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Lochan & Co
Chartered Accountants

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INDEPENDENT AUDITOR'S REPORT

To,
The Members of
HT LEARNING CENTERS LIMITED
New Delhi

Report on the Financial Statements
We have audited the accompanying financial statements of **HT LEARNING CENTERS 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

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government 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, to the extent applicable.

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 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 "B"**.

Lochan & Co
CA
Chartered Accountants

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 LEARNING CENTERS LIMITED on the financial statements for the year ended on 31 March 2016)

i. a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.

b) The Company has a system for physical verification of all its fixed assets. In our opinion, the frequency of verification is reasonable having regard to the size of the Company and the nature of its assets. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

c) The company had no immovable property during the year, Hence, compliance as per clause 3(i)(c) of the Companies (Auditor's Report) Order, 2016 is not applicable to the Company.

ii. Considering the nature of activities of the Company, no inventories are maintained. Hence, compliance as per clause 3(ii) of the Companies (Auditor's Report) Order, 2016 is not applicable to the Company.

iii. The company has not granted any loan, 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. Hence, compliance as per clause 3(iii) of the Companies (Auditor's Report) Order, 2016 is not applicable to the Company.

iv. In our opinion and according to the information and explanation given to us, the Company has complied with the provisions of sections 185 and 186 of the Companies Act, 2013 in respect to loans, investments guarantees and securities.

v. The Company has not accepted any deposit. Hence, compliance as per clause 3(v) of the Companies (Auditor's Report) Order, 2016 is not applicable to the Company.

vi. The Company is not required to maintain any cost record as specified by the Central Government under sub section (1) of section 148 of the Companies Act, 2013. Hence, compliance as per clause 3(vi) of the Companies (Auditor's Report) Order, 2016 is not applicable to the Company.

vii. (a) According to the information and explanation given to us and the records of the Company reviewed by us, in our opinion, the company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, service tax, duty of custom, duty of excise, value added tax, cess and any other statutory dues with the appropriate authorities.

(b) According to the records of the Company reviewed by us, there are no dues of income tax or sale tax or service tax or duty of customs or duty of excise or value added tax as on 31 March 2016, which have not been deposited on account of a dispute.

viii. The Company has not defaulted in repayment of dues to a financial institution or bank or Government or debenture holders. Hence, compliance as per clause 3(viii) of the Companies (Auditor's Report) Order, 2016 is not applicable to the Company.

ix. Based upon the audit procedures performed and according to the information and explanations given to us, the Company has not raised moneys by way of initial public offer or further public offer. Further, the Company has not taken term loan. Hence, compliance as per clause 3(ix) of the Companies (Auditor's Report) Order, 2016 is not applicable to the Company.

x. In our opinion and according to the information and explanations given to us, no fraud by the Company and no fraud on the Company by its officers or employees has been noticed or reported by the Management during the year.

xi. According to the records of the Company reviewed by us and information & explanations given to us, no managerial remuneration has been paid or provided. Hence, compliance as per clause 3(xi) of the Companies (Auditor's Report) Order, 2016 is not applicable to the Company.

xii. The Company is not a Nidhi Company. Hence, compliance as per clause 3(xii) of the Companies (Auditor's Report) Order, 2016 is not applicable to the Company.

xiii. In our opinion, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 and the details have been disclosed in Notes to the financial statements as required by the applicable Accounting Standards.

xiv. Based upon the audit procedures performed and the information & explanations given to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Hence, compliance as per clause 3(xiv) of the Companies (Auditor's Report) Order, 2016 is not applicable to the Company.

xv. Based upon the audit procedures performed and the information & explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him. Hence, compliance as per clause 3(xv) of the Companies (Auditor's Report) Order, 2016 is not applicable to the Company.

xvi. In our opinion, the Company is not required to be registered under section 45IA of the Reserve Bank of India Act, 1934. Hence, compliance as per clause 3(xvi) of the Companies (Auditor's Report) Order, 2016 is not applicable to the Company.

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

Place: Delhi
Date: 23 May 2016

Annexure "B" to the Independent Auditor's Report

(Referred to the Independent Auditor's Report of even date to the members of HT LEARNING CENTERS 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 LEARNING CENTRES 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 "ÏCAI"). 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”.

Lochan & Co
Chartered Accountants

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 at 31 March 2016	As at 31 March 2015
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	3	623,700,000	468,700,000
Reserves and surplus	4	(527,968,449)	(367,034,011)
		95,731,551	**101,665,989**
Non-current liabilities			
Trade payables	5	12,603,626	8,956,235
Long-term provisions	6	540,178	284,579
		13,143,804	**9,240,814**
Current liabilities			
Trade payables	5	42,203,905	23,797,401
Other current liabilities	7	131,257,001	93,025,286
Short-term provisions	6	6,965	2,681
		173,467,871	**116,825,368**
Total		**282,343,226**	**227,732,171**
ASSETS			
Non-current assets			
Fixed assets			
Tangible assets	8	118,369,534	38,584,506
Intangible assets	9	2,970,722	3,976,404
Capital work-in-progress	8	-	33,434,929
Intangible assets under development	9	-	1,107,362
Long-term loans and advances	10	11,690,166	15,427,622
		133,030,422	**92,530,823**
Current assets			
Current investments	11	-	21,500,000
Trade receivables	12	41,592,277	31,676,127
Cash and bank balances	13	101,554,937	70,906,815
Short-term loans and advances	10	3,532,489	4,631,023

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Particulars	Notes	As at 31 March 2016	As at 31 March 2015
Other current assets	14	2,633,101	6,487,383
		149,312,804	**135,201,348**
Total		**282,343,226**	**227,732,171**
Summary of significant accounting policies	2.1		

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

As per our report of even date attached

For and on behalf of the Board of Directors of
HT Learning Centers Limited

Lochan & Co Chartered Accountants

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

Place: New Delhi
Date: 23 May 2016

(Saurabh Gupta)
(DIN: 06903057)
(Director)

(Rajiv Verma)
(DIN: 00017110)
(Director)

Anand Aggarwal
(CFO-HTLC)

Shivani Sehgal
(Membership Number: A-42567)
(Company Secretary)

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 from operations (net)	15	**192,301,147**	**101,163,712**
Other income	16	7,898,106	7,469,567
Total revenue (I)		**200,199,253**	**108,633,279**
Expenses			
Direct Expenses	17	143,250,528	91,835,601
Employee benefits expense	18	47,511,330	24,829,385
Other expenses	19	146,219,941	84,287,663
Total Expenditure (II)		**336,981,799**	**200,952,649**
Earnings before interest, tax, depreciation and amortization (EBITDA) (I) - (II)		**(136,782,546)**	**(92,319,370)**
Net depreciation and amortization expense	20	23,317,514	10,379,632
Finance costs	21	834,378	262,963
Profit/(loss) before tax		**(160,934,438)**	**(102,961,965)**
Tax expenses			
Deferred tax		-	-
Total tax expense		**-**	**-**
Profit/(loss) for the year		**(160,934,438)**	**(102,961,965)**
Basic and diluted Earnings per equity share [nominal value of share ₹10]	22	(3.23)	(2.95)
Summary of significant accounting policies	2.1		

The accompanying notes are an integral part of the financial statements.
As per our report of even date attached

For and on behalf of the Board of Directors of HT Learning Centers Limited

Lochan & Co Chartered Accountants

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

Place: New Delhi
Date: 23 May 2016

(Saurabh Gupta)
(DIN: 06903057)
(Director)

(Rajiv Verma)
(DIN: 00017110)
(Director)

Anand Aggarwal
(CFO-HTLC)

Shivani Sehgal
(Membership Number: A-42567)
(Company Secretary)

CASH FLOW STATEMENT
for the year ended on 31 March 2016

(Amount in ₹)

Particulars	For the year ended on 31 March 2016	For the year ended on 31 March 2015
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax from continuing operations	(160,934,438)	(102,961,965)
Profit before tax from discontinuing operations	-	-
Profit before tax	**(160,934,438)**	**(102,961,965)**
Non-cash adjustment to reconcile profit before tax to net cash flows		
Depreciation/amortization on continuing operation	23,317,514	10,379,632
Loss/(profit) on sale of fixed assets	-	(23,746)
Interest income on investment/deposits	(7,530,861)	(7,445,791)
Operating profit before working capital changes	**(145,147,785)**	**(100,051,870)**
Movements in working capital:		
Increase/(decrease) in trade payables	22,053,896	7,389,785
Increase / (decrease) in long-term provisions	255,599	178,385
Increase / (decrease) in short provisions	4,284	2,349
Increase/(decrease) in other current liabilities	38,231,715	15,641,872
Decrease/(increase) in trade and other receivables	(9,916,149)	(6,929,466)
Decrease / (increase) in long-term loans and advances	4,165,216	(8,291,380)
Decrease / (increase) in short-term loans and advances	1,098,534	(3,500,945)
Decrease/(increase) in other current assets	(541,410)	(185,393)
Cash generated from /(used in) operations	(89,796,101)	(95,746,663)
Direct taxes paid (net of refunds)	(427,760)	(1,010,513)
Net cash flow from/ (used in) operating activities (A)	**(90,223,861)**	**(96,757,176)**
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of fixed assets, including intangible assets, CWIP and capital advances	(71,550,357)	(40,394,349)
Proceeds from sale of fixed assets	3,995,788	30,000
Purchase of current investments	21,500,000	-
Proceeds from sale/maturity of current investments	-	-
Interest received	11,926,553	3,575,665
Net cash flow from/(used in) investing activities (B)	**(34,128,016)**	**(36,788,684)**
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issuance of share capital	155,000,000	180,000,000
Net cash flow from/(used in) in financing activities (C)	**155,000,000**	**180,000,000**

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Particulars	For the year ended on 31 March 2016	For the year ended on 31 March 2015
Net increase/(decrease) in cash and cash equivalents (A + B + C)	30,648,122	46,454,140
Cash and cash equivalents at the beginning of the year	70,906,815	24,452,675
Cash and cash equivalents at the end of the year	**101,554,937**	**70,906,815**
COMPONENTS OF CASH AND CASH EQUIVALENTS		
Cash on hand	-	-
Cheques/ drafts on hand	-	-
With banks- on current account	(18,445,063)	1,906,815
- on deposit account	120,000,000	69,000,000
Total cash and cash equivalents (note 18)	**101,554,937**	**70,906,815**

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.

As per our report of even date attached

For and on behalf of the Board of Directors of HT Learning Centers Limited

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

Place: New Delhi
Date: 23 May 2016

(Saurabh Gupta)
(DIN: 06903057)
(Director)

(Rajiv Verma)
(DIN: 00017110)
(Director)

Anand Agarwal
(CFO-HTLC)

Shivani Sehgal
(Membership Number: A-42567)
(Company Secretary)

Notes to Financial Statements
for the year ended on 31 March 2016

1) Corporate information

HT Learning Centers Limited was started as a Joint Venture between HT Education Limited and MT Education Services Private Limited and was incorporated on 05 February 2010. With effect from 15th November 2012, the Company has become 100% wholly owned subsidiary of HT Education Limited. Now with effect from 22 January 2016 the company has become the subsidiary company of HT Media Limited. The Company has been set up to carry out the business of conducting coaching/tutorial classes, set up training centers, activities incidental and ancillary thereto.

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 2015. 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, except for the change in accounting policy explained below.

2.1 Summary of Significant accounting policies

a) Use of estimates

The preparation of financial statements, in conformity with generally accepted accounting principles, requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period. Examples of such estimates include useful lives of fixed assets, future obligations under employee retirement benefit plans etc. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates. Differences between the actual results and estimates are recognized in the year in which the results are known or materialized.

b) Tangible Assets

Fixed Assets are stated at cost less accumulated depreciation and impairment losses, if any. 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.

Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing fixed 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.

Leasehold improvements represent expenses incurred towards civil works, interior furnishings, etc on the leased premises at various locations.

Gains or losses arising from derecognition of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

c) Depreciation

- Depreciation is provided using the Straight Line Method as per the useful lives of the assets estimated by the management. The rates of depreciation used, herewith, are as follows:

Category of asset	Rates estimated by Management
Plant and Machinery	4.75%-11.11%
IT equipment (including Computers)	11.11%-33.33%
Furniture and Fittings	12.50%-16.66%
Office Equipment	20.00%-33.33%

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- In case of cost of improvements to leasehold premises, cost is amortized over the period of lease (including renewal options) of the premises or the useful life of leasehold improvements, whichever is lower.
- Depreciation on additions is charged proportionately from the date of acquisition/ installation.
- Assets having value of ₹ 5,000 or less, individually, have been fully depreciated in the year of purchase.

d) Intangible assets and amortization

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any.

Intangible assets are amortized on a straight line basis over the estimated useful economic life. A summary of amortization policies applied by the Company on its intangible assets is as below:

Intangible Assets	Useful life (in years)
Website Development/Software/Curriculum Development	6

Software licenses costing below INR 5,000 each are fully depreciated in the year of acquisition.

Intangible assets not yet available for use are tested for impairment annually, either individually or at the cash-generating unit level. All other intangible assets are assessed for impairment whenever there is an indication that the intangible asset may be impaired.

The amortization period and the amortization method of the Intangible assets are reviewed at each financial year end for its expected useful life if there is a significant change in the expected useful life or the expected pattern of economic benefits, the amortization period/ method is adjusted to reflect the change. Such changes are accounted for in accordance with AS 5 Net Profit or Loss for the Period, Prior Period Items and Changes in Accounting Policies.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

e) Expenditure on new projects and substantial expansion

Expenditure directly relating to construction activity is capitalized. Indirect expenditure incurred during construction period is capitalized as part of the indirect construction cost to the extent to which the expenditure is directly related to construction or is incidental thereto. Other indirect expenditure (including borrowing costs) incurred during the construction period, which is not related to the construction activity nor is incidental thereto is charged to the statement of Profit and Loss. Income earned during construction period is adjusted against the total of the indirect expenditure.

All direct capital expenditure incurred on expansion is capitalized. As regards indirect expenditure on expansion, only that portion is capitalized which represents the marginal increase in such expenditure involved as a result of capital expansion. Both direct and indirect expenditure are capitalized only if they increase the value of the asset beyond its originally assessed standard of performance.

f) Capital work-in-progress

Advances paid towards the acquisition of fixed assets and direct expenses pertaining to the cost of assets, not ready to use before the period end, are disclosed under Capital Work In Progress.

g) Impairment

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 the cash-generating unit's (CGU) net selling price and value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups 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 net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

h) Investments

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties. If an investment is acquired, or partly acquired, by the issue of shares or other securities, the acquisition cost is the fair value of the securities issued. If an investment is acquired in exchange for another asset, the acquisition is determined by reference to the fair value of the asset given up or by reference to the fair value of the investment acquired, whichever is more clearly evident.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

i) Recognition of income and expenditure

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.

At the time of admission, fee invoiced to students are recognized as deferred revenue.

Revenue from tuition, examination, content and admission fees: Revenue from tuition, examination and content fees is recognized over the period of the completion of the course offered.

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.

j) Retirement and other employees' benefits

- A retirement benefit in the form of provident fund is a defined contribution scheme and the contributions are charged to the Profit and Loss Account of the year when the contributions to the fund is due.
- Gratuity is a defined benefit plan and provision in respect of gratuity is made as per actuarial valuation carried out as per projected unit credit method by an independent actuary as at year end.
- As per the Company leave policy, leaves cannot be accumulated to the next year and cannot be en-cashed. So, no Provision for leave encashment is provided during the year.

k) Operating leases

Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognized as an expense in the Profit and Loss account on a straight line basis over the lease term.

l) Preliminary expenditure

Preliminary expenses are expensed off in the year, in which they are incurred

m) Income taxes

- Tax expenses comprise current and deferred taxes. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961. Deferred income tax reflects the impact of current year timing differences between taxable income and accounting income for the year.
- Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the Balance Sheet date.

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- Deferred tax assets are recognized 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.

n) 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 will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at each Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.

o) 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.

p) 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 or the effects of all dilutive potential equity shares.

q) 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.

r) Measurement of EBITDA

As permitted by the Guidance Note on the Revised Schedule VI to the Companies Act, 1956, 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.

3. Share Capital

(Amount in ₹)

Particulars	As on 31 March 2016	As on 31 March 2015
Authorized shares (No.)		
65,500,000 equity shares of ₹ 10/- each	655,000,000	480,000,000
(Previous year: 48,000,000 equity shares of ₹10 each) fully paid	655,000,000	480,000,000
Issued, subscribed and fully paid-up shares (No.)		
62,370,000 equity shares of ₹ 10/- each fully paid (Previous year: 46,870,000 equity shares of ₹10 each) fully paid	623,700,000	468,700,000
Total issued, subscribed and fully paid-up share capital	**623,700,000**	**468,700,000**

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

Equity shares	As on 31 March 2016		As on 31 March 2015	
	No.	Amount in ₹	No.	Amount in ₹
At the beginning of the year	**46,870,000**	**468,700,000**	**28,870,000**	**288,700,000**
Issued during the year	15,500,000	155,000,000	18,000,000	180,000,000
Outstanding at the end of the year	**62,370,000**	**623,700,000**	**46,870,000**	**468,700,000**

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 was recognized as distributions to equity shareholders.

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/ultimate holding company and/or their subsidiaries/associates

Out of equity issued by the company, shares held by its holding company, ultimate holding company and their subsidiaries/ associates are as below:

(Amount in ₹)

Particulars	As on 31 March 2016	As on 31 March 2015
All nos.		
HT Education Limited, the Holding Company.		
28,870,000 equity shares of ₹ 10/- each fully paid	288,700,000	288,700,000
HT Media Limited, the Ultimate Holding Company		
33,500,000 equity shares of ₹ 10/- each fully paid	335,000,000	180,000,000

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

(Amount in ₹)

Particulars	As on 31 March 2016		As on 31 March 2015	
	No.	% holding in the class	No.	% holding in the class
Equity shares of ₹ 10 each fully paid				
HT Education Limited, the Holding Company.	28,870,000	46%	28,870,000	62%
HT Media Limited, the Ultimate Holding Company	33,500,000	54%	18,000,000	38%

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.

e. Shares reserved for issue under options

The Company does not have any stock option plan as such no shares are reserved for issuance.

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4. Reserves and surplus

(Amount in ₹)

Particulars	As on 31 March 2016	As on 31 March 2015
Surplus/(deficit) in the statement of profit and loss		
Balance as per last financial statements	(367,034,011)	(264,072,046)
Loss for the year	(160,934,438)	(102,961,965)
Net deficit in the statement of profit and loss	**(527,968,449)**	**(367,034,011)**
Total reserves and surplus	**(527,968,449)**	**(367,034,011)**

5. Trade Payable

(Amount in ₹)

Particulars	Long-term		Short-term	
	As on 31 March 2016	As on 31 March 2015	As on 31 March 2016	As on 31 March 2015
Trade Payable				
Trade Payable	-	-	41,389,879	23,746,630
Lease Equalization Reserve	11,519,932	8,956,235	814,026	50,771
Advances from Customer	1,083,694	-	-	-
	12,603,626	**8,956,235**	**42,203,905**	**23,797,401**

6. Provisions

(Amount in ₹)

Particulars	Long-term		Short-term	
	As on 31 March 2016	As on 31 March 2015	As on 31 March 2016	As on 31 March 2015
Provision for employee benefits				
Provision for gratuity	540,178	284,579	6,965	2,681
	540,178	**284,579**	**6,965**	**2,681**

7. Other Current Liabilities

(Amount in ₹)

Particulars	As on 31 March 2016	As on 31 March 2015
Other Liabilities		
TDS Payable	2,456,739	2,375,605
Service Tax Payable	42,404	-
Other Statutory Liabilities	355,863	163,642
Other Current Liabilities	12,308,539	3,788,572
Payable to Group Companies	13,721,278	17,814,781
Deferred Income	102,372,178	68,882,686
	131,257,001	**93,025,286**

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8. Tangible Assets

(Amount in ₹)

Particulars	Leasehold improvements	Plant and equipment	Furniture and fixtures	Office Equipments	Total
Cost or Valuation					
At 01 April 2015	**36,965,424**	**12,490,796**	**4,472,738**	**8,545,184**	**62,474,142**
Additions	54,894,266	20,470,187	6,089,378	22,447,372	103,901,204
Deductions	2,563,034	334,161	16,663	29,523	2,943,381
At 31 March 2016	**89,296,656**	**32,626,822**	**10,545,453**	**30,963,033**	**163,431,965**
Depreciation					
At 01 April 2015	**10,955,278**	**6,879,929**	**3,778,008**	**2,276,421**	**23,889,636**
Charge for the year	7,294,004	4,901,401	5,628,991	4,781,074	22,605,470
Deletions / Adjustments	1,151,079	241,277	14,383	25,936	1,432,675
At 31 March 2016	**17,098,203**	**11,540,053**	**9,392,616**	**7,031,559**	**45,062,431**
Net Block					
At 31 March 2016	**72,198,454**	**21,086,770**	**1,152,837**	**23,931,474**	**118,369,534**
At 31 March 2015	**26,010,146**	**5,610,867**	**694,730**	**6,268,763**	**38,584,506**

(Amount in ₹)

Capital Work in Progress	As on 31 March 2016	As on 31 March 2015
Capital Work-in-progress	-	33,434,929
	-	**33,434,929**

9. Intangible Assets

(Amount in ₹)

Particulars	Website Development	Software Licenses	Content Development	Total
Gross block				
At 01 April 2015	**400,000**	**4,140,110**	**210,000**	**4,750,110**
Additions	-	2,191,444	-	2,191,444
Deletions	-	3,405,000	-	3,405,000
At 31 March 2016	**400,000**	**2,926,554**	**210,000**	**3,536,554**
Amortization				
At 01 April 2015	**70,347**	**669,225**	**34,134**	**773,706**
Additions	64,840	613,163	34,041	712,044
Deletions		919,918		919,918
At 31 March 2016	**135,187**	**362,470**	**68,175**	**565,832**
Net block				
At 31 March 2016	**264,813**	**2,564,084**	**141,825**	**2,970,722**
At 31 March 2015	**329,653**	**3,470,885**	**175,866**	**3,976,404**

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(Amount in ₹)

Intangible assets under development	As on 31 March 2016	As on 31 March 2015
Intangible assets under development	-	1,107,362
	-	**1,107,362**

10. Loans and Advances

(Amount in ₹)

Particulars	Non-Current		Current	
	As on 31 March 2016	As on 31 March 2015	As on 31 March 2016	As on 31 March 2015
Capital advances				
Unsecured, considered good	-	6,059,216	-	-
(A)	**-**	**6,059,216**	**-**	**-**
Security deposit				
Unsecured, considered good	9,380,000	7,486,000	-	-
(B)	**9,380,000**	**7,486,000**	**-**	**-**
Advances recoverable in cash or kind				
Unsecured considered good	9,716	9,716	843,898	600,134
(C)	**9,716**	**9,716**	**843,898**	**600,134**
Other loans and advances				
Prepaid expenses	-	-	190,557	159,290
Service Tax Receivable	-	-	2,498,033	3,871,599
Advance payment of income tax/ tax deducted at source (TDS)	2,300,450	1,872,690	-	-
(D)	**2,300,450**	**1,872,690**	**2,688,591**	**4,030,889**
Total (A+B+C+D)	**11,690,166**	**15,427,622**	**3,532,489**	**4,631,023**

11. Current Investments

(Amount in ₹)

Particulars	As on 31 March 2016	As on 31 March 2015
Current investments (valued at lower of cost and fair value,		
unless stated otherwise)		
Quoted Mutual Funds		
121,947.254 units of ₹12.30 each fully paid-up of Temptation India Low Duration Fund and 1,298,246.068 units of ₹ 15.41 each fully paid-up of Templeton India Ultra	-	21,500,000
(Previous Year: 121,947.254 units of ₹12.30 each fully paid-up of Temptation India Low Duration Fund and 1,298,246.068 units of ₹ 15.41 each fully paid-up of Templeton India Ultra)		
	-	**21,500,000**
Disclosure with respect to above		
1) Aggregate amount of quoted investments	**-**	**21,500,000**

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Particulars	As on 31 March 2016	As on 31 March 2015
Templeton India Low Duration Fund – Growth	-	1,500,000
Templeton India Ultra Short Bond Fund - Super IP - Growth	-	20,000,000
2) Market Value of quoted investments	**-**	**25,945,022**
Templeton India Low Duration Fund – Growth	-	1,873,073
Templeton India Ultra Short Bond Fund - Super IP - Growth	-	24,071,949

12. Trade receivable

(Amount in ₹)

Particulars	As on 31 March 2016	As on 31 March 2015
Unsecured, considered good		
unless stated otherwise		
Outstanding for a period less than 6 months		
from the date they are due for payment	41,592,277	31,676,127
	41,592,277	**31,676,127**

13. Cash and bank balances - Current

(Amount in ₹)

Particulars	As on 31 March 2016	As on 31 March 2015
Cash and cash equivalents		
Balances with banks:		
On current accounts	(18,445,063)	1,906,815
Deposits with original maturity of less than three months	120,000,000	69,000,000
Total Cash and cash equivalents	**101,554,937**	**70,906,815**

14. Other current assets

(Amount in ₹)

Particulars	As on 31 March 2016	As on 31 March 2015
Income accrued on Investments & Deposits	1,653,487	6,049,179
Other Receivables	979,614	438,204
Total other current assets	**2,633,101**	**6,487,383**

15. Revenue from operations

(Amount in ₹)

Particulars	For the year ended on 31 March 2016	For the year ended on 31 March 2015
Revenue from operations		
Sale of services	185,992,270	96,062,726

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Particulars	For the year ended on 31 March 2016	For the year ended on 31 March 2015
Other operating revenue	6,308,877	5,100,986
Revenue from operations (net)	**192,301,147**	**101,163,712**

16. Other Income

(Amount in ₹)

Particulars	For the year ended on 31 March 2016	For the year ended on 31 March 2015
Interest income on		
- Bank deposits	5,881,991	5,087,616
- Current investments	1,648,870	2,358,175
- Unclaimed Liabilities written back	3,431	-
Net gain on sale of asset	-	23,746
Foreign Exchange Difference	51	-
Miscellaneous income	363,763	30
	7,898,106	**7,469,567**

17. Direct Expenses

(Amount in ₹)

Particulars	For the year ended on 31 March 2016	For the year ended on 31 March 2015
Visiting Lecture Fees	99,393,278	63,739,941
Study Material Expenses	3,889,074	3,582,737
Rent	30,617,349	18,035,338
Power and fuel	7,765,400	4,810,537
Data Entry Expenses	1,585,427	1,667,048
	143,250,528	**91,835,601**

18. Employee Benefit Expense

(Amount in ₹)

Particulars	For the year ended on 31 March 2016	For the year ended on 31 March 2015
Salaries, wages and bonus	43,819,089	22,934,112
Contribution to provident and other fund	1,502,251	761,785
Gratuity expense	259,883	180,734
Workmen and staff welfare expenses	1,930,107	952,754
	47,511,330	**24,829,385**

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19. Other Expenses

(Amount in ₹)

Particulars	For the year ended on 31 March 2016	For the year ended on 31 March 2015
Rates and taxes	1,989,681	2,043,504
Insurance	532,346	266,157
Repairs and maintenance		
Plant and machinery	7,009,484	2,378,047
Buildings	1,371,884	343,198
Marketing	74,936,808	47,151,136
Travelling and conveyance	5,881,672	2,622,117
Communication costs	4,391,687	1,704,239
Printing and stationery	1,950,574	537,668
Legal fees	83,550	7,750
Professional fees	23,778,905	17,703,451
Internal Audit Fee	698,620	372,000
Payment to auditor (Refer **details** below)	240,000	240,000
Training and development	488,469	739,477
Provision for Doubtful debt & advances	2,322,300	-
Loss on disposal of Fixed Asset	3,959,444	-
Miscellaneous expenses	16,584,517	8,178,919
	146,219,941	**84,287,663**
Payment to auditor		
As auditor:		
Audit fee	100,000	100,000
Tax audit fee	50,000	50,000
Limited review	90,000	90,000
	240,000	**240,000**
*Figures exclusive of service tax		

20. Depreciation and amortization expense

(Amount in ₹)

Particulars	For the year ended on 31 March 2016	For the year ended on 31 March 2015
Depreciation of tangible assets	22,605,470	9,615,628
Amortization of intangible assets	712,044	764,004
	23,317,514	**10,379,632**

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21. Finance Costs

(Amount in ₹)

Particulars	For the year ended on 31 March 2016	For the year ended on 31 March 2015
Interest		
- to banks and others	65,059	-
Bank charges	769,319	262,963
	834,378	**262,963**

22. Earnings per share (EPS)

The following reflects the profit and share data used in the basic and diluted EPS computations:

(Amount in ₹)

Particulars	For the year ended on 31 March 2016	For the year ended on 31 March 2015
Total operations for the year		
Loss after tax	(160,934,438)	(102,961,965)
Loss for calculation of basic & diluted EPS	**(160,934,438)**	**(102,961,965)**
Weighted average number of equity shares in calculating Basic & Diluted EPS	**49,834,481**	**34,867,260**
Basic & Diluted Earnings per share	(3.23)	(2.95)

23. Related party disclosures under Accounting Standard (AS) 18

Information relating to related party as per Accounting Standard (AS) 18 issued by the Institute of Chartered Accountants of India is given below:

<u>Related Party Disclosure:</u>

Related parties, with whom there were transactions during the year, are listed below:

Holding Company	HT Media Limited
Group Companies where common control exists (Fellow Subsidiary) and where transactions have taken place during the year	a) HT Education Limited b) HT Mobile Solutions Limited c) Firefly e-Ventures Limited d) Hindustan Media Ventures Limited e) India Education Services Private Limited
Key management personnel	Nil
Relatives of key management personnel	Nil
Enterprises owned or significantly influenced by key management personnel or their relatives and where transactions have taken place during the year	Nil

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Related Party Transactions:

Particulars	HT Media Limited		HT Education Limited		HT Mobile Solutions Limited		Firefly e-Ventures Limited		Hindustan Media Ventures Limited		India Education Services Pvt Ltd	
	Holding Company		Fellow Subsidiary Company		Fellow Subsidiary Company		Fellow Subsidiary Company		Fellow Subsidiary Company		Fellow Subsidiary Company	
Transactions during the year / period ended on	31-Mar-16	31-Mar-15	31-Mar-16	31-Mar-15	31-Mar-16	31-Mar-15	31-Mar-16	31-Mar-15	31-Mar-16	31-Mar-15	31-Mar-16	31-Mar-15
Issue of Equity Shares	155,000,000	180,000,000	-	-	-	-	-	-	-	-	-	-
Services rendered by the Company to the party	-	-	-	-	-	-	-	-	-	-	21,000	-
Services rendered by the party to the Company	-	-	-	-	-	-	-	-	-	-	173,440	-
Payroll processing services provided by the party to the Company	263,454	155,250	-	-	-	-	-	-	-	-	-	-
Advertisement & Sales Promotion	37,670,945	30,065,378	-	-	730,349	46,550	513,140	2,195,493	21,207,584	3,003,617	-	-
Website Design & Development	-	-	-	-	-	-	-	-	-	-	-	-
Payment of Employee on Deputation	17,192,990	15,392,886	-	-	-	-	-	-	-	-	-	-
Recruitment services provided by the party to the Company	1,065,459	-	-	-	-	-	-	-	-	-	-	-
Reimbursement of expenses on behalf of the parties by the Company	427,732	437,133	-	-	-	-	-	-	-	-	-	-
Reimbursement of expenses on behalf of the Company by the Parties	61,673	833,646	-	-	-	-	1,099,501	-	-	-	-	-
Amount collected and transferred on behalf of the party by the Company	93,830	-	-	-	-	-	-	-	-	-	-	-
Amount collected on behalf of the party by the Company	-	13,174	-	-	-	-	-	-	-	-	-	-
Balance outstanding as on	31-Mar-16	31-Mar-15	31-Mar-16	31-Mar-15	31-Mar-16	31-Mar-15	31-Mar-16	31-Mar-15	31-Mar-16	31-Mar-15	31-Mar-16	31-Mar-15
Equity Share Capital	335,000,000	180,000,000	288,700,000	288,700,000	-	-	-	-	-	-	-	-
Amount Outstanding	10,435,381	16,248,262	-	-	-	-	-	-	3,285,897	1,566,519	-	-

24. Notes to accounts

a) The balance due to suppliers registered under "The Micro, Small and Medium Enterprises Development Act, 2006" as on 31 March 2016 is ` Nil (previous year: ` Nil). Further, no interest, during the period, has been paid or is payable under the terms of the Act.

b) Cash flow statement:

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.

c) Segment reporting

As the company's business activity falls within a single primary business segment viz. "Coaching Centre Business", the disclosure requirements of Accounting Standard (AS) 17: "Segment Reporting" is not applicable.

d) Operating Leases

The Company has entered into the operating lease agreements primarily for the coaching center premises. The lease payments are recognized as an expense in the Profit and Loss Account on a straight line basis over the lease term. **The payment of lease rent for the existing lease agreements will be as follows:**

(Amount in ₹)

Particulars		For the year ended on 31 March 2016	For the year ended on 31 March 2015
Asset acquired on operating lease			
A	The total of future minimum lease payments under operating leases for each of the following periods:		
(i)	Not later than one year	35,772,886	28,697,657
(ii)	Later than one year but not later than five years	141,716,986	119,647, 842
(iii)	Later than five years	99,666,751	85,855,907
B	The total of future minimum sub ease payments expected to be received under non-cancellable subleases at the Balance Sheet date	N.A.	N.A.
C	Lease payments recognized in the Profit and Loss Account for the period,	30,473,909	18,035,338
	with separate amounts for minimum lease payments; and	27,146,957	15,174,113
	contingent rents;	3,326,952	2,861,225
D	Sub-lease payments received (or receivable) recognized in the Profit and Loss Account for the year;	N.A.	N.A.

e) Gratuity and other post-employment benefit plans:

The Company has a defined benefit gratuity plan. Every employee, who has completed five years or more of service on departure, is entitled for gratuity at 15 days' salary (last drawn salary) for each completed year of service. The liability is provided as per actuarial valuation.

The following tables (extracted from **Report on Actuarial Valuation of the Gratuity Liability**) summarize the components of net benefit expense recognized in the Profit and Loss Account and the funds status and amounts recognized in the Balance Sheet for Gratuity.

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Statement of Profit and Loss

Net Employee Benefit Expense (recognized in Employee Cost):

(Amount in ₹)

Particulars	Year ended on 31 March 2016	Period ended on 31 March 2015
Current Service Cost	283,322	110,458
Interest Cost on Benefit Obligation	22,310	9,587
Expected Return on plan assets	-	-
Net actuarial (gain)/ loss recognized in the year	-	-
Past Service Cost	-	-
Net (Gain) / Loss Expense	(45,749)	60,689
Net Benefit Expense	259,883	180,734
Actual Return on plan assets	-	-

Balance Sheet

Details of Provision for Gratuity:

(Amount in ₹)

Particulars	As on 31 March 2016	As on 31 March 2015
Defined Benefit Obligation	(547,143)	(287,260)
Fair value of plan assets	-	-
Less: Un-recognized past service cost	-	-
Plan Asset / (Liability)	(547,143)	(287,260)

Changes in the present value of the defined benefit obligation are as follows:

(Amount in ₹)

Particulars	Year ended on 31 March 2016	Period ended on 31 March 2015
Opening defined benefit obligation	287,260	106,526
Interest cost	22,310	9,857
Current service cost	283,322	110,458
Benefits paid	-	-
Actuarial (gains)/ losses on obligation	(45,749)	60,689
Closing defined benefit obligation	547,143	287,260

Changes in the fair value of plan assets are as follows:

- There are no plan assets for gratuity.

The principal assumptions used in determining gratuity obligations for the Company's plans are shown below:

Particulars	As on 31 March 2016 (in %)	As on 31 March 2015 (in %)
Discount rate	7.75	7.75
Future Salary Increase	5.00	5.00
Expected Rate of Return on plan assets	-	-
Employee turnover:		
Up to 30 years	3.00	3.00
From 31 to 44 years	2.00	2.00
Above 44 years	1.00	1.00

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The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

The discount rate is based upon the market yields available on Government bonds at the accounting date with a term that matches that of liabilities.

f) Additional information as required under paragraphs3, 4, 4B, 4C and 4D of Part II of Schedule VI to the Companies Act, 1956 (As certified by the Management)

A.	Directors' Remuneration paid during the year	Nil
B.	Particulars of Licensed Capacity, Installed Capacity and Production	Not Applicable
C.	Particulars of Purchase, Stocks and Turnover	Nil
D.	Particulars of Raw Materials consumed	Not Applicable
E.	Value of Imports on CIF basis	Nil
F.	Expenditure in Foreign Currency	Nil
G.	Earnings in Foreign Currency	Nil
H.	Value of Imported/Indigenous Raw Materials Consumed	Not Applicable

g) Capital Commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) is ₹ 3,517,113 (Previous year: ₹21,269,549).

(Amount in ₹)

Particulars	As on 31 March 2016				As on 31 March 2015
	Lease Hold Improvements	Plant & Machinery	Furniture & Fixture	Total	Total
Contract Value	4,486,199	208,500	88,200	**4,782,899**	**41,933,763**
Less: Advance	1,265,786	-	-	**1,265,786**	**3,975,717**
Less: Invoices accounted for	-	-	-	**-**	**16,688,497**
Net Capital Commitment	3,220,413	208,500	88,200	**3,517,113**	**21,269,549**

25. Previous Year Figures

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

As per our report of even date attached

For and on behalf of the Board of Directors of HT Learning Centers Limited

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

Place: New Delhi
Date: 23 May 2016

(Saurabh Gupta)
(DIN: 06903057)
(Director)

(Rajiv Verma)
(DIN: 00017110)
(Director)

Anand Aggarwal
(CFO-HTLC)

Shivani Sehgal
(Membership Number: A-42567)
(Company Secretary)