INDEPENDENT AUDITOR'S REPORT

To the Members of Next Radio Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Next Radio Limited ("the Company"), which comprise the balance sheet as at 31 March 2020, and the statement of profit and loss (including other comprehensive income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information.

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 Companies Act, 2013 ("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 2020, and loss and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Other Information

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

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's and Board of Directors' Responsibility for the Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the state of affairs, profit/loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring 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.

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

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the financial statements made by the Management and Board of Directors.

- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Other Matter

We draw your attention to the fact that corresponding figures for the year ended 31 March 2019 are based on previously issued financial statements of the Company that were audited by the predecessor auditor who expressed an unmodified opinion on those financial statements dated 27 May 2019.

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 section 143 (11) of the Act, 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. (A) 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 (including other comprehensive income), the statement of changes in equity and the statement of cash flows dealt with by this Report are in agreement with the books of account.

    d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under section 133 of the Act.

e) On the basis of the written representations received from the directors as on 31 March 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2020 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 with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in “Annexure B”.

(B) 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 has disclosed the impact of pending litigations as at 31 March 2020 on its financial position in its financial statements - Refer Note 33(ii) to the financial statements;

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.

iv. The disclosures in the financial statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made in these financial statements since they do not pertain to the financial year ended 31 March 2020.

(C) With respect to the matter to be included in the Auditor’s Report under section 197(16):

In our opinion and according to the information and explanations given to us, the remuneration paid during the current year by the Company to its directors is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director by the Company is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

For **B S R and Associates**
Chartered Accountants
Firm's Registration No.: 128901W

Rajesh Arora
Partner
Membership No.: 076124
UDIN: 20076124AAAABJ2444

Place: Gurugram
Date: 23 June 2020

Annexure A referred to in our Independent Auditor's Report to the members of Next Radio Limited on the financial statements for the year ended 31 March 2020

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets (i.e. property, plant and equipment).

(b) The Company has a regular programme of physical verification of its fixed assets by which all fixed assets are verified in a phased manner over a period of three years. In our opinion, this periodicity of physical verification by management is reasonable having regard to the size of the Company and the nature of its assets. As informed to us, pursuant to acquisition of stake in the Company by HT Media Limited, all fixed assets as at 31 March 2019 were physically verified during the current year. No material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us, the Company does not have any immovable properties. Accordingly, paragraph 3(i)(c) of the Order is not applicable.

(ii) The Company is in the business of providing radio broadcasting entertainment services and does not hold inventories. Accordingly, paragraph 3(ii) of the Order is not applicable to the Company.

(iii) According to the information and explanations given to us, the Company has granted loans to a company covered in the register maintained under Section 189 of the Companies Act, 2013, in respect of which:

a) The terms and conditions of the grant of such loans are not prejudicial to the Company's interest;

b) The schedule of repayment of principal and payment of interest has been stipulated. There has been no repayment of principal and payment of interest in the financial year ended 31 March 2020; and

c) There is no amount overdue for more than 90 days in respect of the abovementioned loans.

(iv) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no loans given by the Company which are not in compliance with Section 185 and 186 of the Companies Act, 2013. There are no investments made, guarantees given or securities provided by the Company as specified under Section 185 and 186 of the Companies Act, 2013.

(v) As per the information and explanations given to us, the Company has not accepted any deposits as mentioned in the directives issued by the Reserve Bank of India and the provisions of Section 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under. Accordingly, paragraph 3(v) of the Order is not applicable.

(vi) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has made and maintained the cost records prescribed by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013. We have broadly reviewed the same, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.

(vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, employees' state insurance, income tax, goods and services tax, cess, professional tax and other statutory dues have been regularly deposited during the year by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of sales tax, service tax, duty of customs, duty of excise and value added taxes.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income tax, goods and services tax, cess, professional tax and other statutory dues were in arrears as at 31 March 2020 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no dues of income tax, service tax, goods and services tax, sales tax, value added tax and duty of customs which have not been deposited by the Company with the appropriate authorities on account of any dispute as at 31 March 2020, other than those mentioned below:

Statement of Disputed Tax Dues

Name of the Statute	Nature of the dues	Amount (Rs. in lacs)	Amount paid under protest (Rs. in lacs)	Period to which amount relates	Forum where dispute is pending
Income Tax Act, 1961	Disallowance of expenditure	38.97	10.00	A.Y. 2014-15	Assistant Commissioner of income Tax, Mumbai
Service Tax (Finance Act 1994)	Disallowance of credit	25.42	-	F.Y. 2014-15	Assistant Commissioner, CGST & Central Excise, Mumbai Central

(viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans or borrowings to banks. Further, no loans or borrowings were taken from financial institutions or government and there were no debentures issued during the year or outstanding as at 31 March 2020.

(ix) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has applied the money raised by way of term loans for the purpose for which they were obtained. Further, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments).

(x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

(xi) According to information and explanations given to us, the remuneration paid during the current year by the Company to its directors is in accordance with the provisions of Section 197 of the Act.

(xii) According to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.

(xiii) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, the transactions with the related parties are in compliance with Sections 177 and 188 of the Companies Act, 2013, where applicable and the details have been disclosed in the financial statements as required by the applicable accounting standards.

(xiv) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the current year. Accordingly, paragraph 3(xiv) of the Order is not applicable.

(xv) According to information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with them. Accordingly, paragraph 3(xv) of the Order is not applicable.

(xvi) According to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, paragraph 3(xvi) of the Order is not applicable.

For **B S R and Associates**
Chartered Accountants
Firm's Registration No.: 128901W

Rajesh Arora
Partner
Membership No. : 076124
UDIN: 20076124AAAABJ2444

Place: Gurugram
Date: 23 June 2020

Annexure B to the Independent Auditor's report on the financial statements of Next Radio Limited for the year ended 31 March 2020.

Report on the internal financial controls with reference to the aforesaid financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013

(Referred to in paragraph 1(A)(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

We have audited the internal financial controls with reference to financial statements of Next Radio Limited ("the Company") as of 31 March 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2020, based on the internal financial controls with reference to financial statements 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 (the "Guidance Note").

Management's Responsibility for Internal Financial Controls

The Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. 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 (hereinafter referred to as "the Act").

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. 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 with reference to financial statements were established and maintained and whether 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 with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial controls with Reference to Financial Statements

A company's internal financial controls with reference to financial statements 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 controls with reference to financial statements include 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 with Reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, 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 with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For **B S R and Associates**
Chartered Accountants
Firm's Registration No.: 128901W

Rajesh Arora
Partner
Membership No.: 076124
UDIN: 20076124AAAABJ2444

Place: Gurugram
Date: 23 June 2020

Next Radio Limited
Balance sheet as at March 31, 2020

		Notes	As at March 31, 2020 INR Lakhs	As at March 31, 2019 INR Lakhs
I	**ASSETS**			
1)	**Non current assets**			
	a) Property, plant and equipment	2	362.08	320.81
	b) Right-of- use assets	30	2,138.46	-
	c) Intangible assets	2A	7,303.78	10,133.85
	d) Investment in subsidiary	3	1,976.00	1,976.00
	e) Financial assets			
	i) Investments	4	-	0.50
	ii) Loans	5	1,363.56	846.85
	iii) Other financial assets	6	622.17	385.06
	f) Income tax assets	7	329.55	382.62
	g) Other non-current assets	8	3.18	132.36
	Total Non-current assets		**14,098.78**	**14,178.05**
2)	**Current assets**			
	a) Financial assets			
	i) Trade receivables	9	2,192.77	2,630.76
	ii) Cash and cash equivalents	10	112.24	150.38
	iii) Bank balances other than (ii) above	11	46.23	77.65
	iv) Loans	5	25.80	25.80
	v) Others financial assets	6	183.85	33.13
	b) Other current assets	13	176.11	308.72
	Total current assets		**2,737.00**	**3,226.44**
	TOTAL ASSETS		**16,835.78**	**17,404.49**
II	**EQUITY AND LIABILITIES**			
1)	**Equity**			
	a) Equity share capital	14	7,574.03	7,574.03
	b) Other equity	15	(5,981.13)	(2,140.34)
	Total equity		**1,592.90**	**5,433.69**
2)	**Liabilities**			
	Non-current liabilities			
	a) Financial liabilities			
	i) Borrowings	16	6,863.70	2,160.00
	ii) Lease liabilities	17	1,816.75	-
	iii) Other financial liabilities	18	339.49	-
	b) Provisions	21	103.27	109.34
	Total non-current liabilities		**9,123.21**	**2,269.34**
	Current liabilities			
	a) Financial liabilities			
	i) Borrowings	16	700.47	1,463.29
	ii) Lease liabilities	17	288.51	-
	iii) Trade payables			
	(a)Total outstanding dues of micro enterprises and small enterprises	19	-	-
	(b)Total outstanding dues of creditors other than of micro enterprises and small enterprises	19	828.37	1,559.12
	iv) Other financial liabilities	20	4,033.59	5,710.64
	b) Contract liabilities	22	169.32	679.16
	c) Provisions	21	0.63	41.83
	d) Other current liabilities	23	98.77	247.42
	Total current liabilities		**6,119.66**	**9,701.46**
	Total liabilities		**15,242.87**	**11,970.80**
	TOTAL EQUITY AND LIABILITIES		**16,835.78**	**17,404.49**
Summary of significant accounting policies		**1**		

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

As per our report of even date

For **B S R and Associates**
Chartered Accountants
(Firm Registration Number: 128901W)

For and on behalf of the **Board of Directors of Next Radio Limited**

Rajesh Arora
Partner
Membership No. 076124

Abhishek Kapoor
Chief Financial Officer

Harshad Jain
Managing Director & Chief Executive Officer
(DIN: 08191390)

Udit Jain
Company Secretary
Membership No.: A58532

Praveen Someshwar
Director
(DIN: 01802656)

Place: Gurugram
Date: June 23, 2020

Place: New Dellhi
Date: June 23, 2020

Next Radio Limited
Statement of Profit and Loss for the year ended March 31, 2020

	Particulars	Notes	Year ended March 31, 2020 INR Lakhs	Year ended March 31, 2019 INR Lakhs
I	**Income**			
	a) Revenue from operations	24	5,620.99	6,864.90
	b) Other income	25	437.16	297.41
	Total Income		**6,058.15**	**7,162.31**
II	**Expenses**			
	a) Radio license fees		1,396.24	1,401.02
	b) Employee benefits expense	26	1,951.81	2,100.90
	c) Finance costs	27	1,039.16	832.59
	d) Depreciation and amortisation expense	28	1,261.35	1,054.33
	e) Other expenses	29	2,225.80	2,994.71
	Total Expenses		**7,874.36**	**8,383.55**
III	**Loss before exceptional items and tax from operations(I-II)**		**(1,816.21)**	**(1,221.24)**
IV	**Exceptional items**	45	(2,000.00)	-
V	**Loss before tax (III+IV)**		**(3,816.21)**	**(1,221.24)**
VI	**Earnings before finance cost, tax, depreciation and amortisation (EBITDA) before exceptional items [III+II(d)+II(c)]**		**484.29**	**665.68**
VII	**Tax expense**			
	a) Current tax		-	-
	b) Deferred tax		-	-
	Total tax expenses		-	-
VIII	**Loss for the year (V-VII)**		**(3,816.21)**	**(1,221.24)**
IX	**Other comprehensive Income**			
	(a) Items that will not to be reclassified subsequently to profit or loss			
	Remeasurement of the defined benefits plan	39	(24.58)	0.64
	Income tax effect		-	-
	Other comprehensive income / (loss) for the year, net of tax		(24.58)	0.64
X	**Total comprehensive loss for the year, net of tax (VIII+IX)**		**(3,840.79)**	**(1,220.60)**
IX	**Earnings/ (Loss) per equity share (nominal value of INR 10 each)**			
	Loss per share	**31**		
	Basic (Nominal value of share INR 10/-)		(5.04)	(1.61)
	Diluted (Nominal value of share INR 10/-)		(5.04)	(1.61)
	Summary of significant accounting policies	**1**		

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

As per our report of even date

For **B S R and Associates**
Chartered Accountants
(Firm Registration Number: 128901W)

Rajesh Arora
Partner
Membership No. 076124

For and on behalf of the **Board of Directors of Next Radio Limited**

Abhishek Kapoor
Chief Financial Officer

Harshad Jain
Managing Director &
Chief Executive Officer
(DIN: 08191390)

Udit Jain
Company Secretary
Membership No.: A58532

Praveen Someshwar
Director
(DIN: 01802656)

Place: Gurugram
Date: June 23, 2020

Place: New Delhi
Date: June 23, 2020

Next Radio Limited
Statement of changes in equity for the year ended March 31, 2020

A Equity share capital (refer note 14)

Equity shares of INR 10 each issued, subscribed and paid-up

Particulars	Number of shares	Amount (INR in Lakhs)
As at April 1, 2018	**757,40,287**	**7,574.03**
Changes in equity share capital during the year	-	-
Balance as at March 31, 2019	**757,40,287**	**7,574.03**
Changes in equity share capital during the year	-	-
Balance as at March 31, 2020	**757,40,287**	**7,574.03**

B Other equity (refer note 15)

(INR Lakhs)

Particulars	Retained earnings	Other comprehensive income*	Total
As at April 1, 2018	**(919.74)**		**(919.74)**
Loss for the year	(1,221.24)		(1,221.24)
Other comprehensive income for the year (net of tax)	-	0.64	0.64
Total comprehensive income for the year	**(1,221.24)**	**0.64**	**(1,220.60)**
Transferred to retained earnings	0.64	(0.64)	-
Balance as at March 31, 2019	**(2,140.34)**	**-**	**(2,140.34)**
Loss for the year	(3,816.21)		(3,816.21)
Other comprehensive income for the year (net of tax)	-	(24.58)	(24.58)
Total comprehensive income for the year	**(3,816.21)**	**(24.58)**	**(3,840.79)**
Transferred to retained earnings	(24.58)	24.58	-
Balance as at March 31, 2020	**(5,981.13)**	**-**	**(5,981.13)**

* Other comprehensive income represents remeasurement of defined benefit plans (net of tax)

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

As per our report of even date

For **B S R and Associates**
Chartered Accountants
(Firm Registration Number: 128901W)

For and on behalf of the **Board of Directors of Next Radio Limited**

Rajesh Arora
Partner
Membership No. 076124

Abhishek Kapoor
Chief Financial Officer

Harshad Jain
Managing Director & Chief Executive Officer
(DIN: 08191390)

Udit Jain
Company Secretary
Membership No.: A58532

Praveen Someshwar
Director
(DIN: 01802656)

Place: Gurugram
Date: June 23, 2020

Place: New Delhi
Date: June 23, 2020

Next Radio Limited
Statement of Cash flows for the year ended March 31, 2020

Particulars	March 31, 2020 INR Lakhs	March 31, 2019 INR Lakhs
Cash flows from operating activities:		
Loss before tax	**(3,816.21)**	**(1,221.24)**
Adjustments for :		
Depreciation and amortisation	1,261.35	1,054.33
Allowances for doubtful debts (Including write offs)	75.10	239.55
Finance costs	1,037.86	829.89
Interest income on bank deposit and loan to related parties	(129.57)	(98.39)
Interest income - other	(18.07)	(150.79)
Interest on Income tax refund	(17.90)	(5.51)
Fair value through profit or loss (FVTPL) gain on derivative	(245.31)	-
Unrealised foreign exchange fluctuation	281.10	-
loss on property, plant and equipment sold/discarded (Net)	37.55	(7.86)
Impairment of property, plant and equipment and Intangibles (exceptional item)	2,000.00	-
Dividend Income	-	(0.06)
Liabilities no longer required written back	(18.15)	(34.80)
Cash flows from operating activities before changes in operation assets and liabilites	**447.75**	**605.12**
Changes in operating assets and liabilities:		
(Increase) / Decrease in trade and other receivables	363.39	(568.01)
Decrease in current and non current financial assets and other current and non current assets	544.83	182.42
Increase/(Decrease) in trade payables, other current and non-current financial liabilities and current and non-current provisions	(2,800.41)	870.48
Increase/(Decrease) in contract liabilities	(509.84)	679.16
Cash generated from operations	**(1,954.28)**	**1,769.17**
Income tax refund / (paid)	53.07	(106.80)
Net cash generated from / (used in) operating activities (A)	**(1,901.21)**	**1,662.37**
Cash flows from investing activities:		
Purchase of property, plant and equipment	(258.67)	(28.59)
Sale of property, plant and equipment	9.13	10.34
Deposits given / matured (net)	(12.07)	10.13
Interest received	(240.36)	51.43
Loans given (net)	(613.31)	(123.00)
Dividend received	-	0.06
Net cash used in investing activities (B)	**(1,115.28)**	**(79.63)**
Cash flows from financing activities:		
Proceeds from borrowings (refer note 16)	6,050.00	219.81
Repayment of borrowings (refer note 16)	(2,202.82)	(1,440.00)
Repayment of lease liability (refer note 30)	(173.33)	-
Interest paid	(695.50)	(799.04)
Net cash flows generated / (used in) financing activities (C)	**2,978.35**	**(2,019.23)**
Net increase/ (decrease) in cash and cash equivalents (D= A+B+C)	(38.14)	(436.49)
Cash and cash equivalents at the beginning of the year (E)	150.38	586.87
Cash and cash equivalents at year end (D+E)	**112.24**	**150.38**

Next Radio Limited
Statement of Cash flows for the year ended March 31, 2020

Particulars	March 31, 2020 INR Lakhs	March 31, 2019 INR Lakhs
Components of cash & cash equivalents as at end of the year		
Balances with banks		
-in current accounts	89.51	139.31
Cheques in hand	22.67	-
Cash on hand	0.06	11.07
Cash and cash equivalents as per Cash flow Statement	**112.24**	**150.38**

The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Indian Accounting Standard (Ind AS) 7 - on "Statements Cash flows", as notified under section 133 of the Companies Act, 2013, read with relevant rules thereunder

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

As per our report of even date

For **B S R and Associates**
Chartered Accountants
(Firm Registration Number: 128901W)

Rajesh Arora
Partner
Membership No. 076124

Place: Gurugram
Date: June 23, 2020

For and on behalf of the **Board of Directors of Next Radio Limited**

Abhishek Kapoor
Chief Financial Officer

Harshad Jain
Managing Director &
Chief Executive Officer
(DIN: 08191390)

Udit Jain
Company Secretary
Membership No.: A58532

Praveen Someshwar
Director
(DIN: 01802656)

Place: New Delhi
Date: June 23, 2020

1. Corporate information

Next Radio Limited ('the Company') is a public Company domiciled in India and incorporated under the provisions of Companies Act, 1956. Next Radio Limited was among the first private players to venture into private FM broadcasting and presently has established "Radio One" as the premium FM Brand in top 7 cities of the country being Delhi, Mumbai, Chennai, Kolkata, Bangalore, Pune, and Ahmedabad.

The Company's principal revenue stream is advertising. Advertising revenues are generated through the sale of air time in the Company's FM radio broadcasting stations, activations and monetization of Company's other media properties.

The registered office of the Company is located at Unit 701 A, 7th Floor, Tower-2, Indiabulls Finance Centre, Senapati Bapat Marg, Elphinstone Road, Mumbai-400013.

Information on related party relationship of the Company is provided in Note 36.

The financial statement of the company for the year ended March 31, 2020 are authorised for issue in accordance with a resolution of the Board of Directors on June 23, 2020

2. Significant accounting policies followed by company

2.1 Basis of preparation

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

The accounting policies are applied consistently to all the periods presented in the financial statements.

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

- Derivative financial instruments.
- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments).
- Defined benefit plans- plan assets measured at fair value.

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lacs as per the requirement of Schedule III, unless otherwise stated.

The standalone financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency.

2.2 Summary of significant accounting policies

a) Current versus non- current classification

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

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

All other assets are classified as non-current.

A liability is current when:

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

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The Company has identified twelve months as its operating cycle.

b) Foreign currencies

The Company's financial statements are presented in INR, which is also the parent Company's functional currency. The Company determines the functional currency and items included in the financial statements of each entity are measured using that functional currency.

Transactions and Balances

Transactions in foreign currencies are initially recorded by the Company at their respective functional currency spot rates at the date the transaction first qualifies for recognition. However, for practical reasons, the Company uses monthly average rate if the average approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on the settlement of monetary items or on restatement of the Company's monetary items at rates different from those at which they were initially recorded during the period, or reported in previous financial statements, are recognized as income or as expenses in the period in which they arise.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

c) Fair value measurement

The Company measures financial instruments, such as, derivatives and certain investments at fair value at each reporting/ balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

d) Revenue recognition

Effective April 1, 2018 the Company has adopted Ind AS 115 “Revenue from Contracts with Customers” using the cumulative catch-up up transition method which is applied to contracts that were not completed as of April 1, 2018.

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured based on the transaction price, which is the consideration, adjusted for allowances, trade discounts, volume rebates, if any, as specified in the contract with the customer. Revenue excludes taxes collected from customers. The Company has concluded that it is the principal in all of its revenue arrangements since it is the primary obligor in all the revenue arrangements as it has pricing latitude and is also exposed to and credit risks.

Goods and Service Tax (GST) is not received by the Company on its own account. Rather, it is tax collected on behalf of the government. Accordingly, it is excluded from revenue.

Contract asset represents the Company’s right to consideration in exchange for services that the Company has transferred to a customer when that right is conditioned on something other than the passage of time.

When there is unconditional right to receive cash, and only passage of time is required to do invoicing, the same is presented as Unbilled receivable.

A contract liability is recognised if a payment is received or a payment is due (whichever is earlier) from a customer before the Company transfers the related goods or services. Contract liabilities are recognised as revenue when the Company performs under the contract (i.e., transfers control of the related goods or services to the customer).

The specific recognition criteria described below must also be met before revenue is recognised:

Airtime revenue

Revenue from radio broadcasting is recognized on an accrual basis on the airing of client’s commercials. Revenue from radio broadcasting is measured based on the transaction price, which is the consideration, adjusted for allowances, trade discounts, volume rebates, if any, as specified in the contract with the customer.

Interest income

For all debt instruments measured at amortised cost, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in finance income in the statement of profit and loss.

Dividends

Revenue is recognised when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

e) Taxes

Current income tax

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

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

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

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

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

Deferred tax

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

Deferred tax liabilities are recognised for all taxable temporary differences except :
• When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss

• In respect of taxable temporary differences associated with investments in subsidiaries and associates, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future

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

• When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss

• In respect of deductible temporary differences associated with investments in subsidiaries and associates, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised

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

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

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

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

GST/ value added taxes paid on acquisition of assets or on incurring expenses

Expenses and assets are recognised net of the amount of GST/ value added taxes paid, except:

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

- When receivables and payables are stated with the amount of tax included

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

f) Property, plant and equipment

Construction in progress is stated at cost, net of accumulated impairment losses, if any. Plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met.

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

Recognition:

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

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

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

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

Depreciation methods, estimated useful life and residual value

Depreciation on Property, Plant and Equipment, other than leasehold improvements, is provided on straight line method as per the useful life and in the manner specified in Schedule II to the Companies Act, 2013 (other than Plant and machinery –Transmission*).

Leasehold improvements are depreciated on straight line basis, over the lease period.

The estimated useful lives used by the Company to compute depreciation are as under:

Type	**Useful lives estimated by the management (in years)**
Building (Including compensation paid for use of land)	60
Plant and machinery – Studio	3-15
Plant and machinery –Transmission*	15
Furniture and fixtures	10
Office equipment	5
Motor vehicles	8
Leasehold improvements	Life based on lease period
Computers	3
Computers – Servers	6

*The Company, based on technical assessment made by the management depreciates "Plant and machinery –Transmission" over estimated useful live which is different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management has estimated, supported by technical assessment, the useful lives as 15 years. The useful live is higher than those indicated in Schedule II. The management believes that the estimated useful live is realistic and reflects fair approximation of the period over which the asset is likely to be used.

Property, Plant and Equipment which are added/disposed off during the year, depreciation is provided on pro-rata basis with reference to the month of addition/deletion.
An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised.

Subsequent expenditure can be capitalised only if it is probable that future economic benefits associated with the expenditure will flow to the Company.

Expenditure directly attributable to construction activity is capitalized. Other indirect costs incurred during the construction periods which are not directly attributable to construction activity are charged to Statement of Profit and Loss. Reinvested income earned during the construction period is adjusted against the total of indirect expenditure.

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

g) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

The useful life of intangible assets is assessed as either finite or indefinite.

Intangible assets with indefinite useful life are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

An intangible asset is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss.

Intangible assets with finite life are amortized on straight line basis using the estimated useful life as follows:

Asset class	**Useful lives estimated by the management**
Non Refundable One Time Migration Fees for Radio License	15 years with effect from April 1, 2015
Computer software	3 years

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 recognised in the statement of profit or loss when the asset is derecognised.

h) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

i) Leases

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

The Company recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use asset is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. Right-of-use asset are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Company is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. The Company recognises the amount of the re-measurement of lease liability due to modification as an adjustment to the right-of-use asset and statement of profit and loss depending upon the nature of modification. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognises any remaining amount of the re-measurement in statement of profit and loss.

The Company has elected not to apply the requirements of Ind AS 116 to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognised as an expense on a straight-line basis over the lease term.

As a practical expedient a lessee (the company) has elected, by class of underlying asset, not to separate lease components from any associated non-lease components. A lessee (the company) accounts for the lease component and the associated non-lease components as a single lease component.

<u>Company as a lessor</u>

At the inception of the lease the Company classifies each of its leases as either an operating lease or a finance lease. The Company recognises lease payments received under operating leases as income on a straight- line basis over the lease term. In case of a finance lease, finance income is recognised over the lease term based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the lease.

Transition to Ind AS 116

Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has notified Ind AS 116 Leases which replaces the existing lease standard, Ind AS 17 leases and other interpretations. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. It introduces a single, on-balance sheet lease accounting model for lessees.

The Company has adopted Ind AS 116, effective annual reporting period beginning April 1, 2019 and applied the standard to its leases, retrospectively, with the cumulative effect of initially applying the Standard, recognised on the date of initial application (April 1, 2019). Accordingly, the Company has not restated comparative information. As on April 1, 2019, the Company has recognized a right of use asset at an amount equivalent to the lease liability and consequently there is no adjustment to the opening balance of retained earnings as on April 1, 2019. On application of Ind AS 116, the nature of expenses has changed from lease rent in previous periods to depreciation cost for the right-to-use asset, and finance cost for interest accrued on lease liability.

Identification of lease:

- The Company has *reassessed* whether a contract is, or contains, a lease at the date of initial application.

Leases previously classified as operating leases:

- The Company has *recognised* a lease liability at the date of initial application for leases previously classified as an operating lease applying Ind AS 17 (other than those which do not satisfy the lease definition criteria under Ind AS 116). The Company has *measured* lease liability at the present value of the remaining lease payments, discounted using the Company's incremental borrowing rate at the date of initial application.

- The Company has *recognised* a right-of-use asset at the date of initial application for leases previously classified as an operating lease applying Ind AS 17 (other than those which do not satisfy the lease definition criteria under Ind AS 116). The Company has *opted to measure* right-of-use asset at an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in the balance sheet immediately before the date of initial application.

- The Company has relied on its assessment of whether leases are onerous applying Ind AS 37, Provisions, Contingent Liabilities and Contingent Assets, immediately before the date of initial application as an alternative to performing an impairment review.

- The Company has *opted* not to apply the above transition requirements to leases for which the lease term ends within 12 months of the date of initial application.

Leases previously classified as finance leases:

- For leases that were classified as finance leases applying Ind AS 17, the carrying amount of the right-of-use asset and the lease liability at the date of initial application is the carrying amount of the lease asset and lease liability immediately before that date measured applying Ind AS 17.

Impact on transition as on 1 April 2019:

	In INR Lakhs
Right-of-use assets – property, plant and equipment	2,279
Lease liabilities	2,279
Retained earnings	-

	In INR Lakhs
Operating lease commitments at 31 March 2019 as disclosed under Ind AS 17 in the Company's financial statements	3,349
Lease commitment not considered above **(B)**	52
Net Operating lease commitments **(C)=(A)+(B)**	3,401
Discounted using the incremental borrowing rate at 1 April 2019 **(D)**	2,279
Lease liabilities recognised at 1 April 2019 **(E)**	2,279
Difference **(D)- (E)**	-

The weighted average incremental borrowing rate of 8% has been applied to lease liabilities recognized in the balance sheet at the date of initial application.

j) Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, 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. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

k) Employee benefits

Short term employee benefits and defined contribution plans:

All employee benefits payable/available within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages and bonus etc. are recognised in the statement of profit and loss in the period in which the employee renders the related service.

Employee benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

Gratuity

Gratuity is a defined benefit scheme. The defined benefit obligation is Computed by actuaries using the projected unit credit method.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognised in profit or loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Company recognises related restructuring cost

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset.

The Company recognises the following changes in the net defined benefit obligation as an expense in the Statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and

- Net interest expense or income

Termination benefits

Termination benefits are payable when employment is terminated by the Company before the normal retirement date. The Group recognises termination benefits at the earlier of the following dates: (a) when the group can no longer withdraw the offer of those benefits; and (b) when the Group recognises costs for a restructuring that is within the scope of Ind AS 37 and involves the payment of terminations benefits. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value.

Compensated Absences

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The company treats leaves expected to be carried forward for measurement purposes. Such compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred. The company presents the entire leave as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for 12 months after the reporting date. Where Company has the unconditional legal and contractual right to defer the settlement for a period beyond 12 months, the same is presented as non-current liability.

l) Impairment of non-financial assets

For assets with definite useful life, 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 cash-generating unit's (CGU) fair value less costs of disposal and its value in use. 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. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded Company's or other available fair value indicators.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the entity operates, or for the market in which the asset is used.

Impairment losses of continuing operations, including impairment on inventories, are recognised in the statement of profit and loss.

An assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

Intangible assets with indefinite useful lives are tested for impairment annually at the CGU level, as appropriate, and when circumstances indicate that the carrying value may be impaired.

m) Financial Instruments

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

Financial assets

Initial recognition and measurement

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

Subsequent measurement

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

- Debt instruments at amortised cost
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)

- Equity instruments measured at fair value through other comprehensive income (FVTOCI).

Debt instruments at amortised cost
A 'debt instrument' is measured at the amortized cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables.

Debt instruments at FVTPL
FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL. This category includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind-AS 109.

In addition, the Company may elect to designate a debt instrument which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

Equity investments

All equity investments in scope of Ind-AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind-AS 103 applies are Ind-AS classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognized (i.e. removed from the Company's consolidated balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognize the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Impairment of financial assets

In accordance with Ind-AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

a) Financial assets that are debt instruments, and are measured at amortized cost e.g., loans, debt securities, deposits, trade receivables and bank balance
b) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind-AS 115 (referred to as 'contractual revenue receivables' in these financial statements)

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables or contract revenue receivables or unbilled receivables.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

As a practical expedient, the Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.
ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the Statement of Profit and Loss. This amount is reflected under the head 'other expenses' in the Statement of Profit and Loss. The balance sheet presentation for various financial instruments is described below:

• Financial assets measured as at amortized cost, contractual revenue receivables and lease receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount. For assessing increase in credit risk and impairment loss. The Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

The Company does not have any purchased or originated credit-impaired (POCI) financial assets, i.e., financial assets which are credit impaired on purchase/ origination.

Financial liabilities

Initial recognition and measurement
Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction cos

The Company's financial liabilities include trade and other payables, loans and borrowings.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities designated upon initial recognition as at fair value through profit or loss. This category includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind-AS 109.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind-AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to Statement of Profit and Loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss.

Loans and borrowings
After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognised in profit and loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the Statement of Profit and Loss. This category generally applies to borrowings.

De-recognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

n) Derivative financial Instruments

Derivative accounting

Initial recognition and subsequent measurement

The Company uses derivative financial instruments, such as currency swaps. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss.

o) Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalent consists of cash and short-term deposits, as defined above.

p) Contingent liabilities

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

q) Measurement of EBITDA

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

r) Earnings per share

Basic earnings per share

Basic earnings per share are calculated by dividing:

-the profit attributable to owners of the Company

-by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares.

Diluted earnings per share

Diluted earnings per share adjust the figures used in the determination of basic earnings per share to take into account:

-the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and

-the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

s) Investments in subsidiaries and associates

An investor, regardless of the nature of its involvement with an entity (the investee), shall determine whether it is a parent by assessing whether it controls the investee.

An investor controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

Thus, an investor controls an investee if and only if the investor has all the following:

(a) power over the investee;

(b) exposure, or rights, to variable returns from its involvement with the investee and

(c) the ability to use its power over the investee to affect the amount of the investor’s returns.

An associate is an entity over which the Company has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

The considerations made in determining significant influence are similar to those necessary to determine control over subsidiaries.

The Company has elected to recognize its investments in subsidiary and associate companies at cost in accordance with the option available in Ind-AS 27, ‘Separate Financial Statements’. Except where investments accounted for at cost shall be accounted for in accordance with Ind-AS 105, Non-current Assets Held for Sale and Discontinued Operations, when they are classified as held for sale.

Investment carried at cost will be tested for impairment as per Ind-AS 36.

2.3. Significant accounting judgements, estimates and assumptions

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

The areas involving critical estimates are as below:

Property, Plant and Equipment

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

Defined benefit plans

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

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

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

Further details about gratuity obligations are given in Note 37.

The areas involving critical judgement are as below:

Taxes

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

Deferred tax assets are recognised for unused tax losses only to the extent that the entity has sufficient taxable temporary differences against which the unused tax losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

Further details on taxes are disclosed in Note 35.

Fair value measurement of financial instruments

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

For more information refer Note 43.

Impairment of financial assets

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

Impairment of non- financial assets

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

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

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

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

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

For further details about leases, refer to accounting policy on leases and Note 30.

3 Investment in subsidiaries

(INR Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Investment in subsidiaries (at cost)		
Unquoted		
Syiengence Ahemdabad Broadcast Limited 197.6 lakhs (Previous Year: 197.6 lakhs) Equity shares of Rs. 10 each, fully paid up	1,976.00	1,976.00
(refer note 44)		
Total (A)	**1,976.00**	**1,976.00**
Provision for impairment in value of investment (B)	-	-
Total Investment in Subsidiary (A) - (B)	**1,976.00**	**1,976.00**
Aggregate book value of unquoted investments	1,976.00	1,976.00
Non - Current	1,976.00	1,976.00

4 Investments

(INR Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Investment at fair value through profit and loss		
Unquoted		
Investment in equity instruments	-	0.50
Total	**-**	**0.50**
Aggregate book value of unquoted investments	-	0.50
Non - Current	-	0.50

5 Loans

(INR Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Unsecured and considered good at amortised cost		
Loan to related party (refer note 36A)	1,253.09	639.77
Security deposits	136.27	232.88
Doubtful at amortised cost		
Security deposits	12.79	-
Less : Allowance for bad and doubtful deposits	(12.79)	-
Total	**1,389.36**	**872.65**
Current	25.80	25.80
Non - Current	1,363.56	846.85

6 Other financial assets

(INR Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
I . Derivatives at fair value through profit and loss		
Derivative contract (refer note 2.2(n))	245.31	-
II . Other financial assets at amortised cost		
Interest accrued on inter company deposits but not due (refer note 36A)	502.94	388.25
Other Receivables (refer note 36A)	8.85	-
Interest accrued on fixed deposits	5.43	29.94
Deposits with bank held as margin money	43.49	-
Total	**806.02**	**418.19**
Current	183.85	33.13
Non - Current	622.17	385.06

7 Income tax assets

(INR Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Income tax assets (refer note 34)	329.55	382.62
Total	**329.55**	**382.62**
Non - Current	329.55	382.62

8 Other non current assets

(INR Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Capital advances	0.26	0.53
Prepaid expenses	2.92	131.83
Total	**3.18**	**132.36**

9 Trade receivables

Particulars	As at March 31, 2020	As at March 31, 2019
Trade receivables	2,192.77	2,630.76
Total	**2,192.77**	**2,630.76**

No trade receivables are due from directors or other officers of the Company either severally or jointly with any other person

Particulars	As at March 31, 2020	As at March 31, 2019
Secured, considered good		
Unsecured, considered good	2,192.77	2,630.76
Unsecured considered doubtful	728.99	655.98
	2,921.76	3,286.74
Loss allowance for bad and doubtful debts	(728.99)	(655.98)
Total Trade receivables	**2,192.77**	**2,630.76**

10 Cash and cash equivalents

(INR Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Balances with banks :		
-in current accounts	89.51	139.31
Cheques on hand	22.67	-
Cash on hand	0.06	11.07
Total	**112.24**	**150.38**

11 Other bank balances

(INR Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Bank balances other than (note 10) above		
-Margin money*	41.73	73.15
-Deposits with original maturity of three or more than three months	4.50	4.50
Total	**46.23**	**77.65**

* Margin money lien for bank guarantee given.

12 Break up of financial assets carried at amortised cost

(INR Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Investments (note 3)	1,976.00	1,976.00
Loans (Note 5)	1,389.36	872.65
Other non current financial assets (note 6)	622.17	385.06
Other current financial assets (note 6)	183.85	33.13
Cash and cash equivalents (note 10)	112.24	150.38
Trade receivables (note 9)	2,192.77	2,630.76
Other bank balances (note 11)	46.23	77.65
Total	**6,522.62**	**6,125.63**

12A Break up of financial assets at fair value through profit and loss

(INR Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Investments (note 4)	-	0.50
Total	**-**	**0.50**

13 Other current assets

(INR Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Advances given	16.50	20.92
Prepaid expenses	51.38	279.90
Other receivables	29.60	
Balance with government authorities	78.63	7.90
Total	**176.11**	**308.72**

15 Other equity

(INR Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Retained earnings *	(5,981.13)	(2,140.34)
Total	**(5,981.13)**	**(2,140.34)**

* Retained earnings are the accumulated profits/ (losses) earned by the Company till date.

Retained earnings

Particulars	Amount (in Lakhs)
As at April 1, 2018	**(919.74)**
Loss for the year	(1,221.24)
Add: Items of other comprehensive income (OCI) recognised directly in retained earnings	
- Remeasurement of the defined benefits plan, net of tax	0.64
Balance as at March 31, 2019	**(2,140.34)**
Loss for the year	(3,816.21)
Add: Items of other comprehensive income (OCI) recognised directly in retained earnings	
- Remeasurement of the defined benefits plan, net of tax	(24.58)
Balance as at March 31, 2020	**(5,981.13)**

16 Borrowings

(INR Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Non-current Borrowings		
Secured		
Term loans from banks	2,441.10	3,600.00
Unsecured		
Loan from related party (refer note 36A) *	6,050.00	-
Less: Amount clubbed under "other current financial liabilities" (Current maturities of long term borrowing) (refer note 20)	(1,627.40)	(1,440.00)
Sub total (a)	**6,863.70**	**2,160.00**
Current Borrowings		
Secured		
Cash Credit from banks	550.47	1,313.29
Unsecured		
Loan from related party (refer note 36A)**	150.00	150.00
Sub total (b)	700.47	1,463.29
Total (a+b)	**7,564.17**	**3,623.29**

Note:

a Secured borrowings are secured by:
- First exclusive charge on the Company's property, plant and equipment both present and future.
- First exclusive charge on current assets both present and future.

b The term loan carries a interest rate is fixed at 9.9% p.a.

c The cash credit facility obtained from bank carries variable interest rate is fixed at 1 year MCLR plus 1.4% p.a.

d Term loan from bank is repayable in first 4 quarterly instalment of Rs. 200 lakhs each and balance 20 quarterly instalment of Rs. 360 lakhs each starting from December 18, 2016.

e Current maturities of long term borrowings have been reported as other current financial liabilities

* Carries interest rate of 10% p.a. compounded annually and payable within 3 years from the date of each draw down.

** Carries interest @ 11% p.a. and are repayable on demand.

Debt reconciliation for FY 2019-20*

(INR Lakhs)

Particulars	Current Borrowings (including Current Portion of Long-term Borrowings)	Non Current Borrowings
Opening Balance as at April 1, 2019	2,903.29	2,160.00
Cash Flows:		
Add: Drawdowns	-	6,050.00
Less: Repayments	(2,202.82)	-
Non-cash movements		
Reclassification of long-term borrowing	1,440.00	(1,440.00)
Foreign exchange adjustments	187.40	93.70
Closing Balance as at March 31, 2020	**2,327.87**	**6,863.70**

* For reconciliation of lease liability refer Note 30

Debt reconciliation for FY 2018-19

(INR Lakhs)

Particulars	Current Borrowings (including Current Portion of Long-term Borrowings)	Non Current Borrowings
Opening Balance as at April 1, 2018	2,683.48	3,600.00
Cash Flows:		
Add: Drawdowns	219.81	-
Less: Repayments	(1,440.00)	-
Non-cash movements		
Reclassification of long-term borrowing	1,440.00	(1,440.00)
Amortisation of deferred processing fees	-	-
Closing Balance as at March 31, 2019	**2,903.29**	**2,160.00**

17 Lease liabilities

(INR Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Lease liabilities (refer note 30)	2,105.26	-
Total	**2,105.26**	**-**
Current	288.51	-
Non - Current	1,816.75	-

18 Other financial liabilities at amortised cost - non current

(INR Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Interest accrued but not due on borrowings	339.49	-
Total	**339.49**	**-**

19 Trade payables

(INR Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Trade payables		
- Amount payable to micro and small enterprises	-	-
- Amount payable to Related parties (refer note 36A)	244.31	3.40
- Others	584.06	1,555.72
Total	**828.37**	**1,559.12**

20 Other financial liabilities at amortised cost - current (INR Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Current maturities of long term debt (refer note 16)	1,627.40	1,440.00
Interest accrued but not due on loan from related party (refer note 36A)	27.05	19.50
Employee related payable *	550.14	518.42
Interest accrued but not due on term loan	7.03	11.72
Payable against issuance of shares (refer note 36A and 44)	1,821.00	1,821.00
Security deposit	-	1,900.00
Retention money	0.95	-
Total	**4,033.59**	**5,710.64**

* includes payable to related party INR Nil (previous year INR 17.06 lakhs) (refer note 36A)

20A Break up of financial liabilities carried at amortised cost (INR Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Borrowings (note 16)	7,564.17	3,623.29
Trade payables (note 19)	828.37	1,559.12
Other non-current financial liabilities (note 18)	339.49	-
Other current financial liabilities (note 20)	4,033.59	5,710.64
Total	**12,765.62**	**10,893.05**

21 Provisions (INR Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Non-current		
Provision for employee benefits		
- Gratuity (refer note 37)	83.50	87.35
- Leave encashment (refer note 37)	19.77	21.99
Total	**103.27**	**109.34**
Current		
Provision for employee benefits		
Gratuity (refer note 37)	-	39.15
Leave encashment (refer note 37)	0.63	2.68
Total	**0.63**	**41.83**

22 Contract liabilities (INR Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Unearned revenue	169.32	679.16
Total	**169.32**	**679.16**

(INR Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Opening unearned revenue	679.16	-
Revenue recognised during the year	646.18	-
Unearned revenue accrued during the year	136.34	679.16
Closing unearned revenue	**169.32**	**679.16**

23 Other current liabilities (INR Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Statutory dues	81.62	125.62
Advances from customers	17.15	121.80
Total	**98.77**	**247.42**

14 Share Capital

a Authorised share capital

Equity share capital

Particulars	Number of shares	Amount (INR Lakhs)
As at April 1, 2018	800,00,000	8,000.00
Increase/(decrease) during the year	-	-
At March 31, 2019	800,00,000	8,000.00
Increase/(decrease) during the year	-	-
At March 31, 2020	800,00,000	8,000.00

Preference share capital

Particulars	Number of shares	Amount (INR Lakhs)
As at April 1, 2018	257,70,000	2,577.00
Increase/(decrease) during the year	-	-
At March 31, 2019	257,70,000	2,577.00
Increase/(decrease) during the year	-	-
At March 31, 2020	257,70,000	2,577.00

b Terms of equity shares

The Company has only one class of equity shares having par value of INR 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian Rupees. The dividend proposed, if any, by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except for Interim Dividend. In the event of liquidation, the holders of the equity shares will be entitled to receive the 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 shareholders.

c Issued, subscribed and paid up share capital

Particulars	Number of shares	Amount (INR Lakhs)
As at April 1, 2018	757,40,287	7,574.03
Changes during the year	-	-
At March 31, 2019	**757,40,287**	**7,574.03**
Changes during the year	-	-
At March 31, 2020	**757,40,287**	**7,574.03**

d Reconciliation of Equity shares outstanding at the beginning of the year and at the end of the year

Equity shares

Particulars	March 31, 2020		March 31, 2019	
	Number of shares	Amount (INR in Lakh)	Number of shares	Amount (INR in Lakh)
Shares outstanding at the beginning of the year	757,40,287	7,574.03	757,40,287	7,574.03
Changes during the year	-	-	-	-
Shares outstanding at the end of year	**757,40,287**	**7,574.03**	**757,40,287**	**7,574.03**

f Details of shareholders holding more than 5% of Shares in the Company

Name of the Shareholder	March 31, 2020		March 31, 2019	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Equity Shares				
HT Media Limited	368,08,001	48.60%	-	-
Next Mediaworks Limited	389,32,286	51.40%	389,32,286	51.40%
Rakesh Jhunjhunwala	-	-	125,00,000	16.50%
Rekha Jhunjhunwala	-	-	125,00,000	16.50%
Ferari Investment and Trading Co. Private Limited	-	-	76,62,786	10.12%
Total	**757,40,287**	**100.00%**	**715,95,072**	**94.53%**

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

h Aggregate number of bonus shares issued, shares issued for consideration other than cash during the period five years immediately preceding the reporting date

The Company has neither issued bonus shares nor there has been any buy back of shares during five years immediately preceding March 31, 2020.

i Shares reserved for issue under options

There are no shares reserved under options and other commitments during five years immediately preceding March 31, 2020.

2 Property, plant and equipment*

(INR Lakhs)

Particulars	Building (Leasehold Improvement)	Furniture and fixtures	IT Equipment	Office Equipment	Vehicles	Plant & Machinery	Studio Equipment	Total
Gross block								
As at April 1, 2018	**659.82**	**349.15**	**415.42**	**303.43**	**7.73**	**8.68**	**1,444.67**	**3,188.90**
Additions	-	2.18	4.07	3.10	-	-	26.52	**35.87**
Less: Disposals	-	-	-	-	(7.73)	-	-	**(7.73)**
As at March 31, 2019	**659.82**	**351.33**	**419.49**	**306.53**	**-**	**8.68**	**1,471.19**	**3,217.04**
Additions	16.43	1.67	-	-	-	-	240.84	**258.94**
Less: Disposals	240.66	141.24	10.42	20.06	-	2.96	164.94	**580.28**
As at March 31, 2020	**435.59**	**211.76**	**409.07**	**286.47**	**-**	**5.72**	**1,547.09**	**2,895.70**
Accumulated Depreciation/ Impairment								
As at April 1, 2018	**557.41**	**326.83**	**397.68**	**265.06**	**4.08**	**5.15**	**1,229.15**	**2,785.36**
Charge for the year	29.60	6.42	14.53	6.30	1.17	1.21	56.89	**116.12**
Less: Disposals					(5.25)			**(5.25)**
As at March 31, 2019	**587.01**	**333.25**	**412.21**	**271.36**	**-**	**6.36**	**1,286.04**	**2,896.23**
Charge for the year	22.34	2.24	4.20	8.57	-	0.46	38.71	**76.52**
Impairment (refer note 45)	-	-	-	-	-	-	94.47	**94.47**
Less: Disposals	210.11	136.33	10.42	18.41	-	2.10	156.23	**533.60**
As at March 31, 2020	**399.24**	**199.16**	**405.99**	**261.52**	**-**	**4.72**	**1,262.99**	**2,533.62**
Net block								
As at March 31, 2020	**36.35**	**12.60**	**3.08**	**24.95**	**-**	**1.00**	**284.10**	**362.08**
As at March 31, 2019	**72.81**	**18.08**	**7.28**	**35.17**	**-**	**2.32**	**185.15**	**320.81**

*Pledged as security by the Company (refer note 16)

2A Intangible assets

(INR Lakhs)

Particulars	One time entry fees	Computer software	Total
Gross block			
As at April 1, 2018	**13,815.17**	**122.28**	**13,937.45**
Additions	-	-	**-**
Less: Disposals	-	-	**-**
As at March 31, 2019	**13,815.17**	**122.28**	**13,937.45**
Additions	-	-	**-**
Less: Disposals	-	60.16	**60.16**
As at March 31, 2020	**13,815.17**	**62.12**	**13,877.29**
Accumulated Amortization/ Impairment			
As at April 1, 2018	**2,764.11**	**101.28**	**2,865.39**
Charges for the year	920.95	17.26	**938.21**
Less: Disposals	-	-	**-**
As at March 31, 2019	**3,685.06**	**118.54**	**3,803.60**
Charges for the year	921.01	3.53	**924.54**
Impairment (refer note 45)	1,905.53	-	**1,905.53**
Less: Disposals	-	60.16	**60.16**
As at March 31, 2020	**6,511.60**	**61.91**	**6,573.52**
Net Block			
As at March 31, 2020	**7,303.57**	**0.21**	**7,303.78**
As at March 31, 2019	**10,130.11**	**3.74**	**10,133.85**

24 Revenue from operations

Revenue from contratcs with customers

(INR Lakhs)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Sale of services		
-Advertisement revenue	5,620.99	6,864.90
Total	**5,620.99**	**6,864.90**

Reconciliation of revenue recognised with the contracted price is as follows:

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Contract price	5,683.30	7,100.20
Adjustments to the contract price	62.31	235.30
Revenue recognised	**5,620.99**	**6,864.90**

The adjustments made to the contract price comprises of volume discounts, returns, credits, etc under the head "Revenue from Operations".

25 Other Income

(INR Lakhs)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Interest income on EIR method		
-on bank deposit	6.26	5.31
-on loan to related parties (refer note 36A)	123.31	93.08
-others	18.07	150.79
Dividend income	-	0.06
Other non - operating income		
Interest on income tax refund	17.90	5.51
Profit on sale of property, plant and equipment	-	7.86
Rental income (refer note 36A)	8.16	-
FVTPL gain on derivative (refer note 2.2(n))	245.31	-
Liabilities no longer required written back	18.15	34.80
Total	**437.16**	**297.41**

26 Employee benefits expense

(INR Lakhs)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Salaries, wages and bonus	1,841.02	1,966.45
Contribution to provident and other funds (refer note 37)	58.44	59.01
Employee stock option expenses (refer note 38)	17.29	-
Gratuity expense (refer note 37)	24.43	25.15
Workmen and staff welfare expenses	10.63	50.29
Total	**1,951.81**	**2,100.90**

27 Finance cost

(INR Lakhs)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
-Interest on Loan from others	398.63	802.76
-Interest on Loans from related parties (Refer Note 36A)	393.76	16.50
-Interest on lease liability (Refer Note 30)	164.93	-
-Interest on TDS	0.89	-
Exchange differences regarded as adjustment to borrowing cost	33.25	-
- Guarantee commission - Related parties (refer note 36A)	37.76	-
- Bank guarantee	8.64	10.63
- Bank charges	1.30	2.70
Total	**1,039.16**	**832.59**

28 Depreciation and amortization expenses

(INR Lakhs)

Particulars	Year ended March 31, 2019	Year ended March 31, 2019
Depreciation of tangible assets (refer note 2)	76.52	116.12
Depreciation of intangible assets (refer note 2A)	924.54	938.21
Depreciation expense of right-of-use assets (refer note 30)	260.29	-
Total	**1,261.35**	**1,054.33**

29 Other expenses

(INR Lakhs)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Insurance	17.76	18.83
Rates and taxes	0.65	9.48
Communication charges	28.54	45.24
Travelling and conveyance	197.79	58.75
Royalty	151.97	167.02
Radio programme creation and others	68.09	304.67
Repairs and maintenance :		-
- Equipment	57.90	8.25
- Others	101.68	156.10
Power and fuel	211.36	221.79
Rent (refer note 30)	257.71	587.83
Payment to auditors (refer note below)	24.96	9.50
Allowances for doubtful debts (Including write offs)*	75.10	239.55
Exchange loss on restatement	247.85	-
Loss on property, plant and equipment sold/discarded (Net)	37.55	-
Advertising and sales promotion	304.90	614.35
Legal and professional fees	349.35	502.56
Printing and stationery	2.05	6.25
Directors sitting fees (refer note 36A)	18.80	0.35
Miscellaneous expenses (refer note 36A)	71.79	44.19
Total	**2,225.80**	**2,994.71**

* Includes bad debts and sundry balances written off - INR 2.09 Lakhs (Previous year - INR 118.00 Lakhs)

Payment to auditors

(INR Lakhs)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
As auditor :		
- Audit fee	20.00	6.50
- Tax audit fee	2.00	0.75
- Others	2.50	2.25
- Reimbursement of expenses	0.46	-
Total	**24.96**	**9.50**

30 Leases

Leases as Lessee

The Company has taken various office premises under lease arrangemements. Information about leases for which the Company is a lessee is presented below:

i) The details of the right-of-use asset held by the Company is as follows:

Particulars	Amount in INR Lakhs
Balance at 1 April 2019	2,278.58
Depreciation charge for the year	(260.29)
Reclassification from pre-paid rent	120.17
Balance at 31 March 2020	**2,138.46**

ii) Set out below are the carrying amounts of lease liabilities and the movements during the year:

Particulars	Amount in INR Lakhs
Balance at 1 April 2019	2,278.58
Accretion of interest	164.93
Payment of lease liability (Principal)	(173.32)
Payment of lease liability (Interest)	(164.93)
Balance at 31 March 2020	2,105.26
Current	**288.51**
Non- Current	**1,816.75**

The maturity analysis of lease liabilities are disclosed in Note 41.

iii) Amounts recognised in profit or loss:

Particulars	in INR Lakhs
Interest on lease liabilities	164.93
Depreciation expense of right-of-use assets	(260.29)
Expenses relating to short-term leases	257.71

iv) Amounts recognised in statement of cash flows:

Particulars	in INR Lakhs
Total cash outflow for leases	(173.32)

31 Loss per share

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

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

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

Particulars	For the year March 31, 2020	For the year March 31, 2019
Total loss attributable to equity holders (INR lakhs)	(3,816.21)	(1,221.24)
Weighted average number of Equity shares for basic and diluted loss per share	757,40,287	757,40,287
loss per share		
Basic (Nominal value of share INR 10/-)	(5.04)	(1.61)
Diluted (Nominal value of share INR 10/-)	(5.04)	(1.61)

32 Segment reporting

In accordance with Ind AS-108 'Operating Segments', the Company' operating segment is Media and Entertainment and it has no other primary reportable segments. Considering the nature of operations and the manner in which the chief operating decision maker of the Company reviews the operating results, the Company has concluded that there is only one operating segment. Accordingly, the segment revenue, segment results, total carrying amount of segment assets and segment liabilities, total cost incurred to acquire segment assets and total amount of charge for depreciation during the year, are as reflected in the Financial Statements as at and for the year ended March 31, 2020. The geographical revenue is allocated based on the location of the customers. The Company primarily caters to the domestic market and hence it has been considered as to be operating in a single geographical location.

Information about major customers:

No single customer represents 10% or more of the Company's total revenue during the year ended March 31, 2020 and March 31, 2019.

33 Commitments and contingencies

(i) Guarantees

(INR lakhs)

Particulars	For the year March 31, 2020	For the year March 31, 2019
Guarantees issued by the Company's bankers	1,380.60	1,378.87
Total	**1,380.60**	**1,378.87**

(ii) Contingent liabilities

a. In respect of Income tax demand under dispute Rs. 38.97 lakhs (Previous Year Rs. 47.15 lakhs).
In respect of Service tax demand under dispute Rs. 25.42 lakhs (Previous Year Rs. NIL).

Based on management assessment and current status of the above matter, the management is confident that no provision is required in the financial statements as on March 31, 2020.

(iii) Commitments

Estimated amount of contracts remaining to be executed on capital account is Nil (previous year Nil).

34 Taxation

a) current tax assets	As at March 31, 2020	As at March 31, 2019
At the start of the year	382.62	275.82
Refund received	(162.41)	-
Taxes paid during the year (TDS receivable)	109.34	106.80
At the end of the period	**329.55**	**382.62**

35 Deferred tax*

Particulars	As at March 31, 2020	As at March 31, 2019
Deferred tax Assets		
- on Carry forwards business loss (Available for 8 Assessment Year)	131.87	139.60
- on unabsorbed depreciation (Available for infinite period)	3,979.06	3,679.72
- on other temporary difference (Available on payment basis)	216.56	209.86
Total Deferred tax Assets	**4,327.48**	**4,029.19**
Deferred tax Liability		
- on WDV of property, plant and equipment	1,449.67	1,404.58
Net deferred tax assets	**2,877.81**	**2,624.61**

* In the absence of reasonable certainty, the Company has not recognised the deferred tax assets

36 Related party transactions

Following are the related parties and transactions entered with related parties for the relevant financial year :

i) List of related parties and relationships:-

a.	Holding Company (w.e.f. April 15, 2019)	Next Mediaworks Limited HT Media Limited (Holding Company of Next Mediaworks Limited) The Hindustan Times Limited # Earthstone Holding (Two) Private Limited## (Ultimate controlling party is the Promoter Group)
b.	Subsidiary Company (with whom transactions have occurred during the year)	Syngience Broadcast Ahmedabad Limited
c.	Fellow subsidiary company (w.e.f. April 15, 2019) (with whom transactions have occurred during the year)	HT Music and Entertainment Limited Hindustan Media Ventures Limited
d.	Under control of Management (with whom transactions have occurred during the year)	Inquilab offset printers Ltd *
e.	Entities which are post employment benefit plans (with whom transactions have occurred during the year)	Radio Midday West India Limited Employees Gratuity Trust
f.	Key Managerial Personnel	Mr. Vineet Singh Hukmani (Managing Director)* Mr. Adille Sumariwala (Independent Director)* Mr. Harshad Jain (Chief Executive Officer) Mr. Dilip Cherian (Independent Director)** Ms.Monisha Shah (Independent Director)* Mr. Ajay Relan (Non-Executive independent Director, w.e.f April 18, 2019) Ms. Suchitra Rajendra (Non-Executive independent Director, w.e.f April 18, 2019)
g.	Relatives of Key Managerial Personnel	Mrs. Bhooma Vineet Hukmani (Relative of Mr. Vineet Singh Hukmani)* Mrs. Kamini Jain (Relative of Mr. Harshad Jain)

* Relationship ceased with effect from close of business hours of April 18, 2019.
** Relationship ceased with effect from close of business hours of Janury 23, 2020
The Hindustan Times Limited (HTL) does not hold any direct investment in the Company. However, HTL's subsidiary HT Media Limited holds shares in the Company.

Earthstone Holding (Two) Private Limited (formerly known as Earthstone Holding (Two) Limited) is the holding Company of The Hindustan Times Limited .

ii) Transactions with related parties
Refer note 36 A

iii) Terms and conditions of transactions with related parties
The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free (other than Inter-corporate Deposit given and taken refer note 5 and note 16) and settlement occurs in cash.

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Next Radio Limited
Notes to standalone financial statements for the year ended March 31, 2020

36A Transactions during the year with Related Parties (refer note A):-

INR In Lakhs

SL No	Transactions for the year ended March 31, 2020	Holding Company		Holding Company		Subsidiary		Fellow Subsidiary		Under control of Management		Entities which are post employment benefit plans		Key Managerial Personnel (KMP's) / Directors (Refer Note B)		Relatives of KMP		Total	
		March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
A	**REVENUE**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
1	Interest income	0	0	120.47	90.35	2.84	2.73	-	-	-	-	-	-	-	-	-	-	123.31	93.08
2	Rental Income	8.16	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	8.16	-
B	**EXPENSES**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3	Management fee expenses	-	-	-	144.67	-	-	-	-	-	-	-	-	-	-	-	-	-	144.67
4	Interest expenses	-	-	-	-	16.55	16.50	377.21	-	-	-	-	-	-	-	-	-	393.76	16.50
5	Rent expense	124.30	-	4.96	19.14	-	-	24.08	-	0.84	16.80	-	-	-	-	-	-	154.18	35.94
6	Guarantee commission	37.76	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	37.76	-
7	Miscellaneous expenses :- Commission expenses	9.63	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	9.63	-
8	Remuneration paid to Key managerial personnel	-	-	-	-	-	-	-	-	-	-	-	-	248.91	225.40	-	-	248.91	225.40
9	Sitting fees paid to directors	-	-	-	-	-	-	-	-	-	-	-	-	18.80	0.35	-	-	18.80	0.35
10	Printing and stationery	-	-	-	-	-	-	-	-	-	3.26	-	-	-	-	-	-	-	3.26
11	Car hire charges	-	-	-	-	-	-	-	-	-	-	-	-	-	-	8.26	3.00	8.26	3.00
C	**OTHERS**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12	Reimbursement of expenses incurred on behalf of the parties by Company	35.6	-	-	-	-	-	-	-	-	2.54	-	-	-	-	-	-	35.60	2.54
13	Loan repaid during the year	-	-	-	401.10	-	-	-	-	-	-	-	-	-	-	-	-	-	401.10
14	Loan taken during the year	-	-	-	-	-	-	6,050.00	-	-	-	-	-	-	-	-	-	6,050.00	-
15	Loan given during the year	-	-	613.81	524.10	-	-	-	-	-	-	-	-	-	-	-	-	613.81	524.10
16	Contribution during the year	-	-	-	-	-	-	-	-	-	-	92.01	-	-	-	-	-	92.01	-
D	**BALANCE OUTSTANDING**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
17	Investment in subsidiary	-	-	-	-	1,976.00	1,976.00	-	-	-	-	-	-	-	-	-	-	1,976.00	1,976.00
14	Other receivables (including advances given)	8.85	-	-	-	-	-	-	-	-	2.78	-	-	-	-	-	-	8.85	2.78
15	Trade Payables including other payables	189.65	-	28.65	-	-	-	26.01	-	-	3.40	-	-	-	-	-	-	244.31	3.40
16	Payable against share issue	-	0	-	-	1,821.00	1,821.00	-	-	-	-	-	-	-	-	-	-	1,821.00	1,821.00
17	Inter corporate deposit taken and Interest accrued on it	-	-	-	-	177.05	169.50	6,389.49	-	-	-	-	-	-	-	-	-	6,566.54	169.50
18	Inter corporate deposit given and interest	-	-	1,724.22	1,002.24	31.81	25.78	-	-	-	-	-	-	-	-	-	-	1,756.03	1,028.02
19	Employee dues payable	-	-	-	-	-	-	-	-	-	-	-	-	-	17.06	-	-	-	17.06

Note A:-The transactions above do not include gst, service tax, vat etc.

Note B- Key Managerial Personnel who are under the employment of the Company are entitled to post employment benefits and other long term employee benefits recognized as per Ind AS 19 - ‘Employee Benefits’ in the standalone financial statements. As these employee benefits are lump sum amounts provided on the basis of actuarial valuation, the same is not included above.

37 Employee Benefits

The Company has classified the various benefits provided to the employees as under.

Defined Contribution Plans

i. Provident Fund

The Company has recognised INR 58.44 lakhs (previous year INR 59.01 lakhs) in Profit and Loss Statement towards employer's contribution to provident fund.

Define Benefit Plan: Gratuity

In accordance with the Indian Accounting Standards (Ind AS 19) , actuarial valuation was performed in respect of the aforesaid defined benefit plans The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of services gets a gratuity on separation at 15 days salary (last drawn salary) for each completed year of service. The Company has formed a gratuity trust to which contribution is made based on actuarial valuation done by independent valuer.

The gratuity plan is governed by the Payment of Gratuity Act, 1972. The Company has purchased insurance policy, which is a year on-year cash accumulation plan in which the interest rate is declared on yearly basis and is guaranteed for a period of one year. The insurance Company, as part of the policy rules, makes payment of all gratuity outgoes happening during the year (subject to sufficiency of funds under the policy). The policy, thus, mitigates the liquidity risk. However, being a cash accumulation plan, the duration of assets is shorter compared to the duration of liabilities. Thus, the Company is exposed to movement in interest rate in particular, the significant fall in interest rates, which should result in a increase in liability without corresponding increase in the asset.

Assumption	As at March 31, 2020	As at March 31, 2019
Discount Rate	6.85% pa	7.77% pa
Rate of Increase in compensation levels (pa)	5.00% pa	6.00% pa
Mortality Rate	Indian Assured Lives Mortality (2012-14) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate
Attrition Rate	Upto 30 years - 3% 31 to 44 years - 2% Above 44 years - 1%	4.00% pa
Attrition Rate		

The following tables summaries the components of net benefit expense recognized in the Statement of Profit and Loss and the funded status and amounts recognized in the balance sheet :

a. Change in the present value obligation

INR in Lakhs

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Present value of defined benefit obligation as at beginning of the year	148.47	131.72
Interest cost	11.56	10.18
Current service cost	14.58	17.26
Benefits paid	(103.41)	(7.65)
Actuarial (gain) / loss on obligation arising from:		
- change in demographic assumptions	(2.95)	-
- change in financial assumptions	(0.95)	(0.48)
- experience variance (i.e. Actual experiencevs assumptions)	28.56	(2.56)
Present value of defined benefit obligation as at end of the year	95.86	148.47

b. Fair value of plan assets (for funded scheme – gratuity)

INR in Lakhs

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Present value of plan assets as at beginning of the year	21.97	29.73
Interest income	1.71	2.30
return on plan asset recognised in OCI	0.08	(2.40)
Contributions	92.01	-
Benefits paid	(103.41)	(7.65)
Fair value of plan assets as at end of the year *	12.36	21.97

* The Company has invested in HDFC Group Unit Linked plan - Option B through the trust "Radio Midday West India Limited Employees Gratuity Cum Life Assurance Scheme"

Next Radio Limited

c. Amount recognised in the balance sheet

INR in Lakhs

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Present Value of defined benefit obligation as at the end of the year	95.86	148.47
Fair value of plan assets as at the end of the year	12.36	21.97
Liability / asset (net) recognized in the balance sheet	83.50	126.50

d. Expenses recognised in statement of profit and loss

INR in Lakhs

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Current service cost	14.58	17.26
Interest cost (net)	9.85	7.88
Total expenses recognised in the statement of profit and loss	24.43	25.15

Presented in financials:		
Gratuity provision	83.50	126.50
Net liability	83.50	126.50

e. Expenses recognised in the Other Comprehensive Income (OCI)

INR in Lakhs

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Actuarial (gains)/losses on obligation for the year	24.66	(3.04)
Remeasurement- return on plan assets excluding interest income	(0.08)	2.40
Net (income)/expense for the year recognized in OCI	24.58	(0.64)

f. The major category of plan assets are as follows:

INR in Lakhs

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Investment in funds managed by the trust	100%	100%

g. Maturity analysis of projected benefit obligation: From the Fund

INR in Lakhs

Projected Benefits Payable in Future Years From the Date of Reporting	As at March 31, 2020	As at March 31, 2019
within one year	2.20	15.81
2 to 5 years	8.99	30.61
6 to 10 years	70.11	86.61
more than 10 years	143.31	192.67

h. Sensitivity Analysis

INR in Lakhs

Particulars	As at March 31, 2020	As at March 31, 2019
Projected benefit obligation on current assumptions	95.86	148.47
Delta effect of +1% change in rate of discounting	(11.04)	(11.22)
Delta effect of -1% change in rate of discounting	9.51	12.86
Delta effect of +1% change in rate of salary increase	9.75	12.96
Delta effect of -1% change in rate of salary increase	(11.13)	(11.49)
Delta effect of +1% change in rate of employee turnover	0.90	1.40
Delta effect of -1% change in rate of employee turnover	(0.81)	(1.58)

i. Average duration of the defined benefit plan obligation

Particulars	As at March 31, 2020	As at March 31, 2019
Weighted Average duration	11 to 14 years	3 to 9 years

The expected rate of return on plan assets is based on market expectation at the beginning of the year. The rate of return on risk free investments is taken as reference for this purpose.

The expected contribution for next year is Rs. 100.05 lakhs (Previous Year Rs. 39.14 lakhs)

The Company has based on Actuarial Valuations provided an amount of Rs. 16.32 lakhs (Previous Year 1.28 lakhs) as expenses on account of leave encashment payable to the employees.

Leave Encashment (unfunded)

The Company recognises the leave encashment expenses in the statement of profit and loss based on the actuarial valuation.
The expenses recognised in the statement of profit and loss and the leave encashment liability at the beginning and at the end of the year:

INR in Lakhs

Particulars	As at March 31, 2020	As at March 31, 2019
Liability at the beginning of the year	24.67	25.95
Benefits paid during the year	20.59	2.56
Provided during the year	16.32	1.28
Liability at the end of the year	20.40	24.67

The Company has based on actuarial valuations provided an amount of INR 16.32 lakhs (Previous Year INR 1.28 Lakhs) as expenses on account of leave encashment payable to the employees.

38 Share-based payments

In accordance with the Securities and Exchange Board of India (Share Based Employee benefits) Regulations, 2014 and Ind-AS 102 Share-based Payment, the scheme detailed below is managed and administered, compensation benefits in respect of the scheme is assessed and accounted by the Company. To have an understanding of the scheme, relevant disclosures are given below.

I. The Holding Company, HT Media Limited has given Employee Stock Options (ESOPs) to employees of the Company.

A. Details of these plans are given below:

Employee stock options

A stock option gives an employee, the right to purchase equity shares of HT Media Limited at a fixed price within a specific period of time.

B. Details of stock options granted during the current year and earlier year are as given below:

Type of arrangement	Date of grant	Options granted (nos.)	Fair value on the grant date (INR)	Vesting conditions*	Weighted average remaining contractual life in years as at
Employee stock options-Plan C (Method of settlement- equity)	Oct 24, 2019	5,00,000	9.04	Starts from the date of listing of HT Media Limited as per the following vesting schedule	10.34
				75% 12 months from the date of grant	
				25% 24 months from the date of grant	

C. Summary of activity under the Plan C for the year ended March 31, 2020 are given below.

	31-Mar-20	
	Number of options	Weighted-average exercise price (INR)
Outstanding at the beginning of the year	-	-
Granted during the year	5,00,000	19.80
Forfeited during the year	-	-
Exercised during the year	-	-
Expired during the year	-	-
Outstanding at the end of the year	5,00,000	19.80
Weighted average remaining contractual life (in years)	10.34	
Weighted average fair value of options granted during the year	9.04	

Weighted average fair value of the options outstanding of plan C is INR 9.04 per option.

The employee compensation cost (accounting charge for the year) calculated using the fair value of stock options is INR 17.29 lakhs.

Assumptions used in Black Scholes Option Pricing Model are as follows :

Particulars	
Risk free interest Rate	6.64%
Expected life	6.225 Years
Expected volatility**	37.29%
Dividend yield	1.01%
Price of the underlining share in market at the time of option grant (INR)	19.80
Exercise price (INR)	19.80
Fair value (INR)	9.04

** Volatility is a measure of the amount by which a price has fluctuated or is expected to fluctuate during a period. The measure of volatility used in the Black-Scholes option-pricing model is the annualized standard deviation of the continuously compounded rates of return on the stock over a period of time.

39 Other comprehensive income

The disaggregation of changes to OCI by each type of reserve in equity is shown below :

During the year ended March 31, 2020

(INR Lakhs)

Particulars	Retained earnings	Total
Remeasurement of the defined benefits plan (refer note 37)	(24.58)	(24.58)
Total	**(24.58)**	**(24.58)**

During the year ended March 31, 2019

(INR Lakhs)

Particulars	Retained earnings	Total
Remeasurement of the defined benefits plan (refer note 37)	0.64	0.64
Total	**0.64**	**0.64**

40 Disclosure required under section 186(4) of the Companies Act, 2013

(INR Lakhs)

Name of the Loanee	Secured/ Unsecured	Due Date	Rate of Interest	Purpose of Loan	March 31, 2020	March 31, 2019
Next Mediaworks Limited (Holding Company)	Unsecured	March 31, 2023	11%	Working capital	1,227.29	613.97
Syngience Broadcast Ahmedabad Limited (Subsidiary Company)	Unsecured	Repayable on demand	11%	Working capital	25.80	25.80

Details of investment made are given under Note 3 and 4

41 Financial risk management objectives and policies

The Company's principal financial liabilities, comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Group's operations and to support its operations. The Company's principal financial assets include trade & other receivables, security deposits given and cash and cash equivalents that derive directly from its operations.

The Company is exposed to credit risk, liquidity risk, foreign currency risk and interest rate risks. The Company's senior management oversees the mitigation of these risks. The Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The policies for managing each of these risks, which are summarized below:-

1 Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk: interest rate risk and currency risk . Financial instruments affected by market risk include loans and borrowings, deposits and derivative financial instruments.

a Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company’s fixed rate borrowings are carried at amortized cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate on account of a change in market interest rates.

b Foreign currency risk

Foreign currency risk arises due to the fluctuations in foreign currency exchange rates. The Group has taken derivative cover to mitigate exposure against foreign currency risk. Accordingly, its exposure to the foreign currency risk is limited.

2 Credit risk

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including investments in debt mutual funds and deposits with banks. The Company's maximum exposure to credit risk is limited to the carrying amount of the financial assets recognised as at March 31, 2020.

Customer credit risk is managed by each business unit subject to the Company’s established policy, procedures and control relating to customer credit risk management. The Company undertakes a detailed review of the credit worthiness of clients before extending credit. Outstanding customer receivables are regularly monitored. The Company believes the concentration of risk with respect to trade receivables as low, as its customers are in several jurisdictions and industries and operate in largely independent markets.

The Company uses the expected credit loss model as per IND AS 109 - ‘Financial Instruments’ to assess the impairment loss or gain. The Company uses a provision matrix to compute the expected credit loss allowance for trade receivables. The provision matrix considers available external and internal credit risk factors and the Company’s historical experience in respect of customers.

a Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Company’s treasury department in accordance with the Company’s policy. Investments of surplus funds are made as per guidelines and within limits approved by Board of Directors. Board of Directors/ Management reviews and update guidelines, time to time as per requirement. The guidelines are set to minimize the concentration of risks and therefore mitigate financial loss through counterparty’s potential failure to make payments.

3 Liquidity Risk

Liquidity risk is defined as a risk that the Company will not be able to settle or meet its obligations on time. The Company's treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by the Senior Management.

Maturities of financial liabilities

The tables below analise the Company's financial liabilities into relevant maturity groupings based on their contractual maturities for all non-derivative financial liabilities.

(INR Lakhs)

Particulars	As at March 31, 2020		As at March 31, 2019	
	Less than 1 year	More than 1 year	Less than 1 year	More than 1 year
Borrowings	700.47	6,863.70	1,463.29	2,160.00
Lease liabilities	288.51	1,816.75	-	-
Other Financial Liabilities	4,033.59	339.49	5,710.64	-
Trade payables	828.37	-	1,559.12	-
	5,850.94	**9,019.94**	**8,733.05**	**2,160.00**

for further details please refer note no. 48

42 Capital management

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

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

(INR Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Borrowings Long Term	6,863.70	2,160.00
Borrowings Short Term	700.47	1,463.29
Borrowings Long Term current portion (grouped under other current financial liabililty)	1,627.40	1,440.00
Interest Accrued but not due	373.57	31.22
Less: Cash and cash equivalent	112.24	150.38
Less : Other Bank balances	46.23	77.65
(a) Net debts	**9,406.67**	**4,866.48**
(b) Total equity (as per balance sheet)	**1,592.90**	**5,433.69**
(c) Total capital	**10,999.57**	**10,300.17**
(d) Net gearing ratio (a)/(c)	**0.86**	**0.47**

43 Fair value measurement

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values:

(INR Lakhs)

Particulars	Carrying amount		Fair Value		Fair value measurement hierarchy level
	As at March 31, 2020	As at March 31, 2019	As at March 31, 2020	As at March 31, 2019	
Financial assets measured at fair Value through profit & loss (FVTPL)					
Investment in unquoted equity shares (refer note 4)	-	0.50	-	0.50	Level 3*
Financial assets measured at amortised cost					
Loan to related party (refer note 5)	1,253.09	639.77	1,253.09	639.77	Level 2
Security deposits (refer note 5)	136.27	232.88	136.27	232.88	Level 2
Financial assets measured at fair Value through profit & loss (FVTPL)					
Forex derivative contract (not designated as hedge) (note 6)	245.31	-	245.31	-	Level 2
Financial liabilities measured at amortised cost					
Borrowings - Non current (note 16)	6,863.70	2,160.00	6,863.70	2,160.00	Level 2
Current maturities of long term debt (refer note 20)	1,627.40	1,440.00	1,627.40	1,440.00	Level 2

*The sensitivity analysis disclosures in relation to Unquoted equity instrument classified at FVTPL is not being disclosed since the management believes that the amount involved is not material and no significant movement in the fair value is expected on the reporting date.

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

The following methods and assumptions were used to estimate the fair values:
- The fair values of Long term borrowings are determined by discounting future cash flows using rates currently available for items on similar terms, credit risk and remaining maturities.

- The Security deposits/loans given are evaluated by the Company based on parameters such as interest rate, risk factors, risk characteristics and individual credit-worthiness of the counterparty. Based on this evaluation, allowances are taken into account for the expected losses.

- Derivative contracts being valued using valuation techniques, which employs the use of market observable inputs. The Company uses Mark to Market valuation provided by Bank for valuation of these derivative contracts.

44 The Board of Directors of Next Radio Limited ('NRL' or 'the Company') at its meeting held on June 8, 2017, approved a Scheme of Arrangement u/s 230-232 of the Companies Act, 2013 ('Scheme') in terms whereof, NRL's FM radio broadcasting business at Ahmedabad was proposed to be transferred to a wholly-owned subsidiary Company namely, Syngience Broadcast Ahmedabad Limited (SBAL). The Scheme was approved by Hon'ble National Company Law Tribunal ('NCLT') on October 5, 2017. Since the Scheme was conditional upon its approval by the Ministry of Information and Broadcasting, Government of India ('MIB'), NRL made an application to MIB on December 8, 2017 for due approval of the Scheme. Since the Company did not receive positive response from MIB on the said application, a letter requesting the withdrawal of the application dated December 8, 2017 was filed with the MIB on April 1, 2019. MIB vide letter dated May 20, 2019 accorded its approval to NRL's request for withdrawal of the application dated December 8, 2017. Subsequently, on May 21, 2020, both the Companies (NRL & SBAL) have filed a Joint application with the Hon'ble NCLT, Mumbai, for recall of its order dated October 5, 2017. Post approval of the Hon'ble NCLT, the liability of INR 1,821 lakhs payable to SBAL will get adjusted against investment in SBAL.

45 Exceptional items

The Comapny after considering the current economic environment has performed an impairment assessment of Property, Plant and Equipment and Intangible Assets. As the recoverable amount of Cash Generating Unit ("CGU') is lower than the carrying amount of assets, the Company has recognised an impairment loss of Rs. 1,905.53 lakhs towards Intangible Assets and Rs. 94.47 lakhs towards Property, Plant and Equipment as an exceptional item.
The recoverable amount of CGU is based on its value in use which is INR 11,538 lakhs using discount rate in the range of 14%-16%.

46 Standards issued but not yet effective

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2020

47 Management has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amount of Property, Plant and Equipment, Intangible Assets, Receivables, Other Financial and Non-Financial assets of the Company. In developing the assumptions relating to the possible future uncertainties because of this pandemic, the Company, as at the date of adoption of these stamdalone financial statements has used internal and external sources of information. The Company has performed sensitivity analysis on the assumptions used and based on current factors estimated that the carrying amount of assets as at 31 March 2020 will be recovered after recording an impairment loss on Property, Plant and Equipment and Intangible Assets (refer note 45). The impact of COVID-19 on the Company's financial statements may differ from that estimated as at the date of adoption of audited financial statements for the year ended 31 March 2020. Such changes, if any, will be prospectively recognized. The Company will continue to closely monitor any material changes to future economic conditions.

48 The Company has incurred losses in current year and has accumulated losses as at 31 March 2020. Further, the Company's current liabilities exceed current assets as at 31 March 2020. However, the Company has positive net worth as at 31 March 2020. Based on projections, which consider appropriate changes to its business strategies, the Company expects to earn cash inflow from operating activities, which can be used to settle liabilities in the near future. The Company believes such anticipated internally generated funds from operations in future along with its fully available revolving undrawn credit facilities as at 31 March 2020, impending withdrawal of the scheme (refer note 44) whereby Rs. 1,821 lakhs is not payable to its wholly owned subsidiary company (Syngience Broadcast Ahmedabad Limited) and certain other current assets (financial and non-financial) as at 31 March 2020 will enable it to meet its future known obligations due in next year, in the ordinary course of business. The Company has considered the impact of COVID-19 pandemic in the projections. Further, the Company believes that obligation falling due beyond one year from the reporting date can also be met from various internal and external sources, in the ordinary course of business.

In view of the above, the use of going concern assumption has been considered appropriate in preparation of these standalone financial statements.

49 These financial statements are separate financial statements and the Parent company has used exemption from consolidation. Refer Consolidated financial statements of Next Mediaworks Limited whose consolidated financial statements comply with Ind AS and have been produced for public use.

50 Previous year regrouping / reclassification

The previous years figures have been regrouped/reclassified wherever required necessary to conform with the current year's presentation.

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

As per our report of even date

For **B S R and Associates**
Chartered Accountants
(Firm Registration Number: 128901W)

Rajesh Arora
Partner
Membership No. 076124

Place: Gurugram
Date: June 23, 2020

For and on behalf of the **Board of Directors of Next Radio Limited**

Abhishek Kapoor
Chief Financial Officer

Harshad Jain
Managing Director &
Chief Executive Officer
(DIN: 08191390)

Udit Jain
Company Secretary
Membership No.: A58532

Praveen Someshwar
Director
(DIN: 01802656)

Place: New Delhi
Date: June 23, 2020