INDEPENDENT AUDITOR'S REPORT

To the Members of HT Education Limited

Report on the Ind AS Financial Statements

Opinion

We have audited the accompanying Ind AS Financial Statements of HT Education Limited, which comprise the balance sheet as at March 31, 2020, and the statement of Profit and Loss, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as the Ind AS financial statements)

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, 2020, and profit/loss, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Ind AS financial statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the year ended March 31, 2020. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We do not observed any Key Audit Matters that, in our professional judgment, were of most significance on our audit of Ind AS Financial Statements of the year ended March 31, 2020.

Other Information

The Company's Board of Directors is responsible for the other information. The Other Information comprises the information included in the other reports, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. Based on the work we have performed, we conclude that there is a no material misstatement of this other information.

Responsibility of Management for Ind AS Financial Statements

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

In preparing the Ind AS financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the company's financial reporting process.

Auditor's Responsibilities for the Audit of the Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order

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

    a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

    b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;

d) In our opinion, the aforesaid Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;

e) On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act;

f) On the basis of the information and explanation provided to us by the Company the internal financial control framework, in our opinion, the Company has, in all material aspects, adequate internal financial controls systems in place and such controls are operating effectively as at 31st March 2020. A separate report on this clause has been attached as Annexure B to this report as prescribed by the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

g) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

   i. The Company does not have any pending litigations which would impact its financial position;
   ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
   iii. There were no amounts, required to be transferred to the investor Education and Protection Fund by the Company.

For MRKS AND ASSOCIATES
Chartered Accountants
(ICAI Registration No. 023711N)

Saurabh Kuchhal
Partner
Membership No. 512362
Date:
Place: New Delhi
UDIN: 20512362AAAAFR7591

Annexure A to the Independent Auditor's Report of even date on the Financial Statements of HT Education Limited for the year ended March 31, 2020

Report on the statement of matters specified in paragraphs 3 and 4 of the Order.

(i) The Company own Fixed Assets; accordingly, the provisions of clause 3 (i) of the Order are applicable to the Company.

a.) The Company maintains proper records showing full particulars including details of quantity & Situation of Fixed Assets.

b.) Physical verification of the Fixed Assets is conducted by the management at reasonable interval.

c.) No material discrepancies were noticed on physical verification.

(ii) The Company does not have any inventories; accordingly, the provisions of clause 3 (ii) of the Order are not applicable to the Company.

(iii) According to information and explanations given to us, the Company has not granted loans secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause (iii) (a), (b), (c) of the order is not applicable to the company.

(iv) According to information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Companies Act, in respect of loans, investments, guarantees and security as applicable.

(v) According to information and explanations given to us, the Company has not accepted any deposits during the year. Accordingly, the provisions of clause 3 (v) are not applicable to the Company.

(vi) According to the information and explanations given to us, the company is not required to maintained cost records as specified by central government under sub-section (1) of section 148 Companies Act, 2013. Accordingly, the provisions of clause 3(vi) are not applicable to the Company.

(vii) (a) According to the information and explanations given to us, the Company is generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales tax, service tax, duty of customs, duty of excise, value added tax, goods and service tax, cess and any other statutory dues with the appropriate authorities, to the extent applicable to it. There are no arrears of outstanding statutory dues as at March 31, 2020 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, the Company does not have any dues of income tax or sales tax or service tax or duty of customs or duty of excise or value added tax or goods and service tax or cess which have not been deposited on account of any dispute.

(viii) According to the information and explanations given to us, the Company does not have any loan or borrowing from financial institution, bank, government and does not issued debentures, Accordingly, the provisions of clause 3 (viii) are not applicable to the Company.

(ix) According to the information and explanations given to us, the Company has not raised moneys by way of public issue, follow-on offer (including debt instruments) and raised any term loan during the year under audit.

(x) In our opinion and according to the information and explanations given to us, no fraud by the Company and no significant fraud on the Company by its officers/ employees has been noticed or reported during the year, that ultimately causes the financial statements to be materially misstated.

(xi) According to the information and explanations given to us, the provisions of clause (xi) in relation to managerial remuneration are not applicable to the company.

(xii) The Company is not a Nidhi Company. Accordingly, the provisions of clause 3 (xii) are not applicable to the Company.

(xiii) According to the information and explanations given to us, all transactions with the related parties are in compliance with Section 188 and 177 of Companies Act, 2013 to the extent applicable and the details have been disclosed in the Financial Statements as required by the accounting standards and Companies Act, 2013.

(xiv) According to the information and explanations given to us, the Company has not made any preferential allotment / private placement of shares or fully or partly convertible debentures during the year under review.

(xv) According to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with them and hence provisions of Section 192 of the companies Act is not applicable to the company.

(xvi) According to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For MRKS AND ASSOCIATES
Chartered Accountants
(ICAI Registration No. 023711N)

Saurabh Kuchhal
Partner
Membership No. 512362
Date:
Place: New Delhi
UDIN: 20512362AAAAFR7591

Annexure B to the Independent Auditor's Report of even date on The Financial Statements of HT Education Limited for the year ended March 31, 2020

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

We have audited the internal financial controls over financial reporting of HT Education Limited ("the Company") as of March 31, 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that:

(1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

(2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of Management and directors of the Company; and

(3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, 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 MRKS AND ASSOCIATES
Chartered Accountants
(ICAI Registration No. 023711N)

Saurabh Kuchhal
Partner
Membership No. 512362
Date:
Place: New Delhi
UDIN: 20512362AAAAFR7591

HT Education Limited
Balance sheet
as at 31 March 2020

		Notes	As at March 20 INR	As at March 19 INR
	ASSETS			
1)	**Non-current assets**			
	(a) Property, plant and equipment	3	950	950
	(b) Financial assets			
	(i) Investments	4	-	53,575,968
			950	53,576,918
2)	**Current assets**			
	(a)Cash and cash equivalents	5	340,247	462,304
			340,247	462,304
	TOTAL ASSETS		**341,197**	**54,039,222**
	EQUITY AND LIABILITIES			
1)	**Equity**			
	(a) Equity share capital	6	292,200,000	292,200,000
	(b) Other equity	7	(292,111,988)	(238,386,879)
	Total equity		**88,012**	**53,813,121**
2)	**Liabilities**			
	Current liabilities			
	(a) Financial liabilities			
	(i)Trade Payables	8		
	a) Total outstanding due of micro, small and medium enterprises		-	-
	b)Total outstanding other than of micro enterprises and small enterprises		245,824	218,901
	(b) Other current liabilities	9	7,361	7,201
	Total liabilities		253,185	226,102
	TOTAL EQUITY AND IABILITIES		**341,197**	**54,039,222**

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

For and on behalf of the Board of Directors of
HT Education Limited

In terms of our report of even date attached

For MRKS & Associates
Chartered Accountants
ICAI Firm Registration No.02371IN

(Rajan Bhalla)
(Director)
(DIN: 08098945)

(Dinesh Mittal)
(Director)
(DIN 00105769)

Saurabh Kuchhal
Partner
Membership No.512362

(Dr.Mansoor Aagha)
(Chief Executive Officer)

(Deepak Sharma)
(Company Secretary)

(Vinit Jain)
(Chief Financial Officer)

Place: New Delhi
Date :

HT Education Limited
STATEMENT OF PROFIT AND LOSS
for the year ended on 31 March 2020

	Particulars	Note No	March 20 INR	March 19 INR
I	Revenue from operations		-	-
II	Other Income		-	-
III	**Total Income (I + II)**		**-**	**-**
IV	**Expenses**			
	Finance costs	10	590	2,478
	Other expenses	11	148,551	161,262
	Total expenses (IV)		**149,141**	**163,740**
V	Profit/(loss) before exceptional items and tax (III-IV)		(149,141)	(163,740)
VI	Exceptional items	12	(53,575,968)	(235,124,033)
VII	**Profit/(loss) before tax (V-VI)**		(53,725,109)	(235,287,773)
	Earnings before interest, tax, depreciation and amortization (EBITDA)		**(53,724,519)**	**(235,285,295)**
	Tax expense:		**-**	**-**
VIII	**Total tax expense**		**-**	**-**
IX	**Profit (Loss) for the year from continuing operations (VII-VIII)**		**(53,725,109)**	**(235,287,773)**
X	**OTHER COMPREHENSIVE INCOME**			
	A) Items that will not be reclassified to Profit or Loss		-	-
	B) Items that will not be reclassified to Profit or Loss		-	-
	TOTAL COMPREHENSIVE INCOME FOR THE YEAR, NET OF TAX		**(53,725,109)**	**(235,287,773)**
XI	**Earning Per Share**			
	Basic (Nominal value of share INR 10/-)	13	(1.84)	(8.05)
	Diluted (Nominal value of share INR 10/-)	13	(1.84)	(8.05)

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

For and on behalf of the Board of Directors of
HT Education Limited

In terms of our report of even date attached

For MRKS & Associates
Chartered Accountants
ICAI Firm Registration No.02371IN

(Rajan Bhalla)
(Director)
(DIN: 08098945)

(Dinesh Mittal)
(Director)
(DIN 00105769)

Saurabh Kuchhal
Partner
Membership No.512362

(Dr.Mansoor Aagha)
(Chief Executive Officer)

(Deepak Sharma)
(Company Secretary)

Place: New Delhi
Date:

(Vinit Jain)
(Chief Financial Officer)

HT Education Limited

Cash Flow Statement for the year ended on 31 March 2020 *(In INR)*

	Year ended 31 March 2020	Year ended 31 March 2019
Cash flow from operating activities:		
Profit before tax	**(53,725,109)**	**(235,287,773)**
Adjustments for:		
Depreciation/amortization on continuing operation	-	-
Provision for Loss on investment.	53,575,968	235,124,033
Cash flows from operating activites before changes in following assets and liabilities	**(149,141)**	**(163,740)**
Changes in operating assets and liabilties		
Increase/(decrease) in trade payables	26,923	(27,462)
Increase/(decrease) in other current liabilities	161	(3,600)
Cash generated from /(used in) operations	(122,058)	(194,802)
Direct taxes paid (net of refunds)	-	-
Net cash flow from/ (used in) operating activities (A)	**(122,058)**	**(194,802)**
Net cash flow from/(used in) investing activities (B)	**-**	**-**
Net cash flow from/(used in) in financing activities (C)	**-**	**-**
Net increase/(decrease) in cash and cash equivalents (D=A + B + C)	(122,058)	(194,802)
Cash and cash equivalents at the beginning of the year (E)	462,304	657,106
Cash and cash equivalents at the end of the year (D+E)	**340,246**	**462,304**
Components of Cash & Cash Equivalents as at end of the year		
Balances with banks		
- On current accounts	340,247	462,304
Cash and cash equivalents as per Cash Flow Statement	**340,247**	**462,304**

Note: The above Cash Flow Statement has been prepared under the"Indirect Method" as set out in Ind AS 7 - Statement of Cash Flows.

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

For and on behalf of the Board of Directors of
HT Education Limited

As per our report of even date

For MRKS & Associates
Chartered Accountants
ICAI Firm Registration No.02371IN

(Rajan Bhalla)
(Director)
(DIN: 08098945)

(Dinesh Mittal)
(Director)
(DIN 00105769)

Saurabh Kuchhal
Partner
Membership No.512362

(Dr.Mansoor Aagha)
(Chief Executive Officer)

(Deepak Sharma)
(Company Secretary)

(Vinit Jain)
(Chief Financial Officer)

Place: New Delhi
Date :

HT Education Limited
Statement of changes in equity as on March 31, 2020

Equity Share Capital (refer note 6)
Equity Shares of INR 10 each issued, subscribed and fully paid up

(In INR)

Particulars	**Number**	**Amount**
Balance as at April 1, 2018	29,220,000	292,200,000
Changes in share capital during the year	-	-
Balance as at March 31, 2019	29,220,000	292,200,000
Changes in share capital during the year	-	-
Balance as at March 31, 2020	**29,220,000**	**292,200,000**

. **Other Equity (refer note 7)** *(In INR)*

Particulars	**Retained earnings**	**Total**
Balance as at April 1, 2018	**(3,099,107)**	**(3,099,107)**
Profit/ (loss) for the year	(235,287,773)	(235,287,773)
Balance as at March 31, 2019	**(238,386,879)**	**(238,386,879)**
Profit/ (loss) for the year	(53,725,109)	(53,725,109)
Balance as at March 31, 2020	**(292,111,988)**	**(292,111,988)**

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

For and on behalf of the Board of Directors of
HT Education Limited

For MRKS & Associates
Chartered Accountants
ICAI Firm Registration No.02371IN

(Rajan Bhalla)
(Director)
(DIN: 08098945)

(Dinesh Mittal)
(Director)
(DIN 00105769)

Saurabh Kuchhal
Partner
Membership No.512362

(Dr.Mansoor Aagha)
(Chief Executive Officer)

(Deepak Sharma)
(Company Secretary)

(Vinit Jain)
(Chief Financial Officer)

Place: New Delhi
Date :

HT Education Limited
Notes to financial statements for the year ended March 31, 2020

Note 3 Property, Plant & Equipments

(INR)

Particulars	Office Equipment's	Total (Tangible Assets)
Cost		
As at April 1, 2018	**22,850**	**22,850**
Addition	-	-
Disposals	-	-
As at March 31, 2019	**22,850**	**22,850**
Addition	-	-
Disposals	-	-
As at March 31, 2020	**22,850**	**22,850**
Depreciation and Impairment		
As at April 1, 2018	**21,900**	**21,900**
Charge for the year	-	-
Disposals	-	-
As at March 31, 2019	**21,900**	**21,900**
Charge for the year	-	-
Disposals	-	-
As at March 31, 2020	**21,900**	**21,900**
Net Block		
As at 31 March 2020	**950**	**950**
As at 31 March 2019	**950**	**950**

Note 4: Investment in subsidiaries

(INR)

Particulars	As at 31st March 2020	As at 31st March 2019
Investment in an associate		
Unquoted		
Equity Shares in HT Learning Centres Limited		
2,88,70,000 Equity Shares of Rs 10 Each (Previous year 2,88,700,00 equity shares)	288,700,000	288,700,000
Less: Provision for diminution in value of investment	288,700,000	235,124,032
Total Investment in Associate	**-**	**53,575,968**

Note 5: Cash & Cash Equivalents

(INR)

Particulars	As at 31st March 2020	As at 31st March 2019
Balance with banks :		
- On current accounts	340,247	462,304
Total	**340,247**	**462,304**

Note 6: Share Capital

Authorised share capital

Particulars	No. of shares	Amount (INR)
At 1 April 2018	**31,000,000**	**310,000,000**
Increase/(decrease) during the year	-	-
At 31 March 2019	**31,000,000**	**310,000,000**
Increase/(decrease) during the year	-	-
At 31 March 2020	**31,000,000**	**310,000,000**

Terms/ rights attached to equity shares

The Company has only one class of equity shares having par value of INR 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian rupees. During the year ended on 31st March, 2020 no dividend was recognised as distributions to equity shareholders.

Issued and subscribed capital

Equity shares of INR 10 each issued, subscribed and fully paid	No. of shares	Amount (INR)
At 1 April 2018	**29,220,000**	**292,200,000**
Increase/(decrease) during the year	-	-
At 31 March 2019	**29,220,000**	**292,200,000**
Increase/(decrease) during the year	-	-
At 31 March 2020	**29,220,000**	**292,200,000**

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

Particulars	31 March 2020 (Number of Shares)	31-03-2019 (INR)
Shares outstanding at the beginning of the year	**29,220,000**	**29,220,000**
Shares issued during the year	-	-
Shares bought back during the year	-	-
Shares outstanding at the end of the year	**29,220,000**	**29,220,000**

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

Out of equity shares issued by the company, shares held by its holding company are as below:

(INR)

Particulars	31-Mar-20	31-Mar-19
HT Media Limited, the holding company 2,92,20,000 (31 Mar 2019 - 2,92,20,000) equity shares of INR 10 each fully paid	292,200,000	2,922,000,000

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

Particulars	31-Mar-20	31-Mar-19
HT Media Limited, the holding company 2,92,20,000 (31 Mar 2019 - 2,92,20,000) equity shares of INR 10 each fully paid	100%	100%

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

Note 7: Other equity

(INR)

Particulars	31-Mar-20	31-Mar-19
Retained earnings	(292,111,988)	(238,386,879)
Total	**(292,111,988)**	**(238,386,879)**

Retained earnings

Particulars	Amount (INR)
At 1 April, 2018	**(3,099,107)**
Profit/ (loss) for the year	(235,287,773)
At 31 March, 2019	**(238,386,879)**
Profit/ (loss) for the year	(53,725,109)
At 31 March 2020	**(292,111,988)**

Note 8: Trade Payables

(INR)

Particulars	31-Mar-20	31-Mar-19
Trade Payables		
- Micro, small and medium enterprises*	-	-
-Others	245,824	218,901
Total	**245,824**	**218,901**
Current	**245,824**	**218,901**
Non- Current	**-**	**-**

*Based upon the information available with the Company, the balance due to suppliers registered under "The Micro, Small and Medium Enterprises Development Act, 2006" as on March 31, 2020 is Rs. Nil (As at March 31, 2019: Rs. Nil). Further, no interest during the year has been paid or is payable under the terms of the Act.

Note 9 : Other current liabilities

(INR)

Particulars	**As at 31st March 2020**	**As at 31st March 2019**
Statutory dues	7,361	7,201
Total	**7,361**	**7,201**

Note 10 : Finance costs

(INR)

Particulars	**Year ended 31st March 2020**	**Year ended 31st March 2019**
Bank charges	590	2478
Total	**590**	**2478**

Note 11 : Other expenses

(INR)

Particulars	**Year ended 31st March 2020**	**Year ended 31st March 2019**
Rates and taxes	324	-
Legal and professional fees	83,777	96,812
Payment to auditor (refer details below)	40,000	64,450
Miscellaneous expenses	24,450	-
Total	**148,551**	**161,262**

Payment to Auditors

(INR)

Particulars	**Year ended 31st March 2020**	**Year ended 31st March 2019**
Statutory Audit	15,000	30,000
Limited Review	15,000	15,000
Tax Audit	10,000	15,000
Others - Out of Pocket		4,450
Total	**40,000**	**64,450**

Note 12 : Exceptional items

(INR)

Particulars	**Year ended 31st March 2020**	**Year ended 31st March 2019**
Provision for diminution in value of investment*	(53,575,968)	(235,124,033)
Total	**(53,575,968)**	**(235,124,033)**

* Represents provision for diminution of investment in associate (HT Learning Centres Limited) made during the year

Note 13 : Earnings per share (EPS)

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

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

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

Particulars	**Year ended 31st March 2020**	**Year ended 31st March 2019**
Profit/(loss) attributable to equity holders for basic earnings (INR)	**(53,725,109)**	**(235,287,773)**
Weighted average number of Equity shares for basic and diluted earnings per share	29,220,000	29,220,000
Earnings/(loss) per share (INR/Share)		
Basic earnings per share	**(1.84)**	**(8.05)**
Diluted earnings per share	**(1.84)**	**(8.05)**

Note 14 : Related party disclosures

List of Related Parties and Relationships:-

Name of related parties where control exists whether transactions have occurred or not.	HT Media Limited (Holding Company) The Hindustan Times Limited (HTL) # Earthstone Holding (Two) Limited (Ultimate controlling party is the Promoter Group)##

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

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

There were no transactions with th related parties during the year ended March 31, 2020 and year ended March 31, 2019.

Note 15 : Capital management

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

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

(INR)

Particulars	**Year ended 31st March 2020**	**Year ended 31st March 2019**
Trade payables (Note 8)	245,824	218,901
Less: cash and cash equivalents (Note 5)	(340,247)	(462,304)
Net debt	**(94,423)**	**(243,403)**
Equity & Other Equity	88,012	53,813,121
Total capital	**88,012**	**53,813,121**
Capital and net debt	**-6,411**	**53,569,718**
Gearing ratio	**Nil**	**Nil**

No changes were made in the objectives. policies or processes for managing capital during the years ended 31 March, 2020 and 31 March, 2019.

Note 16 : Fair values

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

17. Scheme of amalgamation between Firefly e-Ventures Limited (FEVL), HT Digital Media Holdings Limited (HTDH), HT Education Liited (HTEL), HT Learning Centers Limited (HTLC), India Education Services Privale Limited (IESPL), Topmovies Entertainment Limited (TMEL) with HT Mobile Solutions Limited (HTMSL):

A scheme of amalgamation u/s 230-232 of the Companies Act, 2013 which provides for merger of Firefly e-Ventures Limited (FEVL), HT Digital Media Holdings Limited (HTDMH), HT Education Limited (HTEL), HT Learning Centers Limited (HTLC), India Education Services Private Limited (IESPL, the Company) and Topmovies Entertainment Limited (TMEL) with HT Mobile Solutions Limited (HTMS) ("Scheme"), has been approved by the respective Board of Directors of companies at their meetings held on March 18, 2020.

The Companies are in the process of filing the Scheme with the Hon'ble NCLT, New Delhi Branch. Pending the filing and approval of the Scheme by the Hon'ble NCLT, New Delhi Branch, the impact of the Scheme has not been considered in the financial satetements by the transferor and transferee Companies.

Note 18: Standards issued but not yet effective

As on the date of approval of these accounts there are no standards which have been issued but not effective, except as given below.

Note 22:

Previous year figures have been regrouped and reclassified wherever necessary to confirm to the current year classification.

As per our report of even date

For MRKS and Associates
ICAI Firm Registration no.: 023711N
Chartered Accountants

For and on behalf of the Board of Directors of
HT Education Limited

per Saurabh Kuchhal
Partner
Membership Number: 512362

(Rajan Bhalla)
Director
DIN: 08098945

(Dinesh Mittal)
Director
DIN 00105769

(Dr.Mansoor Aagha)
(Chief Executive Officer)

(Deepak Sharma)
(Company Secretary)

Place:New Delhi
Date:

(Vinit Jain)
(Chief Financial Officer)

1. Corporate information

HT Education Limited was incorporated on 23 April 2008. The Company is a wholly owned subsidiary of HT Media Limited. The Company is engaged in establishing and promoting educational institutes vide the Company's subsidiary "HT Learning Centers Limited", which is engaged in running coaching centers.

Information on related party relationship of the Company is provided in Note No 14.

The financial statements of the Company for the year ended 31st March, 2020 were authorised for issue in accordance with a resolution of the Board of Directors on May 27, 2020.

2. Significant accounting policies

2.1 Basis of preparation

The standalone financial statements of the Company have been prepared in accordance with the Indian Accounting Standards ('Ind-AS') specified in the Companies (Indian Accounting Standards) Rules, 2015 (as amended) under Section 133 of the Companies Act 2013 (the "accounting principles generally accepted in India").
The accounting policies are applied consistently to all the periods presented in the financial statements.

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

2.2 Summary of significant accounting policies

a) Current versus non- current classification

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

- Expected to be realised or intended to sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

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

The Company classifies all other liabilities as non-current.
The operating cycle is the time between Admission of Student up to its realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

b) Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government. The Company has concluded that it is the principal in all of its revenue arrangements since it is the primary obligor in all the revenue arrangements as it has pricing latitude and is also exposed to inventory and credit risks.

Service tax, Sales tax and value added tax (VAT) is not received by the Company on its own account. Rather, it is tax collected on value added to the commodity by the seller on behalf of the government. Accordingly, it is excluded from revenue.

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

Other incidental income is recognized as and when the event takes place to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured

c) Property, plant and equipment

The Company has applied for one time transition option of considering the carrying cost of Property, Plant and Equipment on the transition date i.e. April 1, 2015 as the deemed cost under Ind-AS.

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

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

(a) it is probable that future economic benefits associated with the item will flow to the entity; and

(b) the cost of the item can be measured reliably.

All other expenses on existing assets, including day- to- day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

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

Type of asset	Useful lives estimated by management (Years)
IT Equipment	3 years

The Company, based on technical assessment made by the management depreciates certain assets over estimated useful lives which are different from the useful life prescribed in Schedule ll to the Companies Act, 2013.
Depreciation on the property, plant and equipment is provided over the useful life of assets as specified in Schedule II to the Companies Act, 2013. Property, Plant and Equipment which are added/disposed off during the year, depreciation is provided on pro-rata basis with reference to the month of addition/deletion.

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

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

Expenditure directly relating to construction activity is capitalized. Indirect expenditure incurred during construction period is capitalized as a part of indirect construction cost to the extent the expenditure is related to construction or is incidental thereto. Other indirect costs incurred during-the construction periods which are not related to construction activity nor are incidental thereto are charged to Statement of Profit and Loss. Reinvested income earned during the construction period is adjusted against the total of indirect expenditure.

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

d) Taxes

The Government of India, on September 20, 2019, vide Taxation Laws (Amendment) Ordinance 2019, inserted a new Section 115BAB in the Income Tax Act, 1961, which gives option to the Company to pay Income Tax at reduced rates as per the provisions/ conditions defined in the said section. The Company is in the process of evaluating the impact of this Ordinance.

Current income tax

Tax expense is the aggregate amount included in the determination of profit or loss for the period in respect of current tax and deferred tax.

Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961.

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised is correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Appendix C to Ind AS 12, Income Taxes dealing with accounting for uncertainty over income tax treatments is applicable from accounting periods beginning on or after 1 April 2019. It does not have any material impact on financial statements of the Company.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

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

Deferred tax assets and deferred tax liabilities are offset if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

GST/ value added taxes paid on acquisition of assets or on incurring expenses
Expenses and assets are recognised net of the amount of GST/ value added taxes paid, except:

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

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

e) Financial instruments
A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets
Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Subsequent measurement
For purposes of subsequent measurement, financial assets are classified in four categories:

- Debt instruments at amortised cost
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:
a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance

b) Lease receivables under Ind AS 17
c) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 11 and Ind AS 18 (referred to as ‘contractual revenue receivables' in these financial statements)

d) Loan commitments which are not measured as at FVTPL
Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.
For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

f) Contingent Liabilities

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

g) Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.
For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

h) Measurement of EBITDA

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

2.3. Significant accounting judgements, estimates and assumptions

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

The areas involving critical estimates or Judgement are as below:

Contingent Liability and commitments

The Company is involved in various litigations. The management of the Company has used its judgement while determining the litigations outcome of which are considered probable and in respect of which provision needs to be created.

Taxes

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

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

Defined benefit plans

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

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

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

Further details about gratuity obligations are given in Note 33.

Fair value measurement of financial instruments
When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. See Note 39 for further disclosures.

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

Impairment of non- financial assets
The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or CGU's fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent markets transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded subsidiaries or other available fair value indicators.

Share Based Payment
The Company measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them. The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in Note 34.

Volume discounts and pricing incentives
The company accounts for volume discounts and pricing incentives to customers as a reduction of revenue based on the rateable allocation of the discounts/ incentives amount to each of the underlying revenue transaction that results in progress by the customer towards earning the discount/ incentive. Also, when the level of discount varies with increases in levels of revenue transactions, the company recognizes the liability based on its estimate of the customer's future purchases. If it is probable that the criteria for the discount will not be met, or if the amount thereof cannot be estimated reliably, then discount is not recognized until the payment is probable and the amount can be estimated reliably. The company recognizes changes in the estimated amount of obligations for discounts in the period in which the change occurs.

Property, Plant and Equipment

The Company, based on technical assessment management estimate, depreciates certain assets over estimated useful lives which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management has estimated, supported by technical assessment, the useful lives of certain plant and machinery as 16 to 21 years. These useful lives are higher than those indicated in schedule II. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

Determining the lease term of contracts with renewal and termination options – as lessee

The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Company applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Company reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate.

The periods covered by termination options are included as part of the lease term only when they are reasonably certain not to be exercised.

For further details about leases, refer to accounting policy on leases and Note 29.