS financial statements – Refer Note 26;
 - ii. The Company did not have any long-term contracts including derivative contracts as at March 31, 2018.



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To the Members of Middy Infomedia Limited
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- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2018.
- iv. The reporting on disclosures relating to Specified Bank Notes is not applicable to the Company for the year ended March 31, 2018.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016
Chartered Accountants



Anurag Khandelwal
Partner
Membership Number: 078571

Place: Mumbai
Date: May 22, 2018

Annexure A to Independent Auditors' Report

Referred to in paragraph 10(g) of the Independent Auditors' Report of even date to the members of Midday Infomedia Limited on the financial statements for the year ended March 31, 2018

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

1. We have audited the internal financial controls over financial reporting of Midday Infomedia Limited ("the Company") as of March 31, 2018 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

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

Auditors' Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing deemed to be prescribed under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.



Annexure A to Independent Auditors' Report

Referred to in paragraph 10(g) of the Independent Auditors' Report of even date to the members of Midday Infomedia Limited on the financial statements for the year ended March 31, 2018

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016
Chartered Accountants



Anurag Khandelwal
Partner
Membership Number: 078571

Place: Mumbai
Date: May 22, 2018

Annexure B to Independent Auditors' Report

Referred to in paragraph 9 of the Independent Auditors' Report of even date to the members of Midday Infomedia Limited on the financial statements as of and for the year ended March 31, 2018

- i. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of property, plant and equipment.
- (b) The property, plant and equipment are physically verified by the Management according to a phased programme designed to cover all the items over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the property, plant and equipment has been physically verified by the Management during the year and no material discrepancies have been noticed on such verification.
- (c) The title deeds of immovable properties, as disclosed in Note 3 on fixed assets to the financial statements, are held in the name of the Company.
- ii. The physical verification of inventory have been conducted at reasonable intervals by the Management during the year. The discrepancies noticed on physical verification of inventory as compared to book records were not material.
- iii. The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act. Therefore, the provisions of Clause 3(iii), (iii)(a), (iii)(b) and (iii)(c) of the said Order are not applicable to the Company.
- iv. In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013 in respect of the loans and investments made, and guarantees and security provided by it.
- v. The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.
- vi. The Central Government of India has not specified the maintenance of cost records under sub-section (1) of Section 148 of the Act for any of the products of the Company.
- vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing the undisputed statutory dues, including provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess, goods and service tax with effect from July 1, 2017 and other material statutory dues, as applicable, with the appropriate authorities.
- (b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of income-tax, sales-tax, service-tax, duty of customs, and duty of excise or value added tax or goods and service tax which have not been deposited on account of any dispute.
- viii. According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of loans or borrowings to any financial institution or bank or Government or dues to debenture holders as at the balance sheet date.



Annexure B to Independent Auditors' Report

Referred to in paragraph 9 of the Independent Auditors' Report of even date to the members of Midday Infomedia Limited on the financial statements for the year ended March 31, 2018
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- ix. The Company has not raised any moneys by way of initial public offer, further public offer (including debt instruments) and term loans. Accordingly, the provisions of Clause 3(ix) of the Order are not applicable to the Company.
- x. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.
- xi. The Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the provisions of Clause 3(xii) of the Order are not applicable to the Company.
- xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified under Section 133 of the Act.
- xiv. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of Clause 3(xiv) of the Order are not applicable to the Company.
- xv. The Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.
- xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016
Chartered Accountants



Anurag Khandelwal
Partner
Membership Number: 078571

Place: Mumbai
Date: May 22, 2018

MIDDAY INFOMEDIA LIMITED
BALANCE SHEET AS AT MARCH 31, 2018

(All amounts in INR Lakhs, unless otherwise stated)

	Notes	As at March 31, 2018	As at March 31, 2017
ASSETS			
Non-current assets			
Property, plant and equipment	3	2,974.65	3,424.99
Financial assets			
i. Investments	5 (a)	51.24	70.87
ii. Loans	5 (c)	0.14	1.73
iii. Other financial assets	5 (f)	222.45	205.25
Other non-current assets	6	39.77	58.87
Non-current tax assets (net)	7	-	90.44
Deferred tax assets	16	329.32	347.69
Total non-current assets		3,617.57	4,199.84
Current assets			
Inventories	8	472.41	1,041.41
Financial assets			
i. Investments	5 (a)	1,750.46	250.10
ii. Trade receivables	5 (b)	2,943.58	2,699.47
iii. Cash and cash equivalents	5 (d)	331.26	450.67
iv. Bank balances other than (iii) above	5 (e)	2.06	19.40
v. Loans	5 (c)	16.36	10.10
vi. Other financial assets	5 (f)	7.59	9.70
Other current assets	9	469.64	203.57
Assets classified as held for sale	10	485.41	584.19
Total current assets		6,478.77	5,268.61
Total assets		10,096.34	9,468.45
EQUITY AND LIABILITIES			
Equity			
Equity share capital	11 (a)	1,987.03	1,987.03
Other equity			
Equity component of compound financial instruments		1,479.15	1,479.15
Reserves and surplus	11 (b)	3,671.75	2,969.08
Other reserves	11 (c)	(84.54)	(64.82)
Total equity		7,053.39	6,370.44
LIABILITIES			
Non-current liabilities			
Financial Liabilities			
i. Borrowings	12 (a)	12.00	28.80
Non-current tax liabilities (net)	13	15.36	-
Employee benefit obligations	14	225.85	173.76
Total non-current liabilities		253.21	202.56
Current liabilities			
Financial liabilities			
i. Borrowings	12 (a)	633.37	182.91
ii. Trade payables	12 (c)	1,044.79	1,610.41
iii. Other financial liabilities	12 (b)	369.36	271.93
Employee benefit obligations	14	20.19	63.96
Other current liabilities	15	722.03	766.24
Total current liabilities		2,789.74	2,895.45
Total liabilities		3,042.95	3,098.01
Total equity and liabilities		10,096.34	9,468.45

The above balance sheet should be read in conjunction with the accompanying notes.

As per our report of even date attached

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number (012754N/N500016)
Chartered Accountants



Anurag Khandelwal
Partner
Membership Number-078571

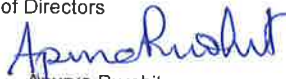
Place: Mumbai
Date: May 22, 2018

For and on behalf of the Board of Directors


Sharesh Gupta
Director


Sandeep Khosla
Chief Executive Officer

Place: Mumbai
Date: May 22, 2018


Apurva Purohit
Director


Nilesh Shah
Chief Financial Officer


Pranali Parekh
Company Secretary

MIDDAY INFOMEDIA LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED MARCH 31, 2018

(All amounts in INR Lakhs, unless otherwise stated)

	Notes	Year ended March 31, 2018	Year ended March 31, 2017
Revenue from operations	17	11,460.60	11,892.77
Other income	18 (a)	21.06	13.05
Other gains/(losses)	18 (b)	54.24	94.11
Total income		11,535.90	11,999.93
Expenses			
Cost of materials consumed	19	2,718.24	2,801.85
Employee benefit expense	20	3,737.93	3,693.99
Depreciation and amortisation expense	21	621.28	630.92
Other expenses	22	3,264.45	3,213.34
Finance costs	23	12.92	27.96
Total Expenses		10,354.82	10,368.06
Profit before tax		1,181.08	1,631.87
Income tax expense	24		
Current tax		460.24	646.49
Deferred tax		18.28	(61.92)
Total tax expense		478.52	584.57
Profit for the year		702.56	1,047.30
Other comprehensive income			
<i>Items that will not be reclassified to profit or loss</i>			
Changes in fair value of FVOCI equity instruments	11	(19.63)	(65.81)
Remeasurements of post-employment benefit obligations	14	0.11	(10.25)
Income tax relating to these items	11	(0.09)	26.33
Other comprehensive income for the year, net of tax		(19.61)	(49.73)
Total comprehensive income for the year		682.95	997.57
Earnings per equity share			
Basic earnings per share	25	3.54	5.27
Diluted earnings per share	25	3.54	5.27

The above statement of profit and loss should be read in conjunction with the accompanying notes.

As per our report of even date attached

For Price Waterhouse Chartered Accountants LLP
 Firm Registration Number (012754N/N500016)
 Chartered Accountants


 Anurag Khandelwal
 Partner
 Membership Number-078571


 For and on behalf of the Board of Directors
 Shailesh Gupta
 Director


 Sandeep Khosla
 Chief Executive Officer


 Apurva Purohit
 Director


 Nilesh Shah
 Chief Financial Officer


 Pranali Parekh
 Company Secretary

Place: Mumbai
 Date: May 22, 2018

Place: Mumbai
 Date: May 22, 2018

MIDDAY INFOMEDIA LIMITED
STATEMENT OF CASH FLOWS

	Notes	Year ended March 31, 2018	Year ended March 31, 2017
Cash flow from operating activities			
Profit before tax		1,181.08	1,631.87
Adjustments for:			
Depreciation and amortisation expense	3	621.28	630.92
Interest income classified as investing cash flows	18 (a)	(20.04)	(13.05)
Gain on disposal of property, plant and equipment	18 (b)	(0.39)	(29.92)
Gain on sale of investments	18 (b)	(17.21)	(7.68)
Dividend Income		(1.02)	-
Bad debts written-off	22	23.40	2.80
Provision for doubtful trade receivables and advances	22	28.50	17.21
Liability no longer required written back	18 (b)	(7.01)	(26.02)
Change in fair value of financial assets at fair value through profit or loss	18 (b)	(50.31)	(0.10)
Unrealised foreign exchange gain	18 (b)	3.13	(19.10)
Impairment loss of investment properties on re-classification as assets held for sale	18 (b)	39.95	-
Finance costs	23	12.92	27.96
Property, plant and equipment written-off	22	6.94	17.47
Loss on sale of Investments		0.74	-
Unwinding of discount on security deposits	5 (f)	(17.18)	(14.51)
Change in operating assets and liabilities			
Increase in trade receivables		(284.52)	(479.21)
(Increase)/Decrease in inventories		569.00	(240.79)
(Increase)/Decrease in loans		(4.67)	3.42
(Increase)/Decrease in other financial assets		2.09	154.58
Increase in other non-current assets		19.10	(58.87)
Increase in other current assets		(277.55)	(43.97)
Increase/(Decrease) in trade payables		(561.74)	615.82
Increase/(Decrease) in other financial liabilities		96.41	(148.17)
Increase/(Decrease) in employee benefit obligations		8.43	(46.72)
Increase in other current liabilities		(44.71)	96.56
Cash generated from operations		1,326.62	2,070.50
Income taxes paid	7	(354.44)	(381.57)
Net cash inflow from operating activities		972.18	1,688.93
Cash flows from investing activities			
Payments for purchase of property, plant and equipment	3 (a)	(178.35)	(470.31)
Proceeds from sale of property, plant and equipment	3 (a)	0.86	30.80
Payments for purchase of investments	5 (a)	(2,575.05)	(1,575.00)
Proceeds from maturity of bank deposits	5 (e)	17.34	(19.40)
Proceeds from sale of investments	5 (a)	1,142.21	1,534.72
Loan to related party		-	(1,500.00)
Loan received back from related party		-	1,500.00
Dividend Income		1.02	-
Payments for purchase of Investment properties	10	(4.13)	(6.81)
Proceeds from sale of Investment properties	10	62.71	-
Refund of amount of sale of Investment properties		-	(40.01)
Interest received		20.04	13.05
Net cash outflow from investing activities		(1,513.35)	(532.96)



MIDDAY INFOMEDIA LIMITED
STATEMENT OF CASH FLOWS

Notes	Year ended March 31, 2018	Year ended March 31, 2017
Cash flows from financing activities		
Interest paid	(13.45)	(27.43)
Proceeds from Banks/Financial Institutions	633.37	183.44
Repayments to Banks/Financial Institutions	(198.16)	(927.59)
Net cash outflow from financing activities	421.76	(771.58)
Net increase (decrease) in cash and cash equivalents	(119.41)	384.39
Cash and cash equivalents at the beginning of the financial year	450.67	66.28
Cash and cash equivalents at end of the year	331.26	450.67
Cash and Cash Equivalents as per above comprise of the following:		
Cash and cash equivalents	331.26	450.67
Balances per statement of cash flows	331.26	450.67

The above statement of cash flows should be read in conjunction with the accompanying notes.

As per our report of even date attached

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number (012754N/N500016)
Chartered Accountants



Anurag Khandelwal
Partner
Membership Number-078571

Place: Mumbai
Date: May 22, 2018


For and on behalf of the Board of Directors


Shailesh Gupta
Director


Sandeep Khosla
Chief Executive Officer

Place: Mumbai
Date: May 22, 2018


Apurva Purohit
Director


Nilpesh Shah
Chief Financial Officer


Pranali Parekh
Company Secretary

Midday Infomedia Limited

Notes referred to and forming part of financial statements

Significant accounting policies

Background

Midday Infomedia Limited ("the Company" or "MIL") is a company limited by shares, incorporated and domiciled in India. The Company is engaged in the business of printing and publication of Newspapers in India and has registered office at 4th Floor, RNA corporate park, off western express highway, kalanagar, Bandra (East), Mumbai, Maharashtra, India. The Company is a public limited company and wholly owned subsidiary of Jagran Prakashan Limited (Holding company).

Note 1: Significant accounting policies

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

(a) Basis of preparation

(i) Compliance with Ind AS

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

(ii) Historical cost convention

The financial statements have been prepared on a historical cost basis, except for the following:

- certain financial assets and liabilities which have been measured at fair value;
- assets held for sale — measured at lower of carrying value or fair value less cost to sell; and
- defined benefit plans — plan assets measured at fair value

(b) Segment Reporting

The Company is engaged primarily in printing and publication of Newspaper in India. The other activity of the Company comprise of digital business. However, in the context of Indian Accounting Standard 108 – Operating Segments, these are considered to constitute single reportable segment. Accordingly, no separate disclosure for primary or secondary segments is given.



Handwritten signatures in blue ink, including the initials 'AP' and a checkmark.

Midday Infomedia Limited

Notes referred to and forming part of financial statements

Significant accounting policies

(c) Foreign currency translation

(i) Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian rupee (INR), which is Company's functional and presentation currency.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss.

Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the statement of profit and loss, within finance costs. All other foreign exchange gains and losses are presented in the statement of profit and loss on a net basis within other gains/(losses).

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non-monetary assets and liabilities such as equity instruments held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss and translation differences on non-monetary assets such as equity investments classified as FVOCI are recognised in other comprehensive income.

(d) Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue net of returns, trade allowances, rebates, value added taxes and amounts collected on behalf of third parties.

The Company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the Company's activities as described below. The Company bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

Recognising revenue from major business activities:

(i) Advertisement

Revenue from sale of advertisement space is recognized (net of volume discounts), as and when the relevant advertisement is published. Revenue against all barter-transactions is recognised at the time of actual performance of the contract to the extent of performance completed by either party against its part of contract and is measured at fair value in reference to non-barter transactions.

The image shows two handwritten signatures in blue ink. To the right of the signatures is a circular blue stamp. The stamp contains the text: "Waterhouse Chartered Accountants", "LLPIN AAC-5001", and "Office: Gurgaon".

Midday Infomedia Limited

Notes referred to and forming part of financial statements

Significant accounting policies

(ii) Sale of Newspaper

Revenue from sale is recognised on dispatch, net of credits for unsold copies, which coincides with transfer of significant risks and rewards. Subscription revenue is recognised on a straight-line basis over the life of the subscription.

(iii) Others

Revenue from printing job work is recognised on delivery of goods after completion as set out in the relevant contracts.

Claims from insurance companies/ Interest on income tax refunds/ Government department are recognised as and when amount receivable can be reasonably determined.

(e) Property, plant and equipment

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at April 1, 2015 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

Depreciation methods, estimated useful lives and residual value

The useful lives of property, plant and equipment are depreciated on pro-rata basis on the Written-Down Value method over the estimated useful lives of the assets prescribed in Schedule II to the Companies Act, 2013, which are as follows:

Assets	Useful Life
Building	30 Years
Plant and Machinery	15 Years
Office Equipment	05 Years
Furniture and Fixtures	10 Years
Vehicles	08 Years
Computer	03 Years

The same represent the consumption pattern and is based on technical evaluation done by management. The residual values are not more than 5% of the original cost of the asset. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.




Midday Infomedia Limited

Notes referred to and forming part of financial statements

Significant accounting policies

Leasehold improvements are depreciated over the useful life or over the shorter of the asset's useful life and the lease term if there is no reasonable certainty that the Company will obtain ownership at the end of the lease term. Leasehold land are depreciated over the lease term.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within 'Other (losses)/gains' in the statement of profit or loss.

(f) Intangible Assets

(i) Title

Title "Midday –Delhi" is carried at historical cost. It has an infinite useful life and subsequently carried at cost less accumulated amortisation and impairment losses.

(ii) Website Development

Website development cost is stated at cost of development (net of accumulated amortisation). Amortisation of website development is carried out on a systematic basis over the useful life and accordingly, these are amortised on straight line basis over their estimated useful life of three years.

Transition to Ind AS

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

(g) Impairment of assets

Intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

(h) Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

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Midday Infomedia Limited

Notes referred to and forming part of financial statements

Significant accounting policies

(i) Trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

(j) Inventories

Inventories are stated at the lower of cost and net realisable value. Cost of raw materials comprises cost of purchases. Cost of inventories also include all other costs incurred in bringing the inventories to their present location and condition. Costs are assigned to individual items of inventory on the basis of first-in first-out basis. Costs of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

(k) Non-current assets (or disposal groups) held for sale

Non-current assets (or disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets and contractual rights under insurance contracts, which are specifically exempt from this requirement.

An impairment loss is recognised for any initial or subsequent write-down of the asset (or disposal group) to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset (or disposal group), but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset (or disposal group) is recognised at the date of de-recognition.

Non-current assets (including those that are part of a disposal group) are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognised.

Non-current assets classified as held for sale and the assets of a disposal group classified as held for sale are presented separately from the other assets in the balance sheet. The liabilities of a disposal group classified as held for sale are presented separately from other liabilities in the balance sheet.

(l) Investments and other financial assets

(i) Classification

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of cash flows.

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Midday Infomedia Limited

Notes referred to and forming part of financial statements

Significant accounting policies

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

The Company reclassifies debt investments when and only when its business model for managing those assets changes.

(ii) Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

For debt instruments, subsequent measurement depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

- **Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.
- **Fair value through other comprehensive income (FVOCI):** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method.
- **Fair value through profit or loss:** Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss and presented net in the statement of profit and loss within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in other income.

For equity instruments, the Company measures all equity investments at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments are recognised in profit or loss as other income when the Company's right to receive payments is established.

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Midday Infomedia Limited

Notes referred to and forming part of financial statements

Significant accounting policies

Changes in the fair value of financial assets at fair value through profit or loss are recognised in other gain/ (losses) in the statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

(iii) Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 35 details how the Company determines whether there has been a significant increase in credit risk.

(iv) Derecognition of financial assets

A financial asset is derecognised only when:

- the Company has transferred the rights to receive cash flows from the financial asset or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

(v) Income recognition

Interest income: Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment and extension) but does not consider the expected credit losses.

Dividends: Dividends are recognised in profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably.

(m) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the



Midday Infomedia Limited

Notes referred to and forming part of financial statements

Significant accounting policies

extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other gains/(losses).

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

(n) Income tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

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Midday Infomedia Limited

Notes referred to and forming part of financial statements

Significant accounting policies

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

(o) Leases

Leases of property, plant and equipment where the Company, as lessee, has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's inception at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in borrowings or other financial liabilities as appropriate. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

(p) Employee benefits

(i) Short term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

(ii) Other long term employee benefit obligations

The Company's contribution to Employee Provident fund, Employee State Insurance Fund and Employee's Pension Scheme 1995 are charged to revenue. These are defined contribution plans and the Company deposits these amounts with the fund administered and managed by the provident fund/ Employees State Insurance authorities. The Company does not carry any further obligations, apart from the contributions made on monthly basis.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

(iii) Post-employment obligations

The Company has Defined Benefit plans namely leave encashment and gratuity for all employees, the liability for which is determined on the basis of an actuarial valuation at the end of the year. Every employee is entitled to benefit equivalent to fifteen days salary last drawn for each completed year of service in line with the Payment of Gratuity Act, 1972. The same is payable at the time of separation from the Company or retirement, whichever is earlier. The benefits vest after five years of continuous service. Gratuity Fund is recognised by the income tax authorities and is administered and managed by the Life Insurance Corporation of India ("LIC").




Midday Infomedia Limited

Notes referred to and forming part of financial statements

Significant accounting policies

The Company provides for the liability on account of leave encashment at the year-end as per the actuarial valuation done by the actuary using projected credit unit method.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

Termination benefits are payable when employment is terminated by the Company before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. The Company recognises termination benefits as an expense immediately.

(q) Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale.

Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

Other borrowing costs are expensed in the period in which they are incurred.

(r) Contributed equity

Equity shares are classified as equity.

(s) 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, if any, issued during the year and excluding treasury shares.

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.

(t) Investment properties

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Company, is classified as investment property. Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably. All other

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Midday Infomedia Limited

Notes referred to and forming part of financial statements

Significant accounting policies

repairs and maintenance costs are expensed when incurred. Investment properties are depreciated using the straight-line method over their estimated useful lives. Investment properties generally have a useful life of 30 years. The useful life has been determined based on technical evaluation performed by the management's expert.

Transition to Ind AS

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

(u) Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest rupees in lakhs with two decimals thereof as per the requirement of Schedule III, unless otherwise stated.



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MIDDAY INFOMEDIA LIMITED
NOTES REFERRED TO AND FORMING PART OF FINANCIAL STATEMENTS

Note 2: Critical estimates and judgements

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the Company's accounting policies.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

The areas involving critical estimates or judgements are:

- (a) Estimated fair value of Investment in debentures, redeemable preference shares and private equity fund - Note 4
- (b) Estimated useful life of intangible asset - Note 4
- (c) Estimation of defined benefit obligations - Note 14
- (d) Contingencies - Note 26 - Management judgement is required for estimating the possible outflow of resources, if any, in respect of contingencies / claim / litigations against the Company as it is not possible to predict the outcome of pending matters with accuracy.
- (e) Impairment of trade receivables - Note 35
- (f) Estimation of current tax expense and deferred tax

Uncertainties exist with respect to the interpretation of complex tax regulations and the amount and timing of future taxable income. Given the complexities of contractual agreements, differences arising between the actual results and the assumptions made, or future changes to such assumptions, could necessitate future adjustment to tax income and expense already recorded.

Deferred tax assets are recognised for all 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. Refer note 16 for further details.

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.



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MIDDAY INFOMEDIA LIMITED
NOTES REFERRED TO AND FORMING PART OF FINANCIAL STATEMENTS

(All amounts in INR Lakhs, unless otherwise stated)

Note 3 : Property, plant and equipment

	Leasehold Land	Buildings	Leasehold Improvements	Plant and Machinery	Furniture and Fixture	Vehicles	Office Equipment	Computers	Total
Year ended March 31, 2017									
Gross carrying amount									
Opening gross carrying amount	316.19	854.63	-	2,939.85	4.73	84.81	8.14	41.53	4,249.88
Additions	-	-	293.56	-	78.46	-	14.22	86.07	472.31
Disposals/adjustments	-	-	-	(5.56)	(0.56)	-	(0.05)	(12.33)	(18.50)
Closing gross carrying amount	316.19	854.63	293.56	2,934.29	82.63	84.81	22.31	115.27	4,703.69
Accumulated depreciation									
Opening accumulated depreciation	3.76	80.16	-	545.78	1.62	11.92	4.60	11.12	658.96
Depreciation charge during the year	3.76	72.64	33.50	450.16	12.04	22.77	3.10	21.92	619.89
Disposals/adjustments	-	-	-	(0.05)	(0.10)	-	-	-	(0.15)
Closing accumulated depreciation	7.52	152.80	33.50	995.89	13.56	34.69	7.70	33.04	1,278.70
Closing net carrying amount	308.67	701.83	260.06	1,938.40	69.07	50.12	14.61	82.23	3,424.99
Year ended March 31, 2018									
Gross carrying amount									
Opening gross carrying amount	316.19	854.63	293.56	2,934.29	82.63	84.81	22.31	115.27	4,703.69
Additions	-	19.21	1.72	73.43	3.86	-	13.29	66.84	178.35
Disposals/adjustments	-	-	-	(30.00)	-	-	-	(5.65)	(35.65)
Closing gross carrying amount	316.19	873.84	295.28	2,977.72	86.49	84.81	35.60	176.46	4,846.39
Accumulated depreciation									
Opening accumulated depreciation	7.52	152.80	33.50	995.89	13.56	34.69	7.70	33.04	1,278.70
Depreciation charge during the year	3.75	67.12	64.10	370.75	19.02	15.66	10.35	70.53	621.28
Disposals/adjustments	-	-	-	(23.06)	-	-	-	(5.18)	(28.24)
Closing accumulated depreciation	11.27	219.92	97.60	1,343.58	32.58	50.35	18.05	98.39	1,871.74
Closing net carrying amount	304.92	653.92	197.68	1,634.14	53.91	34.46	17.55	78.07	2,974.65

Notes:

a) Vehicles include the following amounts where the Company is a lessee under a finance lease:

	As at	As at
	March 31, 2018	March 31, 2017
Cost	116.35	116.35
Accumulated depreciation	81.92	66.28
Net carrying amount	34.43	50.07

The lease term in respect of assets acquired under finance leases expire within five years. Upon expiry of lease, the asset will be transferred to the Company automatically without paying any additional value.

b) Refer note 27 for contractual commitments relating to property, plant and equipment.



MIDDAY INFOMEDIA LIMITED
NOTES REFERRED TO AND FORMING PART OF FINANCIAL STATEMENTS

(All amounts in INR Lakhs, unless otherwise stated)

Note 4 : Intangible assets

	Website Development Cost	Total
Year ended March 31, 2017		
Gross carrying amount		
Opening gross carrying amount	22.53	22.53
Additions	-	-
Closing gross carrying amount	22.53	22.53
Accumulated amortisation		
Opening accumulated depreciation	11.50	11.50
Amortisation charge for the year	11.03	11.03
Closing accumulated amortisation	22.53	22.53
Closing net carrying amount	-	-
Year ended March 31, 2018		
Gross carrying amount		
Opening gross carrying amount	22.53	22.53
Additions	-	-
Closing gross carrying amount	22.53	22.53
Accumulated amortisation		
Opening accumulated depreciation	22.53	22.53
Amortisation charge for the year	-	-
Closing accumulated amortisation	22.53	22.53
Closing net carrying amount	-	-



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MIDDAY INFOMEDIA LIMITED
NOTES REFERRED TO AND FORMING PART OF FINANCIAL STATEMENTS

(All amounts in INR Lakhs, unless otherwise stated)

Note 5 : Financial assets

	As at March 31, 2018	As at March 31, 2017
5 (a) Non-current Investments		
Investment in private equity fund at FVOCI		
Unquoted		
17 (March 31, 2017: 17) units in Morpheus media fund	51.24	70.87
Total (equity funds)	51.24	70.87
Total non-current investments	51.24	70.87
Aggregate amount of unquoted investments	170.00	170.00
Aggregate amount of impairment in the value of investments	118.76	99.13

	As at March 31, 2018	As at March 31, 2017
5 (a) Current Investments		
Investment in equity instruments		
Unquoted		
22,727 (March 31, 2017: 22,727) Equity Shares of INR 10 each held in Micro Secure Solutions Limited [Net of impairment aggregating to INR 102.27]	-	-
9,260 (March 31, 2017: 9,260) Equity Shares of INR 10 each held in Micro Retail Limited [Net of impairment aggregating to INR 50.93]	-	-
50 (March 31, 2017: NIL) Equity Shares of INR 100 each held in The Press Trust of India	0.05	-
Total (equity instruments)	0.05	-
Investment in mutual funds		
Quoted		
Reliance Regular Savings Fund Debt plan 656,981 units (March 31 2017: Nil)	159.04	-
Franklin India Ultra Short Bond Fund Super Institutional Plan-Direct 646,059 units (March 31 2017: Nil)	155.96	-
Franklin India Short Term Income Plan-Retail Plan-Direct - 21,612 units (March 31 2017: Nil)	826.25	-
ICICI Prudential FMP Series 82 - 1136 days 2,000,000 Units (March 31 2017: Nil)	200.60	-
DSP Blackrock Credit Risk Fund - Direct Plan - Growth-692,248 units (March 31 2017: Nil)	203.97	-
DHFL Pramerica Credit Opportunities Fund-Direct Plan-Growth-1,433,394 units (March 31 2017: Nil)	204.59	-
IDFC Arbitrage Fund - Monthly Dividend (Regular Plan) NIL (March 31, 2017: 1,976,144)	-	250.10
Total (mutual funds)	1,750.41	250.10
Total current investments	1,750.41	250.10
Aggregate amount of quoted investments and market value thereof	1,750.41	250.10
Aggregate amount of unquoted investments	153.25	153.20
Aggregate amount of impairment in the value of investments	153.20	153.20

	As at March 31, 2018	As at March 31, 2017
5 (b) Trade receivables		
Trade receivables	2,883.03	2,710.39
Receivables from related parties (Refer note 32)	262.39	173.90
Less: Allowance from doubtful debts	(201.84)	(184.82)
Total receivables	2,943.58	2,699.47
Break-up of security details		
Secured, Considered Good	62.87	59.01
Unsecured, Considered Good	2,880.71	2,640.46
Doubtful	201.84	184.82
Total	3,145.42	2,884.29
Allowance for doubtful debts	(201.84)	(184.82)
Total trade receivables	2,943.58	2,699.47



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MIDDAY INFOMEDIA LIMITED
NOTES REFERRED TO AND FORMING PART OF FINANCIAL STATEMENTS

(All amounts in INR Lakhs, unless otherwise stated)

5 (c) Loans

	As at March 31, 2018		As at March 31, 2017	
	Current	Non-current	Current	Non-current
Unsecured, Considered Good				
Loans to employees	16.36	0.14	10.10	1.73
Total loans	16.36	0.14	10.10	1.73

5 (d) Cash & Cash equivalents

	As at March 31, 2018	As at March 31, 2017
Balances with banks		
in current accounts	232.81	100.40
Deposits with maturity of less than three months [refer note (i) below]	90.08	340.73
Cheques in hand	-	-
Cash on hand	8.37	9.54
Total cash and cash equivalents	331.26	450.67

(i) These deposits are held as sweep deposits by Yes Bank which are refundable on demand.

5 (e) Other bank balances

	As at March 31, 2018	As at March 31, 2017
In fixed deposits held as margin money [refer note (i) below]	2.00	19.16
Interest accrued on fixed deposits	0.06	0.24
Total other bank balances	2.06	19.40

(i) These deposits are held as margin money by ICICI Bank (March 31, 2017: Yes bank and ICICI Bank) against the credit facility given by them.

5 (f) Other financial assets

	As at March 31, 2018		As at March 31, 2017	
	Current	Non-current	Current	Non-current
Security Deposits				
Unsecured, considered good	3.73	222.45	1.95	205.25
Doubtful	-	28.30	-	28.30
Less : Allowance for deposits	-	(28.30)	-	(28.30)
	3.73	222.45	1.95	205.25
Unbilled revenue	3.86	-	7.75	-
Total other financial assets	7.59	222.45	9.70	205.25



MIDDAY INFOMEDIA LIMITED
NOTES REFERRED TO AND FORMING PART OF FINANCIAL STATEMENTS

Note 6: Other non-current assets

	As at March 31, 2018	As at March 31, 2017
Prepayments	39.77	58.87
Total other non - current assets	39.77	58.87

Note 7: Non- current tax assets (net)

	As at March 31, 2018	As at March 31, 2017
Opening balance	-	155.44
Add: Taxes paid during the year	-	598.94
Less: Current tax payable for the year	-	(614.44)
Less: Adjustments for earlier years	-	(32.05)
Less: Refund received for earlier years	-	(17.45)
Total Current tax assets	-	90.44

Note 8: Inventories

	As at March 31, 2018	As at March 31, 2017
Raw materials [includes in transit inventory of INR 31.65 (March 31, 2017: INR 459.03)]	466.46	1,035.09
Stores	5.95	6.32
Total inventories	472.41	1,041.41

Note 9: Other current assets

	As at March 31, 2018	As at March 31, 2017
Prepayments	63.75	64.50
Service tax recoverable	-	1.68
Advances to suppliers	45.24	7.61
Advances to employees	0.68	0.90
Advance to holding company (Refer Note 32)	246.38	28.52
Other receivables (Net of Provision: 16.23 (March 31, 2017: 4.75) - Receivable against barter arrangement	113.59	100.36
Total other current assets	469.64	203.57

Note 10: Assets classified as held for sale

	As at March 31, 2018	As at March 31, 2017
Plant & Machinery [Refer Note (i) below]	9.60	9.60
Investment properties [Refer Note (ii) below]	475.81	574.59
Total assets classified as held for sale	485.41	584.19

- (i) The Company has discarded the hi-line machine from active use and held for sale and is measured at lower of its carrying value and fair value less costs to sell. Refer note 30.
- (ii) The Company has various Investment properties which have been purchased under barter arrangements. These Investment properties have been re-classified as asset held for sale and measured at lower of its carrying value and fair value less costs to sell at the time of reclassification. In current year, one property has been sold and diminution has been recorded against certain properties based on fair valuation done by registered valuer amounting to INR 39.94. Out of the total of INR 515.79, title Deeds for the Investment properties included above, with the carrying value amounting to INR 228.30 [March 31, 2017: INR 232.72] are yet to be executed in the name of the company.



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MIDDAY INFOMEDIA LIMITED
NOTES REFERRED TO AND FORMING PART OF FINANCIAL STATEMENTS

(All amounts in INR Lakhs, unless otherwise stated)

Note 11: Equity share capital and other equity

Note 11 (a): Equity share capital

Authorised equity share capital	Number of shares (in Lakhs)	Amount
As at March 31, 2016	200.00	2,000.00
Increase during the year	-	-
As at March 31, 2017	200.00	2,000.00
Increase during the year	-	-
As at March 31, 2018	200.00	2,000.00

(i) Movements in equity share capital

(i) Movements in equity share capital	Number of shares (in Lakhs)	Equity share capital (par value)
As at March 31, 2016	198.70	1,987.03
Increase during the year	-	-
As at March 31, 2017	198.70	1,987.03
Increase during the year	-	-
As at March 31, 2018	198.70	1,987.03

(a) Terms and rights attached to equity shares

Equity shares have a par value of INR 10. They entitle the holder to participate in dividends, and to share the proceeds of winding up the Company in proportion to the number of and amounts paid on the shares held. Every holder of equity shares present at a meeting in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote.

(b) Conversion of preference shares into equity shares

The Company issued 22.5% Cumulative Non-Convertible Redeemable Preference Shares to Jagran Prakashan Limited (holding company) on July 12, 2010 and July 15, 2010 and are classified as financial liability as on transition date (refer note 12 (a)). During the financial year 2015-16, Jagran Prakashan Limited (Sole Preference Shareholder) gave its consent to convert the said preference shares into equity shares and the said preference shares were converted into equity shares in the ratio of 1:1. The Company reclassified its authorised share capital into equity share capital.

(ii) Shares held by holding company

	As at March 31, 2018	As at March 31, 2017
Jagran Prakashan Limited (immediate holding company)	198.70	198.70

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

Particulars	As at March 31, 2018		As at March 31, 2017	
	Number of shares (in Lakhs)	% holding	Number of shares (in Lakhs)	% holding
Jagran Prakashan Limited (immediate holding company)	198.70	100.00%	198.70	100.00%



MIDDAY INFOMEDIA LIMITED
NOTES REFERRED TO AND FORMING PART OF FINANCIAL STATEMENTS

(All amounts in INR Lakhs, unless otherwise stated)

Note 11 (b) : Reserves & Surplus

	As at March 31, 2018	As at March 31, 2017
Securities premium reserve	2,199.41	2,199.41
Retained earnings	1,472.34	769.67
Total reserves and surplus	3,671.75	2,969.08

(i) Securities premium reserve

	As at March 31, 2018	As at March 31, 2017
Opening balance	2,199.41	2,199.41
Closing balance	2,199.41	2,199.41

(ii) Retained earnings

Opening balance	769.67	(270.93)
Net profit for the year	702.56	1,047.30
Items of other comprehensive income recognised directly in retained earnings		
Remeasurements of post employment benefit obligation (net of tax)	0.11	(6.70)
Closing balance	1,472.34	769.67

Note 11 (c) : Other reserves

	Notes	FVOCI - Equity investments	Total other reserves
As at March 31, 2016		(21.79)	(21.79)
Changes in fair value of FVOCI equity instruments	5 (a)	(65.81)	(65.81)
Deferred tax		22.78	22.78
As at March 31, 2017		(64.82)	(64.82)
Changes in fair value of FVOCI equity instruments	5 (a)	(19.63)	(19.63)
Deferred tax		(0.09)	(0.09)
As at March 31, 2018		(84.54)	(84.54)

Nature and purpose of Reserves & Surplus and other reserves

Securities premium reserve

Securities premium reserve is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Act.

FVOCI equity investments

The Company has elected to recognise changes in the fair value of certain investments in equity securities in other comprehensive income. These changes are accumulated within the FVOCI equity investments reserve within equity. The Company transfers amounts from this reserve to retained earnings when the relevant equity securities are derecognised.



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MIDDAY INFOMEDIA LIMITED
NOTES REFERRED TO AND FORMING PART OF FINANCIAL STATEMENTS

(All amounts in INR Lakhs, unless otherwise stated)

Note 12: Financial Liabilities

Note 12 (a) : Non-current borrowings

	Maturity date	Terms of repayment	Coupon/ Interest rate	As at March 31, 2018	As at March 31, 2017
<u>Secured</u>					
Loan from Bank [Refer Note (a) below]	March 01, 2019	Monthly instalments	10.25%	5.91	11.25
Loan from financial institution [Refer Note (b) below]	March 16, 2020	Monthly instalments	9.55%	22.89	32.80
Total non-current borrowings				28.80	44.05
Less: Current maturities of long term debt [included in note 12(b)]				16.80	15.25
Non-current borrowings (as per balance sheet)				12.00	28.80

Note (a)

The Company has taken loan from ICICI Bank for purchase of vehicle which is being repaid by way of monthly instalments, repayment period is from May 2014 up to March 2019. The loan is secured by way of hypothecation of vehicle.

Note (b)

The Company has taken loan from BMW Financial Services for purchase of vehicle which is being repaid by way of monthly instalments, repayment period is from April 2015 up to March 2020. The loan is secured by way of hypothecation of vehicle.



MIDDAY INFOMEDIA LIMITED
NOTES REFERRED TO AND FORMING PART OF FINANCIAL STATEMENTS

(All amounts in INR Lakhs, unless otherwise stated)

Note 12 (a) : Current borrowings

	Maturity date	Terms of repayment	Coupon/ Interest rate	As at March 31, 2018	As at March 31, 2017
<u>Secured</u>					
Overdraft facility availed from ICICI Bank [Refer Note (a) below]	Payable on demand	Payable on demand	8.30% MCLR-6M	633.37	-
Buyer's credit facility availed from Yes Bank [Refer Note (b) below]	Payable on demand	Payable on demand	Base rate + 0.70%	-	183.44
Total current borrowings				633.37	183.44
Less: Interest accrued [included in note 12 (b)]				-	0.53
Current borrowings (as per balance sheet)				633.37	182.91

Note (a)

Overdraft facilities availed from ICICI Bank and are secured by hypothecation of Investments of the Company. Refer Note 5(a).

Note (b)

Cash credit and buyers' credit facilities taken from Yes Bank have been closed during the year. The facility was secured by hypothecation of stocks and book debts of the Company and Immovable property included under the head Leasehold Land & Building in Property, plant and equipment. The carrying amounts of financial and non-financial assets pledged as security for current and non-current borrowings are disclosed in note 31.

Note 12 (b) : Other financial liabilities

	As at March 31, 2018	As at March 31, 2017
Current		
Current maturities of long-term debt	16.80	15.25
Interest accrued but not due on buyers' credit	-	0.53
Security deposit received from agents	122.74	114.82
Employee benefits payable	152.46	135.38
Book Overdraft	77.36	5.95
Total other current financial liabilities	369.36	271.93

Note 12 (c) : Trade payables

	As at March 31, 2018	As at March 31, 2017
Current		
Total Outstanding dues of micro enterprises and small enterprises; and	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises		
Payable to related parties (refer note 32)	122.48	319.35
Payable to others	922.31	1,291.06
Total trade payables	1,044.79	1,610.41

Based on the information available with the company, none of its vendors are Micro and Small Enterprises as defined under the Micro, Small and Medium Enterprises Development Act (MSMED), 2006.

Note 13 : Non-current tax liabilities (net)

	As at March 31, 2018	As at March 31, 2017
Opening balance	(90.44)	-
Add: Taxes paid during the year	(445.87)	-
Add: Taxes paid for previous year	(10.00)	-
Less: Current tax payable for the year	454.99	-
Less: Adjustments for earlier years	5.25	-
Less: Refund received for earlier years	101.43	-
Total Current tax liabilities	15.36	-



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MIDDAY INFOMEDIA LIMITED
NOTES REFERRED TO AND FORMING PART OF FINANCIAL STATEMENTS

Note 14: Employee benefit obligations

(All amounts in INR Lakhs, unless otherwise stated)

	As at		As at		Total
	March 31, 2018	Non-current	March 31, 2017	Non-current	
Leave obligations (i)	20.19	93.61	113.80	13.07	103.44
Gratuity (ii)	-	132.24	132.24	50.89	134.28
Total Employee benefit obligations	20.19	225.85	246.04	63.96	237.72

(i) Leave obligations
The leave obligations cover the Company's liability for earned leave.

(ii) Post employment obligations - Gratuity

The Company provides for gratuity for employees as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days' salary multiplied for the number of years of service. The gratuity plan is a funded plan and the Company makes contributions to Life Insurance Corporation of India. The Company does not fully fund the liability and maintains a target level of funding to be maintained over a period of time based on estimations of expected gratuity payments.

(iii) Defined contribution plans

(a) Provident fund / Pension

The Company also has a defined contribution plan. Contributions are made to provident fund in India for employees at the rate of 12% of basic salary as per regulations. The contributions are made to registered provident fund administered by the government. The obligation of the Company is limited to the amount contributed and it has no further contractual or any constructive obligation. The expense recognised during the period towards defined contribution plan is INR 118.88 (March 31, 2017 : INR 119.70).

Particulars	Year Ended March 31, 2018	Year Ended March 31, 2017
Employers' contribution to provident fund *	57.25	61.88
Employers' Contribution to Employees' Pension Scheme, 1995 *	51.64	51.38
Employers' Contribution to Employees' State Insurance Act, 1948*	9.99	6.44
Total	118.88	119.70

* Included in contribution to employees provident and other funds under employee benefit expenses [refer note 20].

The amounts recognised in the balance sheet and the movements in the net defined benefit obligation over the year are as follows:



MIDDAY INFOMEDIA LIMITED
NOTES REFERRED TO AND FORMING PART OF FINANCIAL STATEMENTS

(All amounts in INR Lakhs, unless otherwise stated)

Balance sheet amounts - Gratuity

	Present value of obligation	Fair value of plan assets	Net Amount
April 01, 2016			
Current service cost	353.30	(175.94)	177.36
Interest expense/(income)	33.10	-	33.10
	28.27	(15.80)	12.47
Total amount recognised in profit or loss	61.37	(15.80)	45.57
<i>Remeasurements</i>			
Return on plan assets, excluding amounts included in interest expense/(income)	-	(0.24)	(0.24)
(Gain)/loss from change in demographic assumptions	-	-	-
(Gain)/loss from change in financial assumptions	-	-	-
Experience (gains)/losses	10.49	-	10.49
Total amount recognised in other comprehensive income	10.49	(0.24)	10.25
Employer contributions	-	(98.90)	(98.90)
Benefit payments	(55.87)	55.87	-
March 31, 2017	369.29	(235.01)	134.28
April 01, 2017			
Current service cost	369.29	(235.01)	134.28
Interest expense/(income)	30.83	-	30.83
	25.79	(17.63)	8.16
Total amount recognised in profit or loss	56.62	(17.63)	38.99
<i>Remeasurements</i>			
Return on plan assets, excluding amounts included in interest expense/(income)	-	1.57	1.57
(Gain)/loss from change in demographic assumptions	-	-	-
(Gain)/loss from change in financial assumptions	-	-	-
Experience (gains)/losses	(1.68)	-	(1.68)
Total amount recognised in other comprehensive income	(1.68)	1.57	(0.11)
Employer contributions	-	(50.00)	(50.00)
Past Service Cost	9.07	-	9.07
Benefit payments	(34.50)	34.50	-
March 31, 2018	398.80	(266.56)	132.24

The net liability disclosed above relates to funded and unfunded plans are as follows:

	As at March 31, 2018	As at March 31, 2017
Present value of funded obligations	398.80	369.29
Fair value of plan assets	(266.56)	(235.01)
Deficit of funded plan	132.24	134.28
Unfunded plans	-	-
Deficit of gratuity plan	132.24	134.28



MIDDAY INFOMEDIA LIMITED
NOTES REFERRED TO AND FORMING PART OF FINANCIAL STATEMENTS

(All amounts in INR Lakhs, unless otherwise stated)

(viii) Defined benefit liability and employer contributions

Funding levels are monitored on an annual basis and the current agreed contribution rate is 12% of the basic salaries. Expected contributions to post-employment benefit plans for the year ending March 31, 2018 are INR Nil.

The expected maturity analysis of undiscounted gratuity is as follows:

Defined benefit obligation - Gratuity	Less than a year	Between 1-2 years	Between 2-5 years	Over 5 years
March 31, 2018	54.46	60.61	140.10	215.74
March 31, 2017	52.65	51.59	180.82	405.67

Note 15: Other Current liabilities

	As at March 31, 2018	As at March 31, 2017
Advance from customers*	234.05	290.85
Statutory dues payable	63.83	53.99
Deferred revenue	374.42	336.87
Advance received against sale of Investment properties	0.50	-
Other payables	49.23	84.53
Total other current liabilities	722.03	766.24

* including payable to Music Broadcast Limited., the Fellow Subsidiary Company INR 4.66/- (March 31, 2017 : nil)



MIDDAY INFOMEDIA LIMITED
NOTES REFERRED TO AND FORMING PART OF FINANCIAL STATEMENTS

Note 16: Deferred tax assets

(All amounts in INR Lakhs, unless otherwise stated)

The balance comprises temporary differences attributable to:

	As at March 31, 2018	As at March 31, 2017
Deferred Tax Assets (DTA)		
Property, plant and equipment and Intangible assets	85.49	56.93
Financial assets at Fair value through other comprehensive income (FVOCI)	34.22	34.31
Financial assets/liabilities at fair value through profit or loss Other items	-	1.01
-Allowance for doubtful advances allowable under the Income-tax Act, 1961 on actual write off	71.05	75.40
-Allowance for impairment loss for diminution for Investment properties and other items which are allowable under Income- tax Act, 1961 on actual write off	151.47	180.04
	342.23	347.69
Deferred tax liabilities (DTL)		
Financial assets/liabilities at fair value through profit or loss	12.91	-
	12.91	-
Net deferred tax assets	329.32	347.69

	Property, plant and equipment and Intangible assets	Financial assets/ liabilities at fair value through profit or loss	Financial assets at FVOCI	Other Items	Total
At March 31, 2016	23.92	(0.70)	11.53	424.61	459.36
Charged/(credited)					
- to profit or loss	33.01	1.71	-	27.20	61.92
- to other comprehensive income	-	-	22.78	3.55	26.33
- directed to non-current tax asset	-	-	-	(199.92)	(199.92)
At March 31, 2017	56.93	1.01	34.31	255.44	347.69
- to profit or loss	28.56	(13.92)	-	(32.92)	(18.28)
- to other comprehensive income	-	-	(0.09)	-	(0.09)
At March 31, 2018	85.49	(12.91)	34.22	222.52	329.32

Note: For critical and significant estimates in relation to deferred tax assets, refer note 2(f) to the financial statements.



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MIDDAY INFOMEDIA LIMITED
NOTES REFERRED TO AND FORMING PART OF FINANCIAL STATEMENTS

(All amounts in INR Lakhs, unless otherwise stated)

Note 17: Revenue from operations

	Notes	Year ended March 31, 2018	Year ended March 31, 2017
Sale of products			
Advertisement revenue		8,383.47	8,899.64
Newspaper sale		2,765.55	2,703.92
Other operating revenues			
Jobwork		221.67	187.02
Scrap sale		89.91	102.19
Total revenue from operations		11,460.60	11,892.77

Note 18 (a): Other income

	Notes	Year ended March 31, 2018	Year ended March 31, 2017
Interest Income			
On fixed deposits	5 (d)	9.25	1.05
On loans given	5 (c)	1.33	10.85
On Income tax refund	9	9.46	1.15
Dividend Income		1.02	-
Total other income		21.06	13.05

Note 18 (b): Other gains/(losses)

	Notes	Year ended March 31, 2018	Year ended March 31, 2017
Net gain on financial assets/liabilities mandatorily measured at fair value through profit or loss	5 (a), 12 (a)	50.31	0.10
Net gain on sale of investments	5 (a)	17.21	7.68
Impairment loss of investment properties on re-classification as assets held for sale	10	(39.95)	-
Net gain on disposal of property, plant and equipment	3 (a)	0.39	29.92
Provisions/liabilities no longer required written-back		7.01	26.02
Net foreign exchange gains/(losses)		0.83	12.00
Unwinding of discount on security deposits	5 (f)	17.18	14.51
Other items		1.26	3.88
Total other gains/(losses)		54.24	94.11

Note 19: Cost of materials consumed

	Year ended March 31, 2018	Year ended March 31, 2017
Raw materials at the beginning of the year [Note (a) below]	1,035.09	796.53
Add: Purchases	2,149.61	3,040.41
Less: Raw material at the end of the year	466.46	1,035.09
Total cost of materials consumed	2,718.24	2,801.85

(a) Items of Raw Materials Consumed

	Year ended March 31, 2018	Year ended March 31, 2017
Newsprint	2,531.52	2,584.15
Printing ink	186.72	217.70
	2,718.24	2,801.85

Note 20: Employee benefit expense

	Notes	Year ended March 31, 2018	Year ended March 31, 2017
Salary, wages and bonus		3,455.11	3,431.67
Contribution to employees provident and other funds	13	118.88	119.70
Gratuity including contribution to gratuity fund	13	48.07	45.57
Leave compensation	13	16.46	27.27
Staff welfare expenses		99.41	69.78
Total employee benefit expense		3,737.93	3,693.99





MIDDAY INFOMEDIA LIMITED
NOTES REFERRED TO AND FORMING PART OF FINANCIAL STATEMENTS

(All amounts in INR Lakhs, unless otherwise stated)

Note 21: Depreciation and amortisation expense

	Notes	Year ended March 31, 2018	Year ended March 31, 2017
Depreciation of property, plant and equipment	3 (a)	621.28	619.89
Amortisation of intangible assets	4	-	11.03
Total depreciation and amortisation expense		621.28	630.92

Note 22: Other expense

		Year ended March 31, 2018	Year ended March 31, 2017
Consumption of stores		113.98	105.36
Repairs and maintenance			
Plant and machinery		99.23	109.52
Building		0.11	0.05
Others		68.81	105.68
News collection and contribution		363.75	330.33
Composing, printing and binding		345.79	334.60
Power and fuel		152.97	159.23
Freight and cartage		27.34	17.63
Rates and taxes		20.30	22.69
Rent		356.85	543.59
Carriage and distribution		515.42	423.89
Travelling and conveyance		77.99	75.09
Communication		28.48	39.21
Promotion, publicity and sales incentives		811.38	665.30
Director's sitting fees		0.30	0.24
Insurance		5.43	6.45
Professional services paid to the Director		43.50	43.50
Bad debts written-off		23.40	2.80
Provision for doubtful trade receivables and advances		28.50	17.21
Payments to auditors [refer note 22 (a) below]		23.98	20.93
Corporate social responsibility expenditure [refer note 22 (b) below]		24.75	14.00
Loss on sale of immovable properties	8.86		
Less: Reversal of provision for diminution in value of Investments	(8.12)	0.74	-
Property, plant and equipment written-off		6.94	17.47
Miscellaneous expenses		124.51	158.57
Total other expenses		3,264.45	3,213.34

Note 22 (a): Details of payments to auditors

Payment to auditors (including service tax/GST)

As auditor:

Audit fees	21.86	20.70
Re-imburement of expenses	2.12	0.23
Total payments to auditors	23.98	20.93

Note 22 (b): Corporate social responsibility expenditure




Contribution for creating free support, awareness and education to cancer patients and their families.

Total	24.75	14.00
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Amount required to be spent as per Section 135 of the Act

Amount spent during the year on

(i) Construction/acquisition of an asset	-	-
(ii) On purposes other than (i) above	24.75	14.00

MIDDAY INFOMEDIA LIMITED
NOTES REFERRED TO AND FORMING PART OF FINANCIAL STATEMENTS

(All amounts in INR Lakhs, unless otherwise stated)

	Year ended March 31, 2018	Year ended March 31, 2017
Note 23: Finance cost		
Interest on short term borrowings	11.21	26.15
Other Borrowing Costs	1.71	1.81
Finance costs expensed in profit or loss	12.92	27.96

Note 24: Income tax expense

This note provides an analysis of the Company's income tax expense, show amounts that are recognised directly in equity and how the tax expense is affected by non-assessable and non-deductible items. It also explains significant estimates made in relation to the Company's tax positions.

	Year ended March 31, 2018	Year ended March 31, 2017
(a) Income tax expense		
<i>Current tax</i>		
Current tax on profits for the year	454.99	614.44
Adjustments for current tax of prior periods	5.25	32.05
Total current tax expense	460.24	646.49
<i>Deferred tax</i>		
Decrease (increase) in deferred tax assets	32.92	(27.20)
(Decrease) increase in deferred tax liabilities	(14.64)	(34.72)
Total deferred tax benefit	18.28	(61.92)
Income tax expense	478.52	584.57

(b) Reconciliation of tax expense and the accounting profit multiplied by India's tax rate:

	Year ended March 31, 2018	Year ended March 31, 2017
Profit before income tax expense	1,181.08	1,631.87
Tax at the Indian tax rate of 34.608% (2016-17: 34.608%) (Base rate 30% + 12% Surcharge + 2% Education Cess + 1% Secondary and Higher Education Cess)	408.75	564.76

Tax effect of amounts which are not deductible (taxable) in calculating taxable income:

Amortisation of Leasehold land	1.30	1.30
Corporate social responsibility expenditure	4.28	2.42
Other items	(2.75)	(6.83)
Profit on sale of short-term investments (difference in tax rates applicable on Short-term capital gain and effective tax rate)	2.98	3.03
Adjustments for current tax of prior periods	5.25	32.05
Transfer of deferred tax to Other comprehensive income	(6.94)	-
Deferred tax rate change impact	65.65	(12.16)
Income tax expense	478.52	584.57







MIDDAY INFOMEDIA LIMITED
NOTES REFERRED TO AND FORMING PART OF FINANCIAL STATEMENTS

(All amounts in INR Lakhs, unless otherwise stated)

Note 25: Earnings per share

	As at March 31, 2018	As at March 31, 2017
(i) Basic earnings per share attributable to the equity holders of the company (A/C)	3.54	5.27
(ii) Diluted earnings per share attributable to the equity holders of the company (B/D)	3.54	5.27
(iii) Reconciliation of earnings used in calculating earnings per share		
Profit attributable to the equity holders of the company used in calculating basic earning per share (A)	702.56	1,047.30
Adjustment for potential equity shares	-	-
Profit attributable to the equity holders of the company used in calculating diluted earning per share (B)	702.56	1,047.30
(iv) Weighted average number of shares used as the denominator		
Weighted average number of shares outstanding used as the denominator in calculating basic earning per share (C)	19,870,327	19,870,327
Adjustment for potential equity shares	-	-
Weighted average number of shares outstanding used as the denominator in calculating diluted earnings per share (D)	19,870,327	19,870,327

Note 26: Contingent liabilities and contingent assets

	As at March 31, 2018	As at March 31, 2017
(a) Contingent liabilities - claims against the Company not acknowledged as debts:		
(i) In respect of various pending labour and defamation cases (In view of large number of cases it is impracticable to disclose the details of each case) [Refer note below]	Amount not ascertainable	Amount not ascertainable

Note:

Various third parties have filed separate criminal complaints pertaining to alleged defamation/incident pursuant to various news reports, news articles or other contents published in the newspaper of Midday, against Midday and employees of Midday including certain reporters, photographers and editors, directors of Midday and/ or printers and publishers. These matters are presently pending before various forums at various stages of adjudication.

(b) Contingent assets

The Company has lodged a claim against a Customer for recovery of its dues. However, the contingent assets amounting to INR 6.25 lakhs (March 31, 2017: INR 1.70 lakhs) has not been recognised as a receivable as at March 31, 2018 as its receipt is dependent on the outcome of the arbitration process.

Note 27: Commitments

	As at March 31, 2018	As at March 31, 2017
(a) Non-cancellable operating leases		
The Company has corporate office under non-cancellable operating lease expiring within three years. The lease rentals charged during the period and the obligations on non-cancellable operating leases payable as per the rentals stated in the agreements are as follows:		





MIDDAY INFOMEDIA LIMITED**NOTES REFERRED TO AND FORMING PART OF FINANCIAL STATEMENTS**

(All amounts in INR Lakhs, unless otherwise stated)

	As at March 31, 2018	As at March 31, 2017
Commitments for minimum lease payments in relation to non-cancellable operating lease are payable as follows:		
Within one year	310.38	310.38
Later than one year but not later than five years	34.21	344.59
Later than five years	-	-
	344.59	654.97
Rental expense relating to operating leases		
	Year ended March 31, 2018	Year ended March 31, 2017
Minimum lease payments	356.85	543.59
Total rental expense relating to operating leases	356.85	543.59

Note 28: Segment Reporting

In the opinion of the management, the Company is primarily engaged in the business of printing and publishing of newspaper in India. Hence there are no reportable segments as envisaged in Ind AS 108 'Segment Reporting' notified under section 133 of Companies Act, 2013. Accordingly, no disclosures for segment reporting have been included in the financial statements.

Note 29: Barter transactions

The Company has entered into barter/exchange contracts aggregating INR 713.97 lakhs for sale of advertisement space in exchange of rights to acquire Investment properties. The fair value of advertisement space sold at the inception of the contract is recognised as an advance from customers / receivable against barter arrangement and Investment property acquired as current investments/Other long-term assets where the rights to Investment properties is not yet transferred. Revenue is recognised on publication of the advertisement and gain / loss is recognised on sale of Investment property.

Note 30: Assets classified as held for sale

Particulars	As at March 31, 2018	As at March 31, 2017
Plant & Machinery	9.60	9.60
Investment properties	475.81	574.59
Total assets classified as held for sale	485.41	584.19

The management of the company has decided to sell the above assets. There are several interested parties and the sale is expected to be completed before the end of March, 2019. The assets are presented within total assets of MIDDAY Infomedia Limited.

Investment properties re-classified as held for sale during the reporting period was measured at the lower of its carrying amount and fair value less costs to sell, resulting in the recognition of a impairment loss write down of INR 39.95 in FY 17-18 in the statement of profit or loss. The key inputs under this approach are price per square meter of comparable lots of plots in the area of similar location.



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MIDDAY INFOMEDIA LIMITED
NOTES REFERRED TO AND FORMING PART OF FINANCIAL STATEMENTS

(All amounts in INR Lakhs, unless otherwise stated)

Note 31: Assets pledged as security

The carrying amounts of assets pledged as security for current and non-current borrowings are:

	Notes	As at March 31, 2018	As at March 31, 2017
Current			
Financial assets			
Cash and cash equivalents	5 (d)	-	450.67
Trade receivables	5 (b)	-	2,699.47
Other bank balances	5 (e)	-	19.40
Investment in equity instruments	5 (e)	1,750.41	-
		1,750.41	3,169.54
Non-Financial assets			
Inventories	8	-	1,041.41
Total Current Assets pledged as security		1,750.41	4,210.95
Non-Financial assets			
Leasehold Land	3 (a)	-	308.67
Building	3 (a)	-	701.83
Vehicles	3 (a)	34.43	50.07
Total Non-Current Assets pledged as security		34.43	1,060.57
Total assets pledged as security		1,784.84	5,271.52

Refer Note 12(a), sub-note (a) & (b).



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MIDDAY INFOMEDIA LIMITED
NOTES REFERRED TO AND FORMING PART OF FINANCIAL STATEMENTS

Note 32: Related Party transactions

(a) Holding company:

The Company is controlled by the following entities:

Name	Type	Place of Incorporation	Ownership interest	
			March 31, 2018	March 31, 2017
Jagran Prakashan Limited	Holding company	India	100.00%	100.00%
Jagran Media Network Investment Private Limited	Ultimate holding company	India	NA	NA

(b) Other related parties with whom transactions have taken place during the year:

Fellow subsidiaries which do not exercise control or significant influence over the company

Nayi Dunia Media Limited
Music Broadcast Limited

Entities over which Key Management Personnel exercises significant influence

MMI Online Limited

Key Management Personnel as per the Companies Act, 2013

Mr. Sanjay Gupta - Chairman and Director
Mr. Sandeep Khosla - Chief Executive Officer
Mr. Shailesh Gupta - Director
Mr. Amit Dixit - Director
Mr. Rajendra Kumar Jhunjhunwala - Director
Ms. Apurva Purohit - Director
Mr. Shashidhar Sinha - Director
Mr. Nilpesh Shah - Chief Financial Officer (w.e.f. August 08, 2016)
Ms. Rajeshri Bolaikar - Chief Financial Officer (ceased w.e.f. July 29, 2016)
Ms. Pranali Parekh - Company Secretary

(c) Key Management personnel compensation

	March 31, 2018	March 31, 2017
Short-term employee benefits	140.23	127.56
Post-employment benefits	6.52	6.52
Total Compensation	146.75	134.08
Other services		
Professional services paid to the Director	43.50	43.50
Sitting fees	0.30	0.24

The remuneration of directors and key management personnel is determined by the Nomination and Remuneration Committee having regard to the performance of individual and market trends.

(d) Transactions with related parties

	Year ended March 31, 2018	Year ended March 31, 2017
The following transactions occurred with related parties:		
Sales and purchases of goods and services		
Advertisement revenue share income		
From Jagran Prakashan Limited	240.49	370.61
Advertisement expense share		
From Jagran Prakashan Limited	355.41	403.32



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MIDDAY INFOMEDIA LIMITED
NOTES REFERRED TO AND FORMING PART OF FINANCIAL STATEMENTS

	Year ended March 31, 2018	Year ended March 31, 2017
Advertisement Revenue		
From Music Broadcast Limited	14.45	42.80
Printing Expense		
From Jagran Prakashan Limited	250.10	243.84
Job work Revenue		
From Jagran Prakashan Limited	1.08	0.92
Services Received		
From Jagran Prakashan Limited	39.94	18.94
From Music Broadcast Limited	7.63	38.71
From MMI Online Limited	126.27	27.21
Commission Paid		
To MMI Online Limited	17.64	17.78
<i>Other transactions</i>		
Expenses incurred on behalf of the Company		
By Jagran Prakashan Limited	7.44	16.35
By Music Broadcast Limited	47.48	2.14
Expenses incurred by the Company on behalf of the related party charged to the related party		
To Jagran Prakashan Limited	0.65	14.26
To Music Broadcast Limited	-	0.06
Loan given		
To Music Broadcast Limited	-	1,500.00
Loan repayment received back		
From Music Broadcast Limited	-	1,500.00
Interest income		
To Music Broadcast Limited	-	7.10
Newsprint advance		
To Jagran Prakashan Limited	707.73	492.27
Newsprint repayment received		
By Jagran Prakashan Limited	489.87	489.67

e) Outstanding balances arising from sales/purchases of goods and services

The following balances are outstanding at the end of the reporting period in relation to transactions with related parties

	As at March 31, 2018	As at March 31, 2017
Trade payables (purchases of goods and services)		
To Jagran Prakashan Limited	104.55	311.24
To MMI Online Limited	14.73	0.79
To Music Broadcast Limited	7.85	7.32
Trade receivables (sales of goods and services)		
From Jagran Prakashan Limited	262.39	173.90
From Music Broadcast Limited	-	27.01
Other current assets		
Advance from Jagran Prakashan Limited	246.38	28.52
Equity		
To Jagran Prakashan Limited	1,987.03	1,987.03



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MIDDAY INFOMEDIA LIMITED
NOTES REFERRED TO AND FORMING PART OF FINANCIAL STATEMENTS

	As at March 31, 2018	As at March 31, 2017
f) Loans to/from related parties		
Loans given to Music Broadcast Limited		
Beginning of the year	-	-
Loan taken during the year	-	1,500.00
Repaid during the year	-	(1,500.00)
Interest charged	-	7.10
Interest received	-	(7.10)
end of the year (Closing balance)	-	-

Notes:-

1. The sales to, purchases and other related party transactions from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year end are unsecured and interest free and settlement occurs in cash. For the year ended March 31, 2018, the Company has not recorded any impairment of receivables relating to amounts owed by related parties (March 31, 2017: INR Nil). 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.

2) Commitment with related parties

There are no guarantees provided or received to/from related party.

3) The figures excludes sales tax / service tax / GST, as applicable.



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MIDDAY INFOMEDIA LIMITED
NOTES REFERRED TO AND FORMING PART OF FINANCIAL STATEMENTS

(All amounts in INR Lakhs, unless otherwise stated)

Note 33: Fair value measurements

The financial instruments are classified in the following categories and are summarised in the table below:

- i) Fair Value through Profit and Loss (FVTPL)
- ii) Fair value through Other Comprehensive Income (FVOCI)
- iii) Amortised cost

Financial instruments by category

	March 31, 2018		March 31, 2017			
	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost
Financial assets						
Investments						
- Equity instruments		51.24	-	-	70.87	-
- Mutual funds	###	-	250.10	-	-	-
Trade receivables	-	-	2,943.58	-	-	2,699.47
Loans	-	-	16.50	-	-	11.83
Cash and cash equivalents	-	-	331.26	-	-	450.67
Security deposits	-	-	230.04	-	-	214.95
Other bank balances	-	-	2.06	-	-	19.40
Total financial assets	1,750.46	51.24	3,523.44	250.10	70.87	3,396.32
Financial liabilities						
Borrowings	-	-	28.80	-	-	227.49
Trade payables	-	-	1,044.79	-	-	1,610.41
Security Deposits	-	-	122.74	-	-	114.82
Bank overdraft	-	-	77.36	-	-	5.95
Employee benefit payable	-	-	152.46	-	-	135.38
Total financial liabilities	-	-	1,426.15	-	-	2,094.05

(i) Fair value hierarchy

The following table summarises the financial instruments at fair value by valuation methods. The different levels have been defined as follows:

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments and mutual funds that have quoted price. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for investment in certain debentures, preference shares and unlisted equity instruments.



MIDDAY INFOMEDIA LIMITED
NOTES REFERRED TO AND FORMING PART OF FINANCIAL STATEMENTS

(All amounts in INR Lakhs, unless otherwise stated)

Note 34: Capital management

(a) Risk management

The Company's objective when managing capital is to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for stakeholders. The Company also proposes to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Company may adjust any dividend payments, return capital to shareholders or issue new shares.

Consistent with the industry standards the Company monitors capital on the basis of debt to equity ratio where debt (comprise of total borrowings) and Equity comprise the equity shares outstanding at each reporting date.

The Debt to Equity position at each reporting date is summarised below:

Particulars	As at March 31, 2018	As at March 31, 2017
Net debt	645.37	211.71
Total equity	7,053.39	6,370.44
Net debt to equity ratio	0.09	0.03



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MIDDAY INFOMEDIA LIMITED
NOTES REFERRED TO AND FORMING PART OF FINANCIAL STATEMENTS

(All amounts in INR Lakhs, unless otherwise stated)

Note 35: Financial risk management

The Company's activities expose it to a variety of financial risks: market risk (including currency risk, interest rate risk, and price risk), credit risk and liquidity risk. The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Company's financial performance.

Risk management is carried out under policies approved by the board of directors which provides principles for overall risk management. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk.

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, trade receivables, other financial assets	Aging analysis	Diversification of bank deposits, Credit limits, and periodic monitoring of realizable value.
Liquidity risk	Borrowings and other liabilities	Cash flow forecasts	Availability of committed credit lines and borrowing facilities
Market risk – foreign exchange	Recognised financial assets and liabilities not denominated in Indian rupee (INR)	Cash flow forecasting Sensitivity analysis	By minimising the exposure in foreign currency
Market risk – interest rate	Borrowings at variable rates	Periodical monitoring with respect to market conditions	Replacing the high cost borrowings with low cost borrowings from time to time
Market risk – security prices	Investments in equity securities	Sensitivity analysis	Portfolio diversification

Competition Risk

The Company faces competition from peers which challenges the profit earning capacity of the Company. The Company manages the risk from competition on the basis of strength of its content and brand.

Demand Risk

The Company derives majority of its revenue from sale of advertisement space and any shortfall in sale of space impacts the profits disproportionately. The Company manages the risk by taking increase in cover prices and by utilising its printing and other infrastructure to generate revenue from other streams such as job work.

(A) Credit risk

The credit risk arises from cash and cash equivalents, investments and deposits with banks and financial institutions, as well as credit exposures to customers including outstanding receivables.

The Company considers factors such as track record, size of the institution, market reputation and service standards to select the banks/institutions with which balances are maintained. The Company does not maintain significant cash and deposit balances other than those required for its day to day operations.

The Company extends credit to customers in normal course of business. The Company considers factors such as credit track record in the market and past dealings with the Company for extension of credit to customers. The Company monitors the payment track record of the customers. The Company has also accepted security deposits from its agencies, which mitigate the credit risk to an extent.

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk the Company compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forwarding-looking information.

A default on a financial asset is when the counterparty fails to make contractual payments when they fall due or when the extended credit period expires. This definition of default is determined by considering the business environment in which entity operates and other macro-economic factors.

The Company provides for expected credit loss when there is no reasonable expectation of recovery, such as a debtor declaring bankruptcy or failing to engage in a repayment plan with the Company. The Company categorises a provision when a customer fails to make contractual payments as per agreed terms. Where loans or receivables have been impaired, the Company continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in profit or loss.

(i) Reconciliation of loss allowance - deposits

Loss allowance on March 31, 2016	28.30
Changes in loss allowance	-
Loss allowance on March 31, 2017	28.30
Changes in loss allowance	-
Loss allowance on March 31, 2018	28.30



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MIDDAY INFOMEDIA LIMITED
NOTES REFERRED TO AND FORMING PART OF FINANCIAL STATEMENTS

(All amounts in INR Lakhs, unless otherwise stated)

(ii) Reconciliation of loss allowance – Trade receivables

Loss allowance on March 31, 2016	157.92
Changes in loss allowance	26.90
Loss allowance on March 31, 2017	184.82
Changes in loss allowance	17.02
Loss allowance on March 31, 2018	201.84

The impairment provisions for financial assets disclosed above 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.

(B) Liquidity risk

The Company relies on a mix of excess operating cash flows, investments in marketable securities, borrowings and capital infusion to meet its needs for funds. The current committed lines of credit are sufficient to meet its short to medium term expansion needs. The Company monitors rolling forecasts of the liquidity position (comprising the undrawn borrowing facilities), cash and cash equivalents on the basis of expected cash flows to ensure it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities at all times.

The table below analyses the Company's financing arrangements and non-derivative financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet to the contractual maturity date. There are no derivative financial instruments in respect of reporting periods disclosed under these financial statements.

(i) Financing arrangements

	31 March, 2018	31 March, 2017
Floating rate		
- Expiring within one year (bank overdraft and other facilities)	633.37	183.44
	-	
	633.37	183.44

(ii) Maturities of financial liabilities

The tables below analyse the company's financial liabilities into relevant maturity groupings based on their contractual maturities for all non-derivative financial liabilities. There are no derivative financial instruments in respect of reporting periods disclosed under these financial statements. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

Contractual maturities of financial liabilities	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Total
31 March 2018				
Non-derivatives				
Borrowings	650.17	12.00	-	662.17
Trade payables	1,044.79	-	-	1,044.79
Other financial liabilities	352.56	-	-	352.56
Total non-derivative liabilities	2,047.52	12.00	-	2,059.52
31 March 2017				
Non-derivatives				
Borrowings	198.69	15.25	13.55	227.49
Trade payables	1,610.41	-	-	1,610.41
Other financial liabilities	256.15	-	-	256.15
Total non-derivative liabilities	2,065.25	15.25	13.55	2,094.05



MIDDAY INFOMEDIA LIMITED
NOTES REFERRED TO AND FORMING PART OF FINANCIAL STATEMENTS

(All amounts in INR Lakhs, unless otherwise stated)

(C) Market risk

(i) Foreign currency risk

The company operates in primarily in India and not materially exposed to foreign exchange risk arising from foreign currency transactions. The Company generally deals in USD for news print purchases. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the Company's functional currency (INR). The risk is measured through a forecast of highly probable foreign currency cash flows.

(a) Foreign currency risk exposure:

The Company's exposure to foreign currency risk at the end of the reporting period expressed in INR, are as follows

Particulars	March 31, 2018	March 31, 2017
	USD	USD
<i>Financial liabilities</i>		
Trade payables	177.66	446.80
Net exposure to foreign currency risk	177.66	446.80

(b) Sensitivity

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments:

Particulars	Impact on profit after tax	
	March 31, 2018	March 31, 2017
<i>USD sensitivity</i>		
INR/USD Increase by 2% (March 31, 2017 - 2%)*	(3.55)	(8.94)
INR/USD Decrease by 2% (31 March 2017 - 2%)*	3.55	8.94

*holding off other variables constant

(ii) Cash flow and fair value interest rate risk

The Company's main interest rate risk arises from long-term borrowings with variable rates, which expose the Company to cash flow interest rate risk. During March 31, 2018 and March 31, 2017, the Company's borrowings at variable rate were mainly denominated in INR and USD.

The Company's fixed rate borrowings are carried at amortised cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

(a) Interest rate risk exposure

The exposure of the Company's borrowing to interest rate changes at the end of the reporting period are as follows:

Particulars	March 31, 2018	March 31, 2017
Variable rate borrowings*	633.37	183.44
Fixed rate borrowings	28.80	44.05
Total borrowings	662.17	227.49
Variable rate borrowings as % of total loans	0.96	0.81

*includes Cash credit facility and Buyer's credit facilities from Yes Bank

An analysis by maturities is provided in note 35(B)(ii) above. The percentage of total loans shows the proportion of loans that are currently at variable rates in relation to the total amount of borrowings.

(b) Sensitivity

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates.

Particulars	Impact on profit after tax	
	March 31, 2018	March 31, 2017
Interest rates - increase by 10 basis points (10bps)*	(0.63)	(0.18)
Interest rates - decrease by 10 basis points (10bps)*	0.63	0.18

*holding all other variables constant

(iii) Price risk

The Company doesn't have significant equity investments that are publicly traded and investments in non-listed securities are of strategic importance. The Company's non-listed equity securities are susceptible to market price risk arising from uncertainties about future values of the investment securities. The Company manages its investment in unquoted securities by monitoring the cash flow measures.




MIDDAY INFOMEDIA LIMITED
NOTES REFERRED TO AND FORMING PART OF FINANCIAL STATEMENTS

(All amounts in INR Lakhs, unless otherwise stated)

Note 36: Disclosure related to 'Specified Bank Notes (SBN)'

Details of SBN held and transacted during the period from November 8, 2016 to December 30, 2016 are as follows:

	SBN (Amount)	Other denominations (Amount)	Total (Amount)
Closing Cash in Hand as on November 8, 2016	92.21*	3.52	95.73
Add : Permitted receipts	-	44.49	44.49
Cash withdrawal	-	12.86	12.86
Less: Permitted payments	8.36	9.88	18.24
Amount deposited in banks	83.85	30.77	114.62
Closing Cash in Hand as on December 30, 2016	-	20.22	20.22

*Includes INR 2.54 held by field representatives, recorded in books and deposited in banks between November 8, 2016 to December 30, 2016.

(a) the term 'Specified Bank Notes' 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 8th November, 2016.

As per our report of even date attached

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number (01 2754N/N500016)
Chartered Accountants



Anurag Khandelwal
Partner
Membership Number-078571

Place: Mumbai
Date: May 22, 2018

For and on behalf of the Board of Directors



Shailesh Gupta
Director



Sandeep Khosla
Chief Executive Officer

Place: Mumbai
Date: May 22, 2018



Apurva Purohit
Director



Nilesh Shah
Chief Financial Officer



Pranali Berekh
Company Secretary