

INDEPENDENT AUDITOR'S REPORT

To,
The Members of
HT DIGITAL INFORMATION PRIVATE LIMITED
New Delhi

Report on the Financial Statements

We have audited the accompanying financial statements of **HT DIGITAL INFORMATION PRIVATE LIMITED** ("the Company"), which comprise the Balance Sheet as at 31 March 2016, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended and a Summary of the Significant Accounting Policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditor's responsibility

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

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

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

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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner, so required, and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2016, its profit / loss and its cash flows for the year ended on that date.

Emphasis of Matters

We draw attention to the following matters in the Notes to the financial statements:
None.

Our opinion is not modified in respect of these matters



Other Matter

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

The Company does not have any pending litigations, which would impact its financial position.

- The Company did not have any long term contracts, including derivative contracts, for which there were any material foreseeable losses.
- There were no amounts, which were required to be transferred to the Investor Education and Protection Fund.

Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

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 financial statements 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 31 March 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2016 from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in **Annexure "A"**.



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

Place: Delhi

Date: 23 May 2016

Annexure "A" to the Independent Auditor's Report

(Referred to the Independent Auditor's Report of even date to the members of HT DIGITAL INFORMATION PRIVATE LIMITED on the financial statements for the year ended on 31 March 2016)

REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER CLAUSE (I) OF SUB SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 ("THE ACT")

We have audited the internal financial controls over financial reporting of **HT DIGITAL INFORMATION PRIVATE LIMITED** ("the Company") as on 31 March 2016 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 (the 'Guidance Note') issued by the Institute of Chartered Accountants of India (the "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 Companies Act, 2013.

Auditor's responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by the 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 ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan & 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 judgment, 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 31 March 2016, 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".



Sharad Agarwal, Partner
Membership Number: 088861

Lochan & Co

Chartered Accountants

Firm Registration Number: 008019N

Place: Delhi

Date: 23 May 2016

BALANCE SHEET

As at 31 March 2016

(Amount in ₹)

Particulars	Notes	As on 31 March 2016	As on 31 March 2015
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	3	400,000	400,000
Reserves and Surplus	4	(203,721)	(210,785)
Subtotal (a)		196,279	189,215
Current Liabilities			
Trade Payables	5	52,994	33,399
Subtotal (b)		52,994	33,399
Total [(a) + (b)]		249,273	222,614
ASSETS			
Current Assets			
Cash and Bank Balances	6	249,273	222,614
Subtotal		249,273	222,614
Total		249,273	222,614
Summary of Significant Accounting Policies	2.1		

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

In terms of our report of even date attached

**For and on behalf of the Board of Directors of
HT Digital Information Private Limited**



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

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

(Rajesh Puri)
(Director)
(DIN: 06897135)

Place: New Delhi
Date: 23 May 2016

STATEMENT OF PROFIT AND LOSS

for the year ended on 31 March 2016

(Amount in ₹)

Particulars	Notes	For the year ended on 31 March 2016	For the year ended on 31 March 2015
Income			
Revenue	7	50,000	-
Total Revenue (I)		50,000	-
Expenses			
Other Expenses	8	42,937	33,011
Total Expenses (II)		42,937	33,011
Earnings before Interest, Tax, Depreciation and Amortization (EBITDA) (I) - (II)		7,064	(33,011)
Net Depreciation and Amortization Expense			-
Profit / (Loss) before Tax		7,064	(33,011)
Tax Expenses			-
Profit / (Loss) for the year		7,064	(33,011)
Basic and diluted Earnings per equity share [nominal value of share: ₹10]	9	0.18	(0.83)
Summary of Significant Accounting Policies	2.1		

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

In terms of our report of even date attached

**For and on behalf of the Board of Directors of
HT Digital Information Private Limited**



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

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

(Rajesh Puri)
(Director)
(DIN: 06897135)

Place: New Delhi
Date: 23 May 2016

CASH FLOW STATEMENT

for the year ended on 31 March 2016

(Amount in ₹)

Particulars	Notes	For the year ended on 31 March 2016	For the year ended on 31 March 2015
Cash Flow from Operating Activities			
Profit / (Loss) before tax		7,064	(33,011)
Operating Profit before working capital changes		7,064	(33,011)
Movements in working capital:			
Increase / (Decrease) in Trade payables		16,845	(36,758)
Increase/(Decrease) in other current liabilities		2,750	-
Cash generated from / (used in) operations		26,659	(69,769)
Net cash flow from / (used in) Operating Activities (A)		26,659	(69,769)
Cash Flow from Investing Activities			
Cash flow from / (used in) in Investing Activities		-	-
Net cash flow from / (used in) in Investing Activities (B)		-	-
Cash Flow from Financing Activities			
Proceeds from issuance of Share Capital		-	-
Net cash flow from / (used in) in Financing Activities (C)		-	-
Net increase / (decrease) in cash and cash equivalents [(A) + (B) + (C)]		26,659	(69,769)
Cash and cash equivalents at the beginning of the year		222,614	292,383
Cash and cash equivalents at the end of the year		249,273	222,614
Components of cash and cash equivalents:			
With Banks: in Current Account		249,273	222,614
Total cash and cash equivalents (Note 6)		249,273	222,614
Summary of Significant Accounting Policies	2.1		

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

In terms of our report of even date attached

**For and on behalf of the Board of Directors of
HT Digital Information Private Limited**



Sharad Agarwal, Partner
Membership Number: 088861

Lochan & Co

Chartered Accountants

Firm Registration Number: 008019N

Place: New Delhi

Date: 23 May 2016

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

(Rajesh Puri)
(Director)
(DIN: 06897135)

Notes to financial statements for the year ended on 31 March 2016**1. Corporate Information**

HT Digital Information Private Limited (formerly known as **Ed World Private Limited**) was incorporated on 27 October 2011 as Peacock Education Services Private Limited. The name of the Company was changed to Ed World Private Limited on 24 March 2012 and thereafter it is changed to HT Digital Information Private Limited on 9 October 2015. The Company is a wholly owned subsidiary of HT Media Limited. The Company is involved in the business of providing academic and related services to educational institutions in India.

2. Basis of Preparation

The financial statements of the Company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The Company has prepared these financial statements to comply in all material respects with the accounting standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 2013. The financial statements have been prepared on accrual basis and under the historical cost convention.

2.1 Summary of Significant Accounting Policies**a) Use of estimates**

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenue, expenses, assets and liabilities and disclosure of contingent liabilities, at the date of the reporting year end. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

b) Fixed Assets

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

c) Depreciation on Fixed Assets

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

d) Preliminary Expenses

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

e) Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized:

Revenue is recognized when persuasive evidence of an arrangement exists, service has been rendered, the sales prices are fixed or determinable and collection is probable.

f) Income Taxes

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

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



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

g) Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they were entitled to participate in dividends relative to a fully paid equity share during the reporting period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

h) Provisions

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

i) Cash and cash equivalents

Cash flows are reported using Indirect Method, whereby profit before tax is adjusted for the effects of transactions of a non cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating, financing and investing activities of the company are segregated.

j) 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.

3. Share Capital

(Amount in ₹)

Particulars	As on 31 March 2016	As on 31 March 2015
Authorized share capital		
40,000 equity shares of ₹10 each (Previous Year: 40,000 equity shares of ₹10 each)	400,000	400,000
	400,000	400,000
Issued, subscribed and paid up share capital		
40,000 equity shares of ₹10 each (Previous Year: 40,000 equity shares of ₹10 each), fully paid up	400,000	400,000
Total issued, subscribed and paid up share capital	400,000	400,000



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

(Amount in ₹)

Particulars	As on 31 March 2016		As on 31 March 2015	
	No.	Amount	No.	Amount
At the beginning of the year	40,000	400,000	40,000	400,000
Issued during the year	-	-	-	-
Outstanding at the end of the year	40,000	400,000	40,000	400,000

b. Terms / rights attached to equity shares

- The Company has only one class of equity shares having a par value of ₹10 per share. Each holder of equity shares is entitled to one vote per share.
- During the year ended 31 March 2016, no dividend distribution was made to equity shareholders.
- In the event of liquidation of the Company, the holders of equity shares would be entitled to remaining assets of the Company, after distribution of all preferential payments. The distribution will be in proportion to the numbers of shares held by the equity shareholders.

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

(Amount in ₹)

Particulars	As on 31 March 2016	As on 31 March 2015
HT Media Limited, the holding company		
40,000 equity shares of ₹10 each (Previous Year: 40,000 equity shares of ₹10 each), fully paid up	400,000	400,000

- d. The Company has neither issued any bonus shares, shares for consideration other than cash nor has bought back shares since its incorporation.

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

Particulars	As on 31 March 2016		As on 31 March 2015	
	Number	% holding in the class	Number	% holding in the class
Equity shares of ₹10 each, fully paid				
HT Media Limited, holding company	40,000	100%	40,000	100%

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

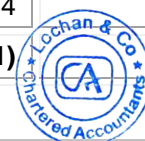
f. Shares reserved for issue under options

The Company does not have any stock option plan. Hence no shares are held in reserves pending issuance.

4. Reserves and Surplus

(Amount in ₹)

Particulars	As on 31 March 2016	As on 31 March 2015
Balance as per last financial statements	(210,785)	(177,774)
Add / (Less): Profit / (Loss) for the year	7,064	(33,011)
Total reserves and surplus / (deficit)	(203,721)	(210,785)



5. Trade Payable and Other Current Liabilities

(Amount in ₹)

Particulars	Current	
	As on 31 March 2016	As on 31 March 2015
Trade Payables	50,244	33,399
TDS Payable	2,750	-
Total	52,994	33,399

6. Cash and Bank Balances

(Amount in ₹)

Particulars	As on 31 March 2016	As on 31 March 2015
Balances with banks:		
In current accounts	249,273	222,614
Total	249,273	222,614

7. Revenue from operations

(Amount in ₹)

Particulars	As on 31 March 2016	As on 31 March 2015
Sale of Services	-	-
Other operating Revenue	50,000	-
Total	50,000	-

8. Other Expenses

(Amount in ₹)

Particulars	For the year ended on 31 March 2016	For the year ended on 31 March 2015
Rates and Taxes	5,433	7,035
Legal and Professional Fees	17,409	6,264
Payment to Auditor (Refer details below)	20,095	19,663
Miscellaneous Expense	-	49
Total	42,397	33,011



9. Payment to Auditor

(Amount in ₹)

Particulars	For the year ended on 31 March 2016	For the year ended on 31 March 2015
As auditor:		
Audit Fee	11,450	11,236
Limited Review	8,645	8,427
Total	20,095	19,663

10. Other Disclosures**a. Earnings per share (EPS)**

The following reflects the profit / (loss) and share data used in the basic and diluted EPS computations:

(Amount in ₹)

Particulars	As on 31 March 2016	As on 31 March 2015
Total operations for the year		
Net Profit / (Loss) after tax available for equity shareholders	7,064	(33,011)
Weighted average number of equity shares in calculating basic and diluted EPS (number of shares)	40,000	40,000
Nominal Value per equity shares (in ₹)	10	10
Earnings / (Loss) per Share - Basic and Diluted (Amount in ₹)	0.18	(0.83)

b. Related Party Disclosure:

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

Ultimate Holding Company	The Hindustan Times Limited
Holding Company	HT Media Limited

Related Party Transactions:

(Amount in ₹)

Particulars	Holding Company (HT Media Limited)	
Transactions during the year	For the year ended on 31 March 2016	For the year ended on 31 March 2015
Issue of equity shares	-	-
Balance outstanding as on	31-Mar-2016	31-Mar-2015
Equity Share Capital	400,000	400,000

c. Small and Medium Enterprises

The balance due to suppliers registered under "The Micro, Small and Medium Enterprises Development Act, 2006" as on 31 March 2016 (Previous Year: Nil) is ₹ Nil.



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

d. Segment Information

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

11. Previous Year Figures

Previous period figures have been regrouped / reclassified, where necessary, to conform to current year's classification.

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

In terms of our report of even date attached

**For and on behalf of the Board of Directors of
HT Digital Information Private Limited**



Sharad Agarwal, Partner
Membership Number: 088861

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(Rajesh Puri)

(Director)

(DIN: 06897135)

Place: New Delhi

Date: 23 May 2016