

B S R and Associates

Chartered Accountants

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The Board of Directors,
HT Media Limited
Hindustan Times House,
2nd Floor, 18-20, Kasturba Gandhi Marg,
New Delhi- 110001

Statutory auditor's certificate in pursuance of the provisions of Section 230-232 of the Companies Act, 2013 ("the Act") and relevant rules thereunder

1. The certificate is issued in accordance with the terms of our engagement letter dated 8 February 2021 and addendum to the engagement letter dated 10 May 2021.
2. HT Media Limited (hereinafter referred to as "**the Company**" or "**the Transferee Company**" / "**HTML**"), and Next Mediaworks Limited, Digicontent Limited and HT Mobile Solutions Limited (hereinafter collectively referred to as the "**transferor companies**") propose to enter into a Scheme of Amalgamation, where the transferor companies will be transferred to and be vested in HTML, as a going concern, without any further deed or act, together with all the properties, assets, rights, liabilities, benefits and interests therein ('Proposed Scheme'). The Proposed Scheme has been approved by Board of Directors of HTML and each of the transferor companies, respectively, on 11 February 2021 and is subject to approval of the respective Shareholders and Creditors of HTML and transferor companies, National Company Law Tribunal and Statutory and Regulatory Authorities, as applicable.
3. We, the statutory auditors of the Company, have examined the proposed accounting treatment specified in Para 10 of Part E of Section D of the Proposed Scheme with transferor companies and as reproduced under Annexure 1 to this certificate, in terms of the provisions of Section 232 of the Companies Act, 2013 with reference to its compliance with the applicable Accounting Standards notified under Section 133 of Companies Act, 2013 and Other Generally Accepted Accounting Principles.

Management's Responsibility for the certificate

4. The responsibility for the preparation of the Proposed Scheme and its compliance with the relevant laws and regulations, including the applicable Accounting Standards as aforesaid, is that of the Board of Directors of the Company and the transferor companies involved.

Auditor's Responsibility

5. Our responsibility is to express reasonable assurance in the form of an opinion as to whether the accounting treatment specified in the Proposed Scheme complies with the applicable Accounting Standards and Accounting Principles Generally Accepted in India. Nothing contained in this certificate, nor anything said or done in the course of, or in connection with the services that are subject to this certificate, will extend any duty of care that we may have in our capacity of the statutory auditors of any financial statements of the Company.
6. We conducted our examination of the proposed accounting treatment in accordance with the "Guidance Note on Reports or Certificates for Special Purposes" ("the Guidance Note") issued by the



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Institute of Chartered Accountants of India. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.

7. We have complied with the relevant applicable requirements of Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and other Assurance and Related Services Engagement.

Opinion

8. As per the applicable accounting standard Ind AS 103, 'Business Combinations', since the transferor companies, namely, Next Mediaworks Limited and HT Mobile Solutions Limited are subsidiaries of HT Media Limited and Digicontent Limited is a fellow subsidiary of HT Media Limited, there is no transfer of control in this transaction, therefore, the financial information in the financial statements in respect of prior periods should be restated at carrying amounts as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination. However, as per Section 232(6) of the Companies Act, 2013, the Proposed Scheme has to provide for the appointed date from which the Proposed Scheme shall be deemed to be effective. The Company has accordingly proposed the appointed date as 1 April 2020.

In our view read with the above, the accounting treatment proposed in Para 10 of Part E of Section D of the Proposed Scheme and as reproduced in Annexure I to this certificate, initialled and stamped for identification purposes, is in compliance with Ind AS 103 i.e. the Accounting Standards prescribed under section 133 of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and circulars issued there under. This certificate is being issued in response to a query from the National Stock Exchange as received by the Company and in lieu of our original certificate dated 11 February 2021. As a result, our original certificate dated 11 February 2021 is superseded by this certificate.

Restriction on Use

9. This certificate has been provided at the request of the Board of Directors of the Company solely for the purpose of filing with the National Company Law Tribunal and other statutory authorities and relevant stock exchanges, along with the Proposed Scheme pursuant to the provisions of Sections 230-232 of the Act and relevant Rules and pursuant to the requirements under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, respectively. This certificate should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

For B S R and Associates
Chartered Accountants
ICAI Firm Registration No.: 128901W



Rajesh Arora
Partner
Membership No.: 076124
UDIN: 21076124AAAABC4836

Place: Gurugram
Date: 15 May 2021

Annexure 1

Accounting treatment in the books of the Transferee Company:

- 10.1 On effectiveness of the Scheme, since the transaction involves entities which are ultimately controlled by the same party before and after the transaction, the Transferee Company shall account for amalgamation in its books of account in accordance with Appendix C 'Business combinations of entities under common control' of the Indian Accounting Standard (Ind AS) 103 for Business Combination prescribed under Section 133 of the Companies Act, 2013, as notified under the Companies (Indian Accounting Standard) Rules, 2015 and generally accepted accounting principles, as may be amended from time to time, as under:
- 10.2 The Transferee Company shall record the assets and liabilities of the each of the Transferor Companies vested in it pursuant to this Scheme, at their respective carrying values and in the same form as appearing in the books of the respective Transferor Company.
- 10.3 The identity of the reserves of Transferor Companies shall be preserved and the Transferee Company shall record the reserves of the Transferor Companies in the same form, manner and at the same values as they appear in the financial statements of the respective Transferor Company.
- 10.4 The Transferee Company shall credit its share capital account with the aggregate face value of the equity shares issued by it to the equity shareholders of each of the Transferor Companies pursuant to Clause 3.1, 6.1 & 9.1 of this Scheme.
- 10.5 The difference, if any, between carrying amount of the assets and liabilities and reserves of each of the Transferor Companies as recorded under Clause 10.1 and 10.2 & 10.3 above, and the share capital account credited by the Transferee Company with aggregate face value of the equity shares as recorded under Clause 10.4 above, shall be transferred to Capital Reserve.
- 10.6 If there are any loans, advance, or other obligations (including but not limited to any guarantees, letter of credit, letter of comfort or any other instrument or arrangement which may give rise to a contingent liability in whatever form) that are due between any of the Transferor Companies and the Transferee Company or between any of the Transferor Companies inter se, if any, shall, ipso facto, stand discharged and come to end and the same shall be eliminated by giving appropriate elimination effect in the books of account and records of the Transferee Company in the manner determined by the Board of Directors of the Transferee Company.
- 10.7 If considered appropriate for compliance with Accounting Standards, the Transferee Company may make suitable adjustment as may be permitted under the provisions of Companies Act 2013 and related applicable rules, to the accounting treatment and adjust the effect thereof in the manner determined by the Board of Directors of Transferee Company.