

INDEPENDENT AUDITOR'S REPORT

To the Members of HT Digital Streams Limited

Report on the Financial Statements

We have audited the accompanying financial statements of HT Digital Streams Limited ("the Company"), which comprises the Balance Sheet as at March 31, 2016, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of 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 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 the design, implementation and maintenance of adequate internal financial control 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 thereunder. We conducted our audit in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and 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 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. An audit also includes evaluating the appropriateness of 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 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, 2016, its loss and its cash flows for the year ended on that date.



Report on Other Legal and Regulatory Requirements

1. 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 Act, we give in the Annexure I a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose 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, Statement of Profit and Loss, and 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 written representations received from the directors as on March 31, 2016, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 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 2" to this report;
 - (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 which were required to be transferred to the Investor Education and Protection Fund by the Company.

For S.R. Batliboi & CO. LLP

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

Vishal Sharma

per Vishal Sharma

Partner

Membership Number: 96766

Place of Signature: New Delhi

Date: May 24, 2016



Annexure 1 referred to in paragraph 1 of "Report on Other Legal and Regulatory Requirements" of our report of even date

Re: HT Digital Streams Limited ('the Company')

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) All fixed assets have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) According to the information and explanations given by the management, there are no immovable properties, included in fixed assets of the company and accordingly, the requirements under paragraph 3(i)(c) of the Order are not applicable to the Company.
- (ii) The Company's business does not involve inventories and, accordingly, the requirements under paragraph 3(ii) of the Order are not applicable to the Company.
- (iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iii) (a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.
- (iv) In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees, and securities granted in respect of which provisions of section 185 and 186 of the Companies Act 2013 are applicable and hence not commented upon.
- (v) The Company has not accepted any deposits from the public.
- (vi) To the best of our knowledge and as explained, the Company is not in the business of sale of any goods. Therefore, in our opinion, the provisions of clause 3(vi) of the Order are not applicable to the Company.
- (vii) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including income-tax and other material statutory dues applicable to it. The provisions relating to provident fund, sales-tax, service tax, duty of custom, duty of excise, value added tax, cess and employees' state insurance are not applicable to the Company.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of income-tax and other material statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable. The provisions relating to provident fund, service tax, custom duty, cess, employees' state insurance, wealth tax, sales-tax, duty of excise and value added tax are not applicable to the Company.



- (c) According to the information and explanations given to us, there are no dues of income tax which have not been deposited on account of any dispute. The provisions relating to service tax, custom duty, cess sales-tax, duty of excise and value added tax are not applicable to the Company.
- (viii) According to information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of dues to a financial institution, bank or government. The Company did not have any outstanding debentures during the year.
- (ix) According to the information and explanations given by the management, the Company has not raised any money way of initial public offer / further public offer / debt instruments and term loans hence, reporting under clause (ix) is not applicable to the Company and hence not commented upon.
- (x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the company or no fraud on the company by the officers and employees of the Company has been noticed or reported during the year.
- (xi) According to the information and explanations given by the management, the provisions of section 197 read with Schedule V of the Act is not applicable to the company and hence reporting under clause 3(xi) are not applicable and hence not commented upon.
- (xii) In our opinion, the Company is not a nidhi company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.
- (xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with section 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards. The provisions of sec 177 are not applicable to the company and accordingly reporting under clause 3(xiii) insofar as it relates to section 177 of the Act is not applicable to the Company and hence not commented upon.
- (xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence, reporting requirements under clause 3(xiv) are not applicable to the company and, not commented upon.
- (xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of Companies Act, 2013.



S.R. BATLIBOI & CO. LLP

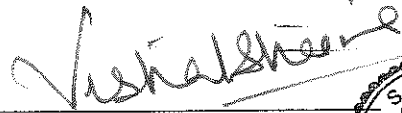
Chartered Accountants

- (xvi) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For S.R. Batliboi & CO. LLP

Chartered Accountants

ICAI Firm Registration No. 301003E/E300005



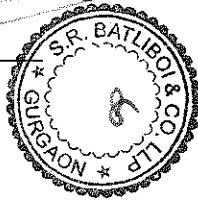
per Vishal Sharma

Partner

Membership No.: 96766

Place: New Delhi

Date: May 24, 2016



ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF HT DIGITAL STREAMS LIMITED**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 Streams Limited ("the Company") as of March 31, 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 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 the 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 on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified 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 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of



unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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, 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.

For S.R. Batliboi & CO. LLP

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

Vishal Sharma

per Vishal Sharma

Partner

Membership Number: 96766

Place of Signature: New Delhi

Date: May 24, 2016



HT DIGITAL STREAMS LIMITED
Balance sheet as at March 31, 2016

Particulars	Notes	As at March 31, 2016 (Rs)
A EQUITY AND LIABILITIES		
1 Shareholders' funds		
(a) Share capital	2	500,000
(b) Reserves and surplus	3	(171,979)
		328,021
2 Non-current liabilities		-
3 Current liabilities		
(a) Short-term provisions	4	171,750
		171,750
TOTAL		499,771
B ASSETS		
1 Non-current assets		-
2 Current assets		
(a) Cash and cash equivalents	5	499,771
		499,771
TOTAL		499,771

Summary of significant accounting policies

2.1

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

For S.R. Batliboi & Co. LLP
Firm Registration No. 301003E/ E300005
Chartered Accountants

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

per Vishal Sharma
Partner
Membership No. 096766

Director

Director

Place: New Delhi
Date: May 24, 2016

HT DIGITAL STREAMS LIMITED
Statement of Profit and Loss for the period November 2, 2015 to March 31, 2016

S.No	Particulars	Notes	November 2, 2015 to March 31, 2016 (Rs.)
1	Income		
	Revenue from Operations		-
	Other Income		-
	Total Income		-
2	Expenses		
	Other expenses	6	171,750
	Total Expenses		171,750
3	Earnings before Interest, tax, depreciation and amortization (EBITDA) (1-2)		(171,750)
4	Finance Cost	7	229
5	Profit / (loss) before tax		(171,979)
6	Total Tax Expense		-
7	Profit/ (loss) after tax		(171,979)

Earnings per share (nominal value of share Rs. 10 each)

Basic and diluted

(3.34)

For S.R. Batliboi & Co. LLP

Firm Registration No. 301003E/ E300005

Chartered Accountants

For and on behalf of the Board of

Directors of HT Digital Streams Limited

per Vishal Sharma

Partner

Membership No. 096766

Director

Director

Place: New Delhi

Date: May 24, 2016

HT Digital Streams Limited
Cash flow statement for the period ended November 2, 2015 to March 31, 2016

Particulars	November 2, 2015 to March 31, 2016 (Rs.)
<u>Cash flow from operating activities</u>	
Net Profit /(Loss) before tax	(171,979)
Adjustments :	-
Operating loss before working capital changes	(171,979)
Movements in working capital:	
Increase/(decrease) in trade payables and other liabilities	171,750
Cash generated from /(used in) operations	(229)
Direct taxes paid	-
Net cash flow from/ (used in) operating activities (A)	(229)
<u>Cash flows from investing activities</u>	-
Net cash flow from/(used in) investing activities (B)	-
<u>Cash flows from financing activities</u>	
Proceeds from issuance of share capital	500,000
Net cash flow from/(used in) in financing activities (C)	500,000
Net increase/(decrease) in cash and cash equivalents (A + B + C)	499,771
Cash and cash equivalents at the beginning of the year	-
Cash and cash equivalents at the end of the year	499,771
<u>Components of cash and cash equivalents</u>	
With banks- on current account	499,771
Total cash and cash equivalents	499,771

Summary of significant accounting policies

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

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

For S.R. Batliboi & Co. LLP

Firm Registration No. 301003E/ E300005

Chartered Accountants

For and on behalf of the Board of

Directors of HT Digital Streams Limited

per Vishal Sharma

Partner

Membership No. 096766

Director

Director

Place: New Delhi

Date: May 24, 2016

1. Corporate Information

HT Digital Streams Limited ("HTDS"), a wholly owned subsidiary of HT Media Limited (HTML), was incorporated on November 02, 2015. As a part of business restructuring and in order to implement the digital first strategy, the Board of Directors of HTML and Hindustan Media Ventures Limited (HMTL) (Subsidiary Company of HTML) in their respective meetings held on November 19, 2015 have approved transfer and vesting of their Multi-Media Content Management Undertakings (MMCM Undertakings) to and in HTDS as a 'going concern', on slump exchange basis, by way of a Scheme of Arrangement u/s 391-394 of the Companies Act, 1956 ('Scheme'), subject to requisite statutory and other approvals.

The business operations of MMCM Undertakings shall be dissemination of news, knowledge, information, entertainment and content of general interest, in English, Hindi or any other language, globally through various digital and electronic media; and management of advertising time and space on its news websites namely hindustantimes.com, livemint.com and livehindustan.com.

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 aspects with the accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules 2014. The financial statements have been prepared on an accrual basis and under the historical cost convention.

The accounting policies adopted in the preparation of financial statements are consistent with those of previous year.

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 revenues, expenses, assets and liabilities and disclosure of contingent liabilities, at the end of reporting period. Although these estimates are based upon 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) Provisions

A provision is recognized when the Company has a present obligation as a result of past event and it is probable that an outflow of resources embodying economic benefits 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 are reviewed at each reporting date and are adjusted to reflect the current best estimates.

c) Income Taxes

Tax expense comprises current 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 and tax laws prevailing in the respective tax jurisdictions, where the company operates. The tax rates and the tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date.

Deferred Income-taxes reflects the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the 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 deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can 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 virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

The carrying amount of deferred tax assets are reviewed at each balance sheet date. The Company writes-down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to the same taxable entity and same taxation authority.

d) Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the reporting period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the reporting period. The weighted average numbers of equity shares outstanding during the reporting period are adjusted for events of bonus issue, bonus element in a rights issue to existing shareholders, share split and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

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

e) Cash and Cash equivalents

Cash and Cash equivalents for the purposes of cash flow statement comprise cash in hand and at bank, cheques-in-hand and short-term investments with an original maturity of three months or less.

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.

g) 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 basis of profit/ (loss) from continuing operations. In its measurement, the Company does not include depreciation and amortization expense, finance costs and tax expense.

HT Digital Streams Limited
Notes to the financial statements for the period ended as on March 31, 2016

2. Share capital

Particulars	As at March 31, 2016 (Rs.)
Authorized shares (No.)	
50,000 equity shares of Rs. 10 each, fully paid-up	500,000
	<u>500,000</u>
Issued, subscribed and fully paid-up shares (No.)	
50,000 equity shares of Rs. 10 each, fully paid-up	500,000
Total issued, subscribed and fully paid-up share capital	500,000

Refer note (a) to (d) below:

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

Particulars	No.	As at March 31, 2016 (Rs.)
Equity Shares		
At the beginning of the year	-	-
Issued during the year	50,000	500,000
Outstanding at the end of the year	50,000	500,000

b. Terms/rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the board of directors is subject to the approval of the shareholders in the ensuing annual general meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

c. Shares held by Holding Company

Particulars	As at March 31, 2016 (Rs.)
HT Media Limited, the Holding Company	
50,000 equity shares of Rs. 10/- each	500,000
	<u>500,000</u>

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

Particulars	No.	As at March 31, 2016 % holding in the class
Equity shares of Rs 10 each fully paid up		
HT Media Limited, the Holding Company	50,000	100.00%

HT Digital Streams Limited

Notes to the financial statements for the period ended as on March 31, 2016

3. Reserves and surplus

Particulars	As at March 31, 2016 (Rs.)
Surplus/(deficit) in the statement of profit and loss	
Balance as per last financial statements	-
Loss for the year	(171,979)
Net surplus in the statement of profit and loss	(171,979)
Total reserves and surplus	(171,979)

4. Short-term provisions

Particulars	As at March 31, 2016 (Rs.)
Expense payable	171,750
Total	171,750

5. Cash and bank balances

Particulars	As at March 31, 2016 (Rs.)
Balance with Scheduled bank in current Accounts	449,771
Total	449,771

6. Other expenses

Particulars	November 2, 2015 to March 31, 2016 (Rs.)
Audit Expenses (refer details below)	171,750
Total Other expenses	171,750

Payment to auditor:

As Auditor:	
- Audit fee	150,000
-Service tax on above	21,750

7. Finance Cost

Particulars	November 2, 2015 to March 31, 2016 (Rs.)
Bank Charges	229
Total Finance Cost	229

8) Related Party Disclosures (as per Accounting Standard 18)

- i) 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 # Earthstone Holding (Two) Limited #
Fellow Subsidiaries (with whom transactions have taken place during the year)	No such subsidiary during the year.

The Hindustan Times Limited and Earthstone Holding (Two) Limited does not hold any direct investment in the Company. However, their subsidiary HT Media Limited holds shares in the Company.

- ii) There are no related party transactions during the year except the issue of share capital of Rs. 5 lacs to HT Media Ltd.
- 9) The Board of Directors of the Company at its meeting held on November 19, 2015, had approved the transfer and vesting of HT Media Limited (Holding Company) & Hindustan Media Ventures Limited (HMTL) (fellow subsidiary company) (collectively referred to as "Transferor Companies") respective Multimedia Content Management Undertakings (MMCD Undertakings) to and in Company, as a 'going concern' on a slump exchange basis by way of issue of fully paid up equity shares of the Company, to the Transferor Companies.

The proposed transfer of the MMCD Undertaking to Company shall be in terms of two separate Schemes of Arrangement u/s 391-394 of the Companies Act, 1956 ("Schemes") between the Holding Company and Company; and between HMTL and Company. During the year, BSE and NSE have given their 'No Objection' to the Schemes as per Clause 24(f) of the erstwhile Listing Agreement. Further, pursuant to the orders of Hon'ble High Court of Delhi and Hon'ble High Court of Judicature at Patna, meetings of Equity Shareholders and Creditors of the Companies were convened, wherein, the Scheme was approved with requisite majority. The petition seeking sanction of the Schemes has been filed by the Companies with Hon'ble High Court of Delhi and Hon'ble High Court of Judicature at Patna, and same is pending for hearing.

Pending sanction of the Scheme, the impact of the Scheme is not considered in the financial statements.

As per our report of even date

For S.R. Batliboi & Co. LLP

Firm Registration No. 301003E/ E300005
Chartered Accountants

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

per Vishal Sharma

Partner

Membership No. 096766

Director

Director

Place: New Delhi

Date: May 24, 2016