

B S R and Associates

Chartered Accountants

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1000

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 2022, 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 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 2022, 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 obtained by us, 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' Responsibilities 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, 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

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adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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 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 in preparation of financial statements 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.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India 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 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2022 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 Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - a) The Company has disclosed the impact of pending litigations as at 31 March 2022 on its financial position in its financial statements - Refer Note 32(ii) to the financial statements.
 - b) The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
 - c) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - d) (i) The management has represented that, to the best of its knowledge and belief, as disclosed in note 50(vi) to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:
 - directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or
 - provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
 - (ii) The management has represented, that, to the best of its knowledge and belief, as disclosed in note 50(vii) to the accounts, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall:
 - directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Party or

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- provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries.

(iii) Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (d) (i) and (d) (ii) contain any material mis-statement.

e) The Company has neither declared nor paid any dividend during the year.

(C) With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, there are no directors to whom remuneration is paid / payable in accordance with the provisions of Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

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

Place: Gurugram
Date: 24 May 2022

David Jones
Partner
Membership No. 098113
UDIN: 22098113AJMDXB3307

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 2022

We report that:

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of its Property, Plant and Equipment.
- (B) The Company has maintained proper records showing full particulars of Intangible Assets.
- (b) 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 a regular programme of physical verification of its Property, plant and equipment by which all Property, plant and equipment are verified in a phased manner over a period of three years. In accordance with this programme, certain property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) The Company does not have any immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee). Accordingly, clause 3(i)(c) of the Order is not applicable.
- (d) 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 revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.
- (e) 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 proceedings initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- (ii) (a) The Company is in the business of providing radio broadcasting entertainment services and does not hold inventories. Accordingly, clause 3(ii)(a) of the Order is not applicable.
- (b) 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 been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. In our opinion, the quarterly returns or statements filed by the Company with such banks or financial institutions are in agreement with the books of account of the Company.
- (iii) (a) Based on the audit procedures carried on by us and as per the information and explanations given to us the Company has granted loans to Companies covered in the register maintained under section 189 of the Companies Act, 2013 as below:

Particulars	Amount of Loans (Rs. in Lakhs)
Aggregate amount during the year	
- Holding Company (Next Mediaworks Limited)	113
- Subsidiary Company (Syngeience Broadcast Ahmedabad Limited)	4
Balance outstanding as at balance sheet date (loan including accrued interest thereon)	

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- Holding Company (Next Mediaworks Limited)	2,186
- Subsidiary Company (Syngeience Broadcast Ahmedabad Limited)	43

- (b) According to the information and explanations given to us and based on the audit procedures conducted by us, we are of the opinion that the terms and conditions of the grant of such loans are not prejudicial of the Company's interest;
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the schedule of repayment of principal and payment of interest has been stipulated. As per repayment schedule, no amount was due to be paid in the current year. Accordingly, no repayment of principal and interest has been made.
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no overdue amount for more than ninety days in respect of loans given. Further, the Company has not given any advances in the nature of loans to any party during the year.
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no loan or advance in the nature of loan granted falling due during the year, which has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to same parties.
- (f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment except for the following loans or advances in the nature of loans to its related party as defined in Clause (76) of Section 2 of the Companies Act, 2013 ("the Act"):

	Related Party (Amount in Rs. Lakhs)
Aggregate of loans/advances in nature of loan	
- Repayable on demand (A)	32
- Agreement does not specify any terms or period of Repayment (B)	-
Total (A+B)	32
Percentage of loans/advances in nature of loan to the total loans	2%

- (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 or investments made which are not in compliance with section 185 and 186 of the Companies Act, 2013. Further, there are no guarantees given or securities provided by the Company as specified under section 185 and 186 of the Companies Act, 2013.
- (v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.

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- (vi) We have broadly reviewed the books of accounts maintained by the Company pursuant to the rules prescribed by the Central Government for maintenance of cost records under Section 148(1) of the Act in respect of services provided by it and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not carried out a detailed examination of the records with a view to determine whether these are accurate or complete
- (vii) (a) The Company does not have liability in respect of service tax, duty of excise, sales tax and value added tax during the year since effective 1 July 2017, these statutory dues has been subsumed into GST.

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

According to the information and explanations given to us and on the basis of our examination of the records of the Company, no undisputed amounts payable in respect of goods and services tax ('GST'), provident fund, employees' state insurance, income tax, cess and other statutory dues were in arrears as at 31 March 2022 for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, statutory dues relating to goods and service tax, provident fund, employees state insurance, income tax, cess or other statutory dues which have not been deposited on account of any dispute are as follows:

Statement of Disputed Tax Dues

Particulars	Nature of dues	Amount (Rs. In Lakhs)	Amount paid under protest (Rs. In Lakhs)	Period to which amount relates	Forum where dispute is pending
Income Tax Act, 1961	Disallowance of expenditure	39	10	A.Y. 2014-15	Commissioner of Income Tax (Appeals)
Service Tax (Finance Act, 1994)	Disallowance of credit	25	-	A.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 surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.
- (ix) (a) 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 and borrowing or in the payment of interest thereon to any lender.

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- (b) 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 been declared a wilful defaulter by any bank or financial institution or government or government authority.
- (c) In our opinion and according to the information and explanations given to us by the management, term loans were applied for the purpose for which the loans were obtained, other than Rs 700 Lakhs which remain unutilised as at 31 March 2022. The Company has temporarily invested such unutilised balance in mutual fund and fixed deposits as at 31 March 2022.
- (d) In our opinion and according to explanations given to us and on the basis of our examination of the records of the Company, the Company has not raised funds on short term basis. Accordingly, paragraph 3(ix)(d) of the Order is not applicable.
- (e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiary as defined under the Act. The Company does not have any associate company or joint venture as defined under the Act. Accordingly, clause 3(ix)(e) of the Order is not applicable.
- (f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiary. The Company does not have any joint venture or associate company. Accordingly, paragraph 3(ix)(f) of the Order is not applicable.
- (x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) Accordingly, clause 3(x)(a) of the Order is not applicable.
 - (b) 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 year. Accordingly, clause 3(x)(b) of the Order is not applicable.
- (xi) (a) Based on examination of the books and records of the Company and according to the information and explanation given to us, no fraud by the Company or on the Company has been noticed or reported during the course of the audit.
 - (b) According to information and explanations given to us, no report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
 - (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
- (xii) According to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, clause 3(xii) of the Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Section 177 and 188 of the Act, where applicable, and the details of the related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) (a) Based on the information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
 - (b) We have considered the internal audit reports of the Company issued till date for the period under audit.

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- (xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.
- (xvi)(a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable
- (b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.
- (d) According to the information and explanations provided to us by management of the Company, the Group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016) does not have more than one CIC (which is not required to be registered with RBI as not being Systemically Important CIC) as detailed in note 50(viii) to the financial statements. We have not, however, separately evaluated whether the information provided by the management is accurate and complete.
- (xvii) The Company has incurred cash losses in the financial year of Rs 1,199 Lakhs and in the immediately preceding financial year for Rs 2,780 Lakhs.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) The requirements as stipulated by the provisions of Section 135 are not applicable to the Company. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

For B S R and Associates

Chartered Accountants

Firm Registration Number: 128901W

David Jones

Partner

Membership No.: 098113

UDIN: 22098113AJMDXB3307

Place: Gurugram
Date: 24 May 2022

Annexure B to the Independent Auditor's report on the financial statements of Next Radio Limited for the year ended 31 March 2022

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 2(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 2022 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 2022, 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.

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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

Place: Gurugram
Date: 24 May 2022

David Jones
Partner
Membership No. 098113
UDIN: 22098113AJMDXB3307

Next Radio Limited
Balance sheet as at March 31, 2022

		As at March 31, 2022	As at March 31, 2021
	Notes	INR Lacs	INR Lacs
I ASSETS			
1) Non current assets			
a) Property, plant and equipment	2	301	352
b) Right-of- use assets	29	1,679	1,915
c) Intangible assets	2A	4,971	5,592
d) Investment in subsidiary	3	155	155
e) Financial assets			
i) Loans	4	1,060	1,347
ii) Other financial assets	5	816	727
f) Income tax assets	6	106	238
g) Other non-current assets	7	57	13
Total Non-current assets		9,145	10,339
2) Current assets			
a) Financial assets			
i) Investments	7A	500	-
ii) Trade receivables	8	1,207	672
iii) Cash and cash equivalents	9	320	150
iv) Bank balances other than (iii) above	10	20	93
v) Loans	4	432	28
vi) Others financial assets	5	265	485
b) Other current assets	12	363	371
Total current assets		3,107	1,799
TOTAL ASSETS		12,252	12,138
II EQUITY AND LIABILITIES			
1) Equity			
a) Equity share capital	13	7,574	7,574
b) Other equity	14	(13,682)	(10,874)
Total equity		(6,108)	(3,300)
2) Liabilities			
Non-current liabilities			
a) Financial liabilities			
i) Borrowings	15	13,900	11,520
ii) Lease liabilities	16	1,643	1,760
iii) Other financial liabilities	17	1,315	389
b) Provisions	20	25	44
Total non-current liabilities		16,883	13,713
Current liabilities			
a) Financial liabilities			
i) Borrowings	15	150	150
ii) Lease liabilities	16	252	315
iii) Trade payables			
(a) Total outstanding dues of micro enterprises and small enterprises	18	28	-
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	18	468	750
iv) Other financial liabilities	19	337	254
b) Contract liabilities	21	185	213
c) Other current liabilities	22	43	34
d) Provisions	20	14	9
Total current liabilities		1,477	1,725
Total liabilities		18,360	15,438
TOTAL EQUITY AND LIABILITIES		12,252	12,138
Summary of significant accounting policies	1.1		

See accompanying notes to the standalone financial statements.

In terms of our report of even date attached

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

David Jones
Partner
Membership No. 098113

Anup Sharma
Chief Financial Officer

Ajit Dheer
Chief Executive Officer

Samudra Bhattacharya
Director
(DIN:02797819)

Dinesh Mittal
Director
(DIN: 00105769)

Place: Gurugram
Date: May 24, 2022

Place: New Delhi
Date: May 24, 2022

Next Radio Limited
Statement of Profit and Loss for the year ended March 31, 2022

Particulars	Notes	Year ended	Year ended
		March 31, 2022	March 31, 2021
		INR Lacs	INR Lacs
I Income			
a) Revenue from operations	23	2,566	1,949
b) Other income	24	604	369
Total Income		3,170	2,318
II Expenses			
a) Radio license fees		1,390	1,390
b) Employee benefits expense	25	831	886
c) Finance costs	26	1,606	1,237
d) Depreciation and amortisation expense	27	931	951
e) Other expenses	28	1,245	1,516
Total Expenses		6,003	5,980
III Loss before exceptional items and tax from operations(I-II)		(2,833)	(3,662)
IV Loss before finance cost, tax, depreciation and amortisation (EBITDA) before exceptional items [III+II(c)+II(d)]		(296)	(1,474)
V Exceptional items		-	-
VI Loss before tax (III+V)		(2,833)	(3,662)
VII Tax expense			
a) Current tax		-	-
b) Deferred tax		-	-
Total tax expenses		-	-
VIII Loss after tax (VI-VII)		(2,833)	(3,662)
IX Other comprehensive Income			
(a) Items that will not to be reclassified subsequently to profit or loss			
Remeasurement of the defined benefits plan	37	25	(5)
Income tax effect		-	-
Other comprehensive income / (loss) for the year, net of tax		25	(5)
X Total comprehensive loss for the year, net of tax (VIII+IX)		(2,808)	(3,667)
XI Loss per equity share (nominal value of INR 10 each)			
Loss per share	30		
Basic (Nominal value of share INR 10/-)		(3.74)	(4.83)
Diluted (Nominal value of share INR 10/-)		(3.74)	(4.83)
Summary of significant accounting policies	1.1		

See accompanying notes to the standalone financial statements.

In terms of our report of even date attached

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

David Jones
Partner
Membership No. 098113

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

Anup Sharma **Ajit Dheer**
Chief Financial Officer Chief Executive Officer

Samudra Bhattacharya **Dinesh Mittal**
Director Director
(DIN:02797819) (DIN: 00105769)

Place: Gurugram
Date: May 24, 2022

Place: New Delhi
Date: May 24, 2022

Next Radio Limited
Statement of Cash flows for the year ended March 31, 2022

Particulars	March 31, 2022 INR Lacs	March 31, 2021 INR Lacs
Cash flows from operating activities:		
Loss before tax	(2,833)	(3,662)
Adjustments for :		
Depreciation and amortisation	931	951
Loss allowance for doubtful debts	89	298
Finance costs	1,580	1,237
Interest income from deposit and others	(194)	(165)
Rental Income	(7)	(31)
Fair value through profit or loss (FVTPL) gain on derivative	-	(51)
Unrealised foreign exchange fluctuation	-	59
Gain on lease termination	-	(11)
Employee stock option expenses	-	19
Loss on property, plant and equipment sold/discarded (Net)	-	11
Liabilities no longer required written back	(47)	(36)
Cash flows used in operating activities before changes in operation assets and liabilities	(481)	(1,381)
Changes in operating assets and liabilities:		
(Increase)/decrease in trade and other receivables	(623)	488
Decrease/(Increase) in current and non current financial assets and other current and non current assets	270	(344)
Decrease in trade payables, other current and non-current financial liabilities and current and non-current provisions	(266)	(146)
(Decrease)/Increase in contract liabilities	(28)	134
Cash generated used in operating activities	(1,128)	(1,249)
Income tax refund (net)	131	92
Net cash used in operating activities (A)	(997)	(1,157)
Cash flows from investing activities:		
Purchase of property, plant and equipment	(9)	(6)
Sale of property, plant and equipment	-	11
Deposits matured/(done)	27	(16)
Purchase of investment	(500)	-
Interest received	51	25
Rental Income	7	31
Loans given (net)	(117)	(122)
Net cash used in investing activities (B)	(541)	(77)
Cash flows from financing activities:		
Proceeds from borrowings (refer note 15)	5,385	5,471
Repayment of borrowings (refer note 15)	(3,005)	(2,992)
Repayment of lease liability (refer note 29)	(180)	(27)
Interest paid	(492)	(1,180)
Net cash flows from financing activities (C)	1,708	1,272
Net increase in cash and cash equivalents (D= A+B+C)	170	38
Cash and cash equivalents at the beginning of the year (E)	150	112
Cash and cash equivalents at year end (D+E)	320	150
Components of cash & cash equivalents as at end of the year		
Balances with banks		
-in current accounts	320	127
Cheques in hand	-	23
Cash and cash equivalents as per Cash flow Statement	320	150

See accompanying notes to the standalone financial statements.

In terms of our report of even date attached

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

David Jones
Partner
Membership No. 098113

Anup Sharma
Chief Financial Officer

Ajit Dheer
Chief Executive Officer

Samudra Bhattacharya
Director
(DIN:02797819)

Dinesh Mittal
Director
(DIN: 00105769)

Place: Gurugram
Date: May 24, 2022

Place: New Delhi
Date: May 24, 2022

Next Radio Limited**Statement of changes in equity for the year ended March 31, 2022****A Equity share capital (refer note 13)**

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

(INR Lacs)

Particulars	Number of shares	Amount
As at April 1, 2020	7,57,40,287	7,574
Changes in equity share capital during the year	-	-
Balance as at March 31, 2021	7,57,40,287	7,574
Changes in equity share capital during the year	-	-
Balance as at March 31, 2022	7,57,40,287	7,574

B Other equity (refer note 14)

(INR Lacs)

Particulars	Retained earnings	Other comprehensive income*	Total
As at April 1, 2020	(7,207)	-	(7,207)
Loss for the year	(3,662)	-	(3,662)
Other comprehensive income for the year (net of tax)	-	(5)	(5)
Total comprehensive loss for the year	(3,662)	(5)	(3,667)
Transferred to retained earnings	(5)	5	-
Balance as at March 31, 2021	(10,874)	-	(10,874)
Loss for the year	(2,833)	-	(2,833)
Other comprehensive income for the year (net of tax)	-	25	25
Total comprehensive loss for the year	(2,833)	25	(2,808)
Transferred to retained earnings	25	(25)	-
Balance as at March 31, 2022	(13,682)	-	(13,682)

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

See accompanying notes to the standalone financial statements.

In terms of our report of even date attached

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****David Jones**

Partner

Membership No. 098113

Anup Sharma

Chief Financial Officer

Ajit Dheer

Chief Executive Officer

Samudra Bhattacharya

Director

(DIN:02797819)

Dinesh Mittal

Director

(DIN: 00105769)

Place: Gurugram

Date: May 24, 2022

Place: New Delhi

Date: May 24, 2022

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 34.

The financial statements of the Company for the year ended March 31, 2022 are authorised for issue in accordance with a resolution of the Board of Directors on May 24, 2022.

1.1 Significant accounting policies followed by company

1.1.1 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.

1.1.2 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

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 and the Company is under an obligation to provide only the goods or services under the contract. 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 categorised in Free Commercial Time (FCT) and Pure Money is recognized 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 and 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.

Management support service income

Income from management support service is recognised as per terms of contract with customers.

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 in 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.

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 life 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 life 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	15 years with effect from April 1, 2015

Migration Fees for Radio License	
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.

Company as a lessor

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.

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 as "Finance income from debt instruments at FVTPL" under the head "Other Income.

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 costs.

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, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management. Cash flows from operating activities are being prepared as per the Indirect method mentioned in Ind AS 7.

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.

1.1.3 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 35.

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 33.

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 41.

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 29.

Next Radio Limited

Notes to standalone financial statements for the year ended March 31, 2022

2 Property, plant and equipment

(INR Lacs)

Particulars	Building (Leasehold Improvement)	Furniture and fixtures	IT Equipment	Office Equipment	Plant & Machinery	Studio Equipment	Total
Gross block							
As at April 1, 2020	435	212	409	287	6	1,547	2,896
Additions	-	-	1	5	-	-	6
Less: Disposals	185	93	4	68	-	143	493
As at March 31, 2021	250	119	406	224	6	1,404	2,409
Additions	2	-	4	-	-	3	9
Additions: transferred from capital advance*	-	-	-	14	-	-	14
Less: Disposals**	-	15	47	48	-	183	293
As at March 31, 2022	252	104	363	190	6	1,224	2,139
Accumulated Depreciation/ Impairment							
As at April 1, 2020	399	199	406	262	4	1,169	2,439
Charge for the year **	15	1	2	12	-	58	88
Less: Disposals	178	88	4	61	-	139	470
As at March 31, 2021	236	112	404	213	4	1,088	2,057
Charge for the year **	14	1	1	8	-	50	74
Less: Disposals**	-	15	47	48	-	183	293
As at March 31, 2022	250	98	358	173	4	955	1,838
Net block							
As at March 31, 2022	2	6	5	17	2	269	301
As at March 31, 2021	14	7	2	11	2	316	352

*Assets worth INR 14 Lacs are towards Company's proportionate share for right to use in the Common Infrastructure for channel transmission built on land owned by Prasar Bharti and used by all the broadcasters.

** INR less than 50,000 has been rounded off to NIL.

2A Intangible assets

(INR Lacs)

Particulars	Licenses	Computer software	Total
Gross block			
As at April 1, 2020	13,815	62	13,877
Additions	-	-	-
Less: Disposals	-	-	-
As at March 31, 2021	13,815	62	13,877
Additions	-	-	-
Less: Disposals	-	-	-
As at March 31, 2022	13,815	62	13,877
Accumulated Amortization/ Impairment			
As at April 1, 2020	7,602	62	7,664
Charges for the year	621	-	621
Less: Disposals	-	-	-
As at March 31, 2021	8,223	62	8,285
Charge for the year	621	-	621
Less: Disposals	-	-	-
As at March 31, 2022	8,844	62	8,906
Net Block			
As at March 31, 2022	4,971	-	4,971
As at March 31, 2021	5,592	-	5,592

3 Investment in subsidiary

Particulars	(INR Lacs)	
	As at March 31, 2022	As at March 31, 2021
Investment in subsidiary (at cost)		
Unquoted		
Syngience Broadcast Ahmedabad Limited (15.5 lacs (Previous Year: 15.5 lacs) Equity shares of Rs. 10 each, fully paid up)	155	155
Total (A)	155	155
Provision for impairment in value of investment (B)	-	-
Total Investment in Subsidiary (A) - (B)	155	155
Aggregate book value of unquoted investments	155	155
Non - Current	155	155

4 Loans (at amortised cost)

Particulars	(INR Lacs)	
	As at March 31, 2022	As at March 31, 2021
Secured, considered good	-	-
Unsecured and considered good:		
Loan to related party (refer note 34A & 50 (vi))	1,492	1,375
Loans Receivables which have significant increase in credit risk	-	-
Loans Receivables – credit impaired	-	-
Total	1,492	1,375
Current	432	28
Non - Current	1,060	1,347

4A Loans or advances granted to promoters, directors, KMPs and related parties

Particulars	Related Parties	
	As at March 31, 2022	As at March 31, 2021
Aggregate amount of loans/ advances in nature of loans:		
- Repayable on demand (A)	32	28
- Agreement does not specify any terms or period of repayment (B)	-	-
Total (A+B)	32	28
Percentage of loans/advances in nature of loans to the total loans	2%	2%

5 Other financial assets

Particulars	(INR Lacs)	
	As at March 31, 2022	As at March 31, 2021
Other financial assets at amortised cost		
Interest accrued on inter company deposits but not due (refer note 34A)	737	598
Receivables from related parties (refer note 34A)	157	468
Security deposits	135	139
Interest accrued on fixed deposits	2	7
Deposits with bank held as margin money*	50	-
Total	1,081	1,212
Current	265	485
Non - Current	816	727

* Margin money lien for bank guarantee given.

6 Income tax assets

Particulars	(INR Lacs)	
	As at March 31, 2022	As at March 31, 2021
Income tax assets	106	238
Total	106	238
Non - Current	106	238

7 Other non current assets

Particulars	(INR Lacs)	
	As at March 31, 2022	As at March 31, 2021
Capital advances	-	13
Balance with government authorities	57	-
Total	57	13

7A Investments

Particulars	(INR Lacs)	
	As at March 31, 2022	As at March 31, 2021
Investment at fair value through profit & loss		
Quoted		
Investments in mutual funds	500	-
Total	500	-
Current	500	-
Aggregate book value of quoted investments	500	-
Aggregate market value of quoted investments	500	-
Aggregate book value of unquoted investments	-	-

8 Trade receivables

(INR Lacs)		
Particulars	As at March 31, 2022	As at March 31, 2021
- Receivable from related party (refer note 34A)	146	30
- Receivables from others	1,043	642
- Unbilled receivables	18	-
Total	1,207	672

(INR Lacs)		
Particulars	As at March 31, 2022	As at March 31, 2021
Considered good – Secured	-	-
Considered good – Unsecured:	2,174	1,564
Trade Receivables which have significant increase in credit risk	-	-
Trade Receivables – credit impaired	-	-
Total	2,174	1,564
Loss allowance for bad & doubtful receivables	(967)	(892)
Net Trade receivables	1,207	672

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

8B Trade Receivables ageing schedule for the year ended March 31, 2022

(INR Lacs)

Particulars	Unbilled	Not Due	Outstanding for following periods from the due date					Total
			Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	18	329	697	105	144	266	348	1,907
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables – considered good	-	2	3	1	10	54	197	267
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
Total	18	331	700	106	154	320	545	2,174
Less: Loss allowance for bad & doubtful receivables	-	-	22	58	99	250	538	967
Net Trade Receivables	18	331	678	48	55	69	6	1,207

Trade Receivables ageing schedule for the year ended March 31, 2021

(INR Lacs)

Particulars	Unbilled	Not Due	Outstanding for following periods from the due date					Total
			Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	-	148	305	71	336	363	168	1,391
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables – considered good	-	-	-	-	8	53	112	173
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
Total	-	148	305	71	344	416	280	1,564
Less: Loss allowance for bad & doubtful receivables	-	-	6	32	161	413	280	892
Net Trade Receivables	-	148	299	39	183	3	-	672

9 Cash and cash equivalents

(INR Lacs)		
Particulars	As at March 31, 2022	As at March 31, 2021
Balances with banks :		
-in current accounts	120	127
Deposit with original maturity of less than three months	200	-
Cheques on hand	-	23
Total	320	150

10 Other bank balances

(INR Lacs)		
Particulars	As at March 31, 2022	As at March 31, 2021
Bank balances other than (note 9) above		
-Margin money*	20	88
-Deposits with original maturity of more than three months	-	5
Total	20	93

* Margin money lien for bank guarantee given.

11 Break up of financial assets carried at amortised cost

(INR Lacs)		
Particulars	As at March 31, 2022	As at March 31, 2021
Loans (Note 4)	1,492	1,375
Other non current financial assets (note 5)	816	728
Other current financial assets (note 5)	265	485
Cash and cash equivalents (note 9)	320	150
Trade receivables (note 8)	1,207	672
Other bank balances (note 10)	20	93
Total	4,120	3,503

12 Other current assets

(INR Lacs)		
Particulars	As at March 31, 2022	As at March 31, 2021
Advances given	22	37
Prepaid expenses	29	30
Balance with government authorities	259	304
Other receivables	53	-
Total	363	371

13 Share Capital

a Authorised share capital

Equity share capital		
Particulars	(INR Lacs)	
	Number of shares	Amount
As at April 1, 2020	18,89,30,000	18,893
Increase/(decrease) during the year	-	-
At March 31, 2021	18,89,30,000	18,893
Increase/(decrease) during the year	-	-
At March 31, 2022	18,89,30,000	18,893

Preference share capital		
Particulars	(INR Lacs)	
	Number of shares	Amount
As at April 1, 2020	2,57,70,000	2,577
Increase/(decrease) during the year	-	-
At March 31, 2021	2,57,70,000	2,577
Increase/(decrease) during the year	-	-
At March 31, 2022	2,57,70,000	2,577

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 Equity share capital

Equity share capital		
Particulars	(INR Lacs)	
	Number of shares	Amount
As at April 1, 2020	7,57,40,287	7,574
Changes during the year	-	-
At March 31, 2021	7,57,40,287	7,574
Changes during the year	-	-
At March 31, 2022	7,57,40,287	7,574

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

Particulars	(INR Lacs)			
	March 31, 2022		March 31, 2021	
	Number of shares	Amount	Number of shares	Amount
Shares outstanding at the beginning of the year	7,57,40,287	7,574	7,57,40,287	7,574
Changes during the year	-	-	-	-
Shares outstanding at the end of year	7,57,40,287	7,574	7,57,40,287	7,574

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

Name of the Shareholder	March 31, 2022		March 31, 2021	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Equity Shares				
HT Media Limited	3,68,08,001	48.60%	3,68,08,001	48.60%
Next Mediaworks Limited	3,89,32,286	51.40%	3,89,32,286	51.40%

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.

f 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, 2022.

g Shares reserved for issue under options

There are no shares reserved under options and other commitments during five years immediately preceding March 31, 2022.

h Shareholding of Promoters as below:

Shares held by promoters for the year ended March 31, 2022

Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of total shares	% Change during the year
HT Media Limited	3,68,08,001	-	3,68,08,001	48.60%	-
Next Mediaworks Limited	3,89,32,286	-	3,89,32,286	51.40%	-
Total	7,57,40,287	-	7,57,40,287	100.0%	-

Shares held by promoters for the year ended March 31, 2021

Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of total shares	% Change during the year
HT Media Limited	3,68,08,001	-	3,68,08,001	48.60%	-
Next Mediaworks Limited	3,89,32,286	-	3,89,32,286	51.40%	-
Total	7,57,40,287	-	7,57,40,287	100.0%	-

14 Other equity

Particulars	(INR Lacs)	
	As at March 31, 2022	As at March 31, 2021
Retained earnings *	(13,682)	(10,874)
Total	(13,682)	(10,874)

* Retained earnings are the accumulated losses incurred by the Company till date.

Retained earnings

Particulars	(INR Lacs)
	Amount
As at April 1, 2020	(7,207)
Loss for the year	(3,662)
Add: Items of other comprehensive income (OCI) recognised directly in retained earnings	
- Remeasurement of the defined benefits plan, net of tax	(5)
Balance as at March 31, 2021	(10,874)
Loss for the year	(2,833)
Add: Items of other comprehensive income (OCI) recognised directly in retained earnings	
- Remeasurement of the defined benefits plan, net of tax	25
Balance as at March 31, 2022	(13,682)

15 Borrowings

Particulars	(INR Lacs)	
	As at March 31, 2022	As at March 31, 2021
Non-current Borrowings		
Unsecured		
Loan from related party (refer note 34A & 50 (vi)) *	13,900	11,520
Sub total (a)	13,900	11,520
Current Borrowings		
Unsecured		
Loan from related party (refer note 34A & 50 (vi))**	150	150
Sub total (b)	150	150
Total (a+b)	14,050	11,670

* Carries interest rate of 11% p.a. w.e.f June 19, 2021 (upto June 18, 2021 @ 10%p.a) compounded annually and payable on March 31, 2030).

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

Debt reconciliation for FY 2021-22

Particulars	(INR Lacs)	
	Current Borrowings	Non Current Borrowings
Opening Balance as at April 1, 2021	150	11,520
Cash Flows:		
Add: Drawdowns	-	5,385
Less: Repayments	-	(3,005)
Closing Balance as at March 31, 2022	150	13,900

Debt reconciliation for FY 2020-21

Particulars	(INR Lacs)	
	Current Borrowings	Non Current Borrowings
Opening Balance as at April 1, 2020	2,328	6,864
Cash Flows:		
Add: Drawdowns	-	5,471
Less: Repayments	(2,178)	(815)
Closing Balance as at March 31, 2021	150	11,520

16 Lease liabilities

Particulars	(INR Lacs)	
	As at March 31, 2022	As at March 31, 2021
Lease liabilities (refer note 29)	1,895	2,075
Total	1,895	2,075
Current	252	315
Non - Current	1,643	1,760

17 Other financial liabilities at amortised cost - non current

Particulars	(INR Lacs)	
	As at March 31, 2022	As at March 31, 2021
Interest accrued but not due on borrowings	1,315	389
Total	1,315	389

18 Trade payables

(INR Lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
Trade payables		
- Amount payable to micro enterprises and small enterprises (refer note 48)	28	-
- Amount payable to Related parties (refer note 34A)	100	298
- Amount payable to other than micro enterprises and small enterprises	368	452
Total	496	750

Trade payable ageing schedule for the year ended March 31, 2022

(INR Lacs)

Particulars			Outstanding for following periods from the due date				
	Unbilled	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	8	20	-	-	-	28
(ii) Others	80	107	66	142	5	-	400
(iii) Disputed dues – MSME	-	-	17	51	-	-	68
(iv) Disputed dues - Others	-	-	-	-	-	-	-
Total	80	115	103	193	5	-	496

Trade payable ageing schedule for the year ended March 31, 2021

(INR Lacs)

Particulars			Outstanding for following periods from the due date				
	Unbilled	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	-	-	-	-	-	-
(ii) Others	160	10	223	306	-	-	699
(iii) Disputed dues – MSME	-	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	51	-	-	-	51
Total	160	10	274	306	-	-	750

19 Other financial liabilities at amortised cost - current

(INR Lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
Interest accrued but not due on loan from related party (refer note 34A)	56	41
Employee related payable	253	207
Retention money *	-	-
Domestic vendor for capital goods	28	6
Total	337	254

* INR less than 50,000 has been rounded off to Nil.

19A Break up of financial liabilities carried at amortised cost

(INR Lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
Borrowings (note 15)	14,050	11,671
Trade payables (note 18)	496	755
Other non-current financial liabilities (note 17)	1,315	389
Other current financial liabilities (note 19)	337	248
Total	16,198	13,063

20 Provisions

(INR Lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
Non-current		
Provision for employee benefits		
- Gratuity (refer note 35)	20	32
- Leave encashment (refer note 35)	5	12
Total	25	44
Current		
Provision for employee benefits		
Gratuity (refer note 35)	11	8
Leave encashment (refer note 35)	3	1
Total	14	9

21 Contract liabilities

(INR Lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
Unearned revenue	27	93
Advance from customers	158	120
Total	185	213

(INR Lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
Opening contract liabilities	213	78
Revenue recognised/advance settled during the year	135	16
Amount accrued during the year	107	151
Closing contract liabilities	185	213

22 Other current liabilities

(INR Lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
Statutory dues	43	34
Total	43	34

Next Radio Limited

Notes to standalone financial statements for the year ended March 31, 2022

23 Revenue from operations

(INR Lacs)		
Revenue from contracts with customers		
Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Sale of services		
-Airtime revenue	2,566	1,949
Total	2,566	1,949

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

(INR Lacs)		
Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Contract price	2,675	1,976
Adjustments to the contract price	109	27
Revenue recognised	2,566	1,949

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

24 Other Income

(INR Lacs)		
Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Interest income on EIR method		
-on bank deposit	4	6
-on loan to related parties (refer note 34A)	155	141
-others	35	18
Other non - operating income		
Finance income from debt instruments at FVTPL** ^	-	-
Rental income (refer note 34A)	7	31
FVTPL gain on derivative	-	51
Management support fee (refer note 34A)	350	61
Liabilities no longer required written back	47	36
Other miscellaneous income*	6	25
Total	604	369

*Commission income from related party of INR 6 Lacs (Previous year INR 7 lacs) (refer note 34A)

**Gain on account of fair value movement (refer note 1.1.2 (m) Debt instruments at FVTPL)

^ INR less than 50,000/- in March 31, 2022 has been rounded off to Nil.

25 Employee benefits expense

(INR Lacs)		
Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Salaries, wages and bonus	788	813
Contribution to provident and other funds (refer note 35)	35	38
Employee stock option expenses (refer note 36)	-	19
Gratuity expense (refer note 35)	6	15
Workmen and staff welfare expenses	2	1
Total	831	886

26 Finance cost

(INR Lacs)		
Particulars	Year ended March 31, 2022	Year ended March 31, 2021
-Interest on Loan from others	-	115
-Interest on Loans from related parties (refer Note 34A)	1,423	933
-Interest on lease liability (refer Note 29)	147	155
-Interest on Others	10	1
- Guarantee commission - Related parties (refer note 34A)	15	22
- Bank charges	11	11
Total	1,606	1,237

Next Radio Limited

Notes to standalone financial statements for the year ended March 31, 2022

27 Depreciation and amortization expenses

(INR Lacs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Depreciation of tangible assets (refer note 2)	74	88
Depreciation of intangible assets (refer note 2A)	621	621
Depreciation expense of right-of-use assets (refer note 29)	236	242
Total	931	951

28 Other expenses

(INR Lacs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Insurance	15	14
Rates and taxes	6	-
Communication charges	9	13
Travelling and conveyance	51	64
Royalty	160	138
Radio programme creation and others	57	57
Repairs and maintenance :		
- Equipment	37	40
- Others	12	46
Power and fuel	149	149
Rent (refer note 29)***	99	181
Payment to auditors (refer note below)	36	33
Allowances for doubtful receivables (includes bad debts written off)	89	298
Exchange loss on restatement	-	59
Loss on property, plant and equipment sold/discarded (Net)	-	11
Advertising and sales promotion	137	109
Legal and professional fees	298	236
Printing and stationery *	1	-
Directors sitting fees (refer note 34A)	21	25
Miscellaneous expenses **	68	43
Total	1,245	1,516

* INR less than 50,000/- in March 31, 2021 has been rounded off to Nil.

** includes commission expenses to related party INR 34 lacs (previous year INR 18 lacs) (refer note 34A)

*** includes rent expense to related party INR 84 lacs (previous year INR 155 lacs) (refer note 34A)

Payment to auditors

(INR Lacs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
As auditor :		
- Audit fee	30	20
- Special purpose audit	-	10
- Certification service fees	3	3
- Reimbursement of expenses	3	-
Total	36	33

29 Leases

Leases as Lessee

The Company has taken various office premises under lease arrangements. 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	(INR Lacs)	
	Amount	
Balance at 1 April 2020		2,138
Depreciation charge for the year		(242)
Reclassification from pre-paid rent		12
Derecognition of right-of-use assets		7
Balance at 31 March 2021		1,915
Depreciation charge for the year		(236)
Balance at 31 March 2022		1,679

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

Particulars	(INR Lacs)	
	Amount	
Balance at 1 April 2020		2,106
Accretion of interest		155
Payment of lease liability (Principal) (considered below for cash flow)		(27)
Derecognition of lease liability		(4)
Payment of lease liability (Interest)		(155)
Balance at 31 March 2021		2,075
Accretion of interest		147
Payment of lease liability (Principal) (considered below for cash flow)		(180)
Payment of lease liability (Interest)		(147)
Balance at 31 March 2022		1,895
Current		252
Non- Current		1,643
Balance at 31 March 2021		2,075
Current		315
Non- Current		1,760

The maturity analysis of lease liabilities are disclosed in Note 40.

iii) Amounts recognised in profit or loss:

Particulars	(INR Lacs)	
	March 31, 2022	March 31, 2021
Interest on lease liabilities	147	155
Depreciation expense of right-of-use assets	236	242
Expenses relating to short-term leases	99	181

iv) Amounts recognised in statement of cash flows:

Particulars	(INR Lacs)	
	March 31, 2022	March 31, 2021
Total cash outflow for leases	(180)	(27)

Next Radio Limited
Notes to standalone financial statements for the year ended March 31, 2022

30 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, 2022	For the year March 31, 2021
Total loss attributable to equity holders (INR Lacs)	(2,833)	(3,662)
Weighted average number of Equity shares for basic and diluted loss per share	7,57,40,287	7,57,40,287
Loss per share		
Basic (Nominal value of share INR 10/-)	(3.74)	(4.83)
Diluted (Nominal value of share INR 10/-)	(3.74)	(4.83)

31 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, 2022. 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:

There is one customer who represented 10% or more of the Company's total revenue with total amounting to INR 258 lacs for the year ended March 31, 2022.

There was one customer who represented 10% or more of the Company's total revenue with total amounting to INR 252 lacs for the year ended March 31, 2021.

32 Commitments and contingencies

(i) Guarantees

(INR Lacs)

Particulars	For the year March 31, 2022	For the year March 31, 2021
Guarantees issued by the Company's bankers	1,381	1,381
Total	1,381	1,381

(ii) Contingent liabilities

In respect of Income tax demand under dispute Rs. 39 lacs (Previous Year Rs. 39 lacs).The tax demands are mainly on account of disallowances of expenses claimed by the Company under the Income Tax Act and on account of mismatch between Form 26AS and books of account.

In respect of Service tax demand under dispute Rs. 25 lacs (Previous Year Rs. 25 lacs).The tax demands are mainly on account of Input Tax credit disallowances under the Cenvet credit rules,2004.

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, 2022.

(iii) Commitments

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

33 Deferred tax*

(INR Lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
Deferred tax Assets		
- on Carry forwards business loss [(Available for 8 Assessment Years i.e.from FY 2022-23 to FY 2029-30) (for previous year from FY 2021-22 to FY 2028-29)]	1,426	864
- on unabsorbed depreciation (Available for infinite period)	4,412	4,220
- on other temporary difference (Available on payment basis)	17	13
- on other temporary difference (Available on actual write off basis)	260	232
Total Deferred tax Assets	6,115	5,329
Deferred tax Liability		
- on WDV of property, plant and equipment	735	729
Net deferred tax assets	5,380	4,600

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

34 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	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 (with whom transactions have occurred during the year)	HT Music and Entertainment Limited Hindustan Media Ventures Limited Digicontent Limited HT Digital Streams Limited
d. Entities which are post employment benefit plans (with whom transactions have occurred during the year)	Radio Middy West India Limited Employees Gratuity Trust**
e. Key Managerial Personnel (with whom transactions have occurred during the year)	Mr. Lloyd Mathias (Non-Executive independent Director, w.e.f December 28, 2021) Mr. Harshad Jain (Managing Director, resigned w.e.f. November 27, 2020) Mr. Sameer Singh (Non-Executive independent Director) Mr. Ajay Relan (Non-Executive independent Director)* Ms. Suchitra Rajendra (Non-Executive independent Director)
f. Relatives of Key Managerial Personnel	Mrs. Kamini Jain (Relative of Mr. Harshad Jain) (relationship ceased w.e.f. November 27, 2020)

* Relationship ceased from October 01, 2021

** Policy surrendered on January 14, 2022

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 34 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 15) and settlement occurs in cash.

Next Radio Limited
Notes to standalone financial statements for the year ended March 31, 2022

34A Transactions during the year with Related Parties (refer note A):-

(INR Lacs)

SL No	Particulars	Holding Company		Subsidiary		Fellow Subsidiary		Entities which are post employment benefit plans		Key Managerial Personnel (KMP's) / Directors (Refer Note B)		Relatives of KMP		Total	
		March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
A	REVENUE														
1	Interest income	152	138	3	3	-	-	-	-	-	-	-	-	155	141
2	Management support charges	333	59	-	-	17	2	-	-	-	-	-	-	350	61
3	Rental Income	7	31	-	-	-	-	-	-	-	-	-	-	7	31
4	Share of Revenue received on Joint Sales / Revenue Sharing* & income from advertisement	259	18	-	-	4	-	-	-	-	-	-	-	263	18
5	Miscellaneous income :- Commission income *	6	7	-	-	-	-	-	-	-	-	-	-	6	7
B	EXPENSES														
6	Interest expenses	1,322	132	16	17	85	785	-	-	-	-	-	-	1,423	933
7	Rent expense	84	140	-	-	-	15	-	-	-	-	-	-	84	155
8	Guarantee commission	15	22	-	-	-	-	-	-	-	-	-	-	15	22
9	Miscellaneous expenses :- Commission expenses	32	18	-	-	2	-	-	-	-	-	-	-	34	18
10	Remuneration paid to Key managerial personnel	-	-	-	-	-	-	-	-	314	-	-	-	-	314
11	Sitting fees paid to directors	-	-	-	-	-	-	-	21	25	-	-	-	21	25
12	Share of advertisement revenue given on joint sales	15	3	-	-	-	-	-	-	-	-	-	-	15	3
13	Royalty Expense- for use of Fever brand on Pune & Ahmedabad Station	17	-	-	-	-	-	-	-	-	-	-	-	17	-
C	OTHERS														
14	Reimbursement of expenses incurred on behalf of the parties by Company	-	25	-	-	-	-	-	-	-	-	-	-	-	25
15	Reimbursement of expenses incurred on behalf of the Company by parties	38	3	-	-	-	-	-	-	-	-	-	-	38	3
16	Sale of Fixed Assets by Company	-	1	-	-	-	-	-	-	-	-	-	-	-	1
17	Loan repaid during the year	-	-	-	-	3,005	4,994	-	-	-	-	-	-	3,005	4,994
18	Loan taken during the year	5,385	8,515	-	-	-	1,950	-	-	-	-	-	-	5,385	10,465
19	Loan given during the year	113	120	4	2	-	-	-	-	-	-	-	-	117	122
20	Policy surrendered & funds withdrawn during the year	-	-	-	-	-	-	14	-	-	-	-	-	14	-
D	BALANCE OUTSTANDING														
21	Investment in subsidiary	-	-	155	155	-	-	-	-	-	-	-	-	155	155
22	Trade and other receivables (including advances given)	292	449	-	-	11	49	-	-	-	-	-	-	303	498
23	Trade Payables including other payables	92	298	-	-	8	-	-	-	-	-	-	-	100	298
24	Inter corporate deposit taken and Interest accrued on it	15,215	8,640	206	191	-	3,269	-	-	-	-	-	-	15,421	12,100
25	Inter corporate deposit given and interest accrued on it	2,186	1,937	43	36	-	-	-	-	-	-	-	-	2,230	1,973

* INR less than 50,000 has been rounded off to Nil.

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.

35 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 35 lacs (previous year INR 38 lacs) in Profit and Loss Statement towards employer's contribution to provident fund.

Define Benefit Plan: Gratuity

The Company has a defined benefit gratuity plan. The gratuity plan is governed by the Payment of Gratuity Act, 1972. 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 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", however the same is surrendered during the year ended March 31, 2022.

In accordance with the Indian Accounting Standards (Ind AS 19), actuarial valuation was performed in respect of the aforesaid defined benefit plans based on the following assumptions:

Assumption	As at March 31, 2022	As at March 31, 2021
Discount Rate	6.45% pa	6.15% pa
Rate of Increase in compensation levels (pa)	4.00% pa	4.00% pa
Mortality Rate	Indian Assured Lives Mortality (2012-14) Ultimate	Indian Assured Lives Mortality (2012-14) Ultimate
Attrition Rate	Upto 30 years - 35% 31 to 44 years - 35% Above 44 years - 35%	Upto 30 years - 35% 31 to 44 years - 35% Above 44 years - 35%

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 Lacs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Present value of defined benefit obligation as at beginning of the year	50	96
Interest cost	3	7
Current service cost	3	9
Benefits paid	-	(63)
Actuarial (gain) / loss on obligation arising from:		
- change in demographic assumptions	-	1
- change in financial assumptions*	-	(2)
- experience variance (i.e. Actual experience vs assumptions)	(25)	2
Present value of defined benefit obligation as at end of the year	31	50

* INR less than 50,000/- in March 31, 2022 has been rounded off to Nil.

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

(INR Lacs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Present value of plan assets as at beginning of the year	10	13
Investment income	-	1
Return on plan asset recognised in OCI*	-	(4)
Contributions	4	-
Benefits paid	(14)	-
Fair value of plan assets as at end of the year	-	10

* INR less than 50,000/- in March 31, 2022 has been rounded off to Nil.

c. Amount recognised in the balance sheet

(INR Lacs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Present Value of defined benefit obligation as at the end of the year	31	50
Fair value of plan assets as at the end of the year	-	10
Liability (net) recognized in the balance sheet	31	40

d. Expenses recognised in statement of profit and loss

(INR Lacs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Current service cost	3	9
Interest cost (net)	3	6
Total expenses recognised in the statement of profit and loss	6	15

Presented in financials:		
Gratuity provision	31	40
Net liability	31	40

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

(INR Lacs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Actuarial (gains)/losses on obligation for the year	(25)	1
Remeasurement- return on plan assets excluding interest income	-	4
Net (income)/expense for the year recognized in OCI	(25)	5

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

(INR Lacs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Investment in funds managed by the trust	-	100%

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

(INR Lacs)

Projected Benefits Payable in Future Years From the Date of Reporting	As at March 31, 2022	As at March 31, 2021
within one year	11	18
2 to 5 years	20	34
6 to 10 years	5	8
more than 10 years*	-	1

h. Sensitivity Analysis

(INR Lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
Projected benefit obligation on current assumptions	31	50
Delta effect of +1% change in rate of discounting	1	1
Delta effect of -1% change in rate of discounting	(1)	(1)
Delta effect of +1% change in rate of salary increase	1	1
Delta effect of -1% change in rate of salary increase	(1)	(1)
Delta effect of +1% change in rate of employee turnover *	-	-
Delta effect of -1% change in rate of employee turnover *	-	-

* INR less than 50,000/- has been rounded off to Nil.

i. Average duration of the defined benefit plan obligation

Particulars	As at March 31, 2022	As at March 31, 2021
Weighted Average duration	2 years	2 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. Nil (Previous Year Rs. 46 lacs)

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 Lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
Liability at the beginning of the year	13	21
Benefits paid during the year	(3)	(13)
Provided/(reversed) during the year	(2)	5
Liability at the end of the year	8	13

36 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 March 31, 2022 (in years)
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 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, 2022 are given below.

	31-Mar-22		31-Mar-21	
	Number of options	Weighted-average exercise price (INR)	Number of options	Weighted-average exercise price (INR)
Outstanding at the beginning of the year	3,75,000	19.80	5,00,000	19.80
Granted during the year	-	-	-	-
Forfeited during the year	3,75,000	-	1,25,000	19.80
Exercised during the year	-	-	-	-
Expired during the year	-	-	-	-
Outstanding at the end of the year	-	19.80	3,75,000	19.80
Weighted average remaining contractual life (in years)		NA		9.34
Weighted average fair value of options granted during the year		NA		9.04

The employee compensation cost (accounting charge for the year) calculated using the fair value of stock options is Nil (Previous year INR 19 lacs).

Next Radio Limited
Notes to standalone financial statements for the year ended March 31, 2022

37 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, 2022

Particulars	(INR Lacs)	
	Retained earnings	Total
Remeasurement of the defined benefits plan (refer note 35)	25	25
Total	25	25

During the year ended March 31, 2021

Particulars	(INR Lacs)	
	Retained earnings	Total
Remeasurement of the defined benefits plan (refer note 35)	(5)	(5)
Total	(5)	(5)

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

Name of the Loanee	Secured/ Unsecured	Due Date	Rate of Interest	Purpose of Loan	(INR Lacs)	
					March 31, 2022	March 31, 2021
Next Mediaworks Limited (Holding Company)	Unsecured	April 28, 2023	11.0%	Working capital	1,060	1,347
Next Mediaworks Limited (Holding Company)	Unsecured	February 25, 2023	10.6%	Working capital	400	-
Syngience Broadcast Ahmedabad Limited (Subsidiary Company)	Unsecured	Repayable on demand	11.0%	Working capital	32	28

Details of investment made are given under Note 3.

39 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 Company has no exposure against foreign currency risk as at March 31, 2022.

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 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, 2022.

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.

Next Radio Limited**Notes to standalone financial statements for the year ended March 31, 2022****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 analyze the Company's financial liabilities into relevant maturity groupings based on their contractual maturities for all non-derivative financial liabilities.

Particulars	(INR Lacs)			
	As at March 31, 2022		As at March 31, 2021	
	Less than 1 year	More than 1 year	Less than 1 year	More than 1 year
Borrowings	150	13,900	150	11,520
Lease liabilities	252	1,643	315	1,760
Other financial liabilities	337	1,315	254	389
Trade payables	496	-	750	-
	1,234	16,858	1,469	13,669

for mitigating the liquidity risk, refer note no. 43

40 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 and interest accrued on borrowings.

Particulars	(INR Lacs)	
	As at March 31, 2022	As at March 31, 2021
Borrowings Long Term	13,900	11,520
Borrowings Short Term	150	150
Interest Accrued but not due	1,371	430
(a) Debts	15,421	12,100
(b) Total equity (as per balance sheet)	(6,108)	(3,300)
(c) Total Capital employed	9,313	8,800
Less: Intangible assets	4,971	5,592
(d) Net capital employed	4,342	3,208
(e) Net gearing ratio (a)/(d)	3.55	3.77

Next Radio Limited

Notes to standalone financial statements for the year ended March 31, 2022

41 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:

Particulars					(INR Lacs)
	Carrying amount		Fair Value		Fair value measurement hierarchy level
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021	
Financial assets measured at amortised cost					
Loan to related party (refer note 4)	1,060	1,347	1,060	1,347	Level 2
Security deposits (refer note 5)	135	139	135	139	Level 2
Financial liabilities measured at amortised cost					
Borrowings - Non current (note 15)	13,900	11,520	13,900	11,520	Level 2

The management assessed that fair value of Investment in mutual fund, trade receivables, cash and cash equivalents, other bank balances, other current financial assets, short-term borrowings, short-term lease liabilities, trade payables and other current financial liabilities 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.

- 42** Management has been continuously evaluating the possible effects that may result from the pandemic relating to COVID-19 on the operations and financial results of the Company for the year ended March 31, 2022. The Company has considered and taken into account internal and external information and has performed sensitivity analysis based on current estimates in assessing the recoverability of financial and non financial assets. Given the uncertainties associated with nature, condition and duration of COVID-19, the impact assessment on the Company's financial information will be continuously made and provided for as required.
- 43** The Company has incurred losses in current and previous years which has resulted in complete erosion of the net worth of the Company as at 31 March 2022. However, the Company's current assets exceed the current liabilities as at 31 March 2022. The Company has obtained a letter of support from the Ultimate Parent Company in order to meet the shortfall in its fund requirements over banks and other borrowings, to meet out all the obligations and operational requirements which are in progress. The Company has considered the possible impact of COVID-19 pandemic in the financial projections. Further, the Company believes that obligations 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. During the current year, the Company has received financial assistance from its Ultimate Parent Company in the form of long term loan and the company has undrawn facilities from a Bank as at March 31, 2022. There are no external borrowings due to banks / financial institutions as at 31 March 2022. In view of the above, the use of going concern assumption has been considered appropriate in preparation of these financial statements.

Next Radio Limited

Notes to standalone financial statements for the year ended March 31, 2022

44 Standards issued but not yet effective

On 23 March 2022, the Ministry of Corporate Affairs (MCA) issued certain amendments and annual improvements to Ind AS. These amendments are applicable for accounting periods beginning on or after 1 April 2022.

Amendment to Ind AS 103

Reference of Conceptual Framework for Financial Reporting under Ind AS has been given for definition of assets and liabilities. The application of this amendment is not expected to have a material impact on the Company's financial statements.

Amendment to Ind AS 16

Sale of items produced in the process of making PPE available for its intended use: Sale proceeds of such items would be deducted from the cost of PPE before its intended use.

The application of this amendment is not expected to have a material impact on the Company's financial statements.

Amendment to Ind AS 37

Cost to fulfil a contract: Include both:

(a) incremental costs—for example, direct labour and materials; and

(b) an allocation of other direct—for example, an allocation of the depreciation charge for an item of PPE used in fulfilling the contract

The application of this amendment is not expected to have a material impact on the Company's financial statements.

Amendment to Ind AS 101

Where a subsidiary adopts Ind AS later than its parent entity and applies Ind AS 101. D16(a), it is permitted to measure cumulative translation differences for all foreign operations at amounts included in CFS of parent's date of transition.

This amendment is not applicable to the Company.

Amendment to Ind AS 109

While performing the '10 per cent test' for derecognition of financial liabilities, borrower includes only fees paid or received between borrower and lender directly or on behalf of the other's behalf.

The application of this amendment is not expected to have a material impact on the Company's financial statements.

Amendment to Ind AS 41

Aligns the fair value measurement requirement in Ind AS 41 with those in Ind AS 113, Fair Value Measurement.

This amendment is not applicable to the Company.

45 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.

46 The Holding Company received a whistleblower complaint in August 2020. The Holding Company, in accordance with its whistleblower policy, and as confirmed by respective Audit Committees appointed an independent law firm which worked closely with an independent accounting firm for an in-depth comprehensive review. Based on the investigation performed, it was concluded that the findings were confined to a stream of revenue ('Non FCT') of radio business of the Group and were not pervasive across other financial statement captions. As an outcome of the above investigation, the management had revised the financial information for the quarter ended 30 June 2020 pertaining to year ended 31 March 2021.

47 A Scheme of Amalgamation u/s 230-232 of the Companies Act, 2013 which provides for amalgamation of Syngience Broadcast Ahmedabad Limited (SBAL) with Next Radio Limited (NRL) ("Scheme"), has been approved by the Board of Directors of SBAL and NRL at their respective meeting held on March 31, 2021. Further, the Scheme has been filed with Hon'ble National Company Law Tribunal, Mumbai Bench (NCLT) on June 7, 2021. Further, the second motion petition has been filed with Hon'ble NCLT on 22 December 2021.

Pending aforementioned sanction and approvals of the Scheme, impact of the Scheme has not been considered in the Company's standalone financial statements for the year ended March 31, 2022.

48 Based on the information available with the Company, Details of dues to Micro and Small Enterprises as defined under the MSMED Act, 2006

Particulars	(INR Lacs)	
	As at March 31, 2022	As at March 31, 2021
Principal Amount	28	-
Interest due thereon at the end of the accounting year	-	-
The amount of interest paid by the buyer in terms of Section 16, of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
The amount of interest due and payable for the year for delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006.	-	-
The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under Section 23 of MSMED Act, 2006.	-	-

49 Reclassification

1. Pursuant to amendment in Schedule III to the Companies Act, 2013, effective from 1 April 2021, the company has modified the classification of certain assets and liabilities. Comparative amounts in the notes to the standalone financial statements were reclassified for consistency.

Assets:	Original	Reclassified	Difference Financial
assets			
i) Loans	1,486	1,347	139
ii) Other financial assets	588	747	(139)
Liabilities:			
i) Contract liabilities	93	213	(120)
ii) Other current liabilities	154	34	120

2. During the year ended 31 March 2022, the company has revised the presentation of certain notes to the standalone financial statements for better presentation. Comparative amounts in the notes to the standalone financial statements were reclassified for consistency.

50 Statutory Information:

- (i) No proceeding has been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- (ii) The Company has not been declared as wilful defaulter by any bank or financial Institution or other lender.
- (iii) The Company has not entered into any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.
- (iv) There are no transaction which has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- (v) There are no charges or satisfaction yet to be registered with ROC beyond the statutory period.
- (vi) There are no funds which have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:
 - a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or
 - b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (vii) There are no funds which have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall:
 - a) directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Party or
 - b) provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries.
- (viii) The Group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016) does not have more than one CIC (which is not required to be registered with RBI as not being Systemically Important CIC).

51 The subsidiary companies viz. Syngience Broadcast Ahmedabad Limited (SBAL) and Next Radio Limited (NRL) filed a joint application before Hon'ble National Company Law Tribunal, Mumbai Bench (NCLT) on 21st May, 2020 for recall of NCLT's earlier order dated October 5, 2017 sanctioning the Scheme of Arrangement between NRL & SBAL and their respective shareholders & creditors (Scheme) for transfer of Ahmedabad FM Radio Broadcasting business of NRL into SBAL; and reverse all actions that may have been taken on the basis of said NCLT's order including any corporate actions, changes to issued capital, filing with any regulatory authority etc. The said joint application was filed as NRL did not receive approval of Ministry of Information & Broadcasting (MIB) for transfer of Ahmedabad FM Radio license from NRL to SBAL pursuant to the Scheme, as a result of which the Scheme did not come into effect. The application was allowed by NCLT vide order passed on September 22, 2020. Accordingly, the allotment of 1,82,10,000 equity shares of Rs. 10/- each by SBAL to NRL on November 27, 2017 pursuant to the Scheme was void ab-initio, and the paid-up share capital of SBAL was reduced to Rs. 1,55,00,000 comprising of 15,50,000 equity shares of Rs. 10 each. The same has also been updated on MCA portal on November 6, 2020.

52 Ratios

Ratios	March 31, 2022	March 31, 2021	% Variance	Reason for variance
Current ratio (in times) <i>(Current assets / Current liabilities)</i>	2.10	1.04	102%	Due to increase in current assets and decrease in current liabilities in the current year as compared to previous year.
Debt-equity ratio (in times) <i>(Total Debt/ Total Equity)</i> <i>Total Debt = Debt comprises of current borrowings (including current maturities of long term borrowings), non-current borrowings and interest accrued on borrowings.</i> <i>Total Equity = Shareholders' Equity</i>	(2.52)	(3.67)	-31%	Due to increase in debt and increase in negative equity in the current year as compared to previous year.
Debt service coverage ratio (in times) <i>(EBITDA - Depreciation and amortization expense)/ (Debt payable within one year + Interest on debt)</i>	(0.78)	(2.02)	-61%	EBITDA has improved during the year however Interest on debts and borrowings has increased during the year.
Return on Equity Ratio (%) <i>(Profit/(Loss) After Tax/Average Shareholder's Equity)</i>	60%	250%	-76%	PAT has improved during the year. However negative average shareholder's equity has increased due to losses incurred during the year.
Inventory turnover ratio (times) <i>(Cost of goods sold /average Inventory)</i> <i>COGS = Cost of materials consumed + Changes in inventories of finished goods, work-in-progress and stock-in-trade</i>	NA	NA		
Trade receivables turnover ratio (in times) <i>(Revenue from operations /average trade receivables)</i>	2.73	1.83	49%	Due to reduction in average debtors & increase in operating revenue during the year.
Trade payables turnover ratio (in times) <i>Other Expenses* / Average Trade payables}</i> <i>* Excluding allowances for bad and doubtful receivables and advances, loss on sale & exchange loss on borrowings</i>	1.16	1.15	1%	
Net capital turnover ratio (in times) <i>(Operating Revenue from operations/ Working Capital)</i>	1.58	26.41	-94%	Due to increase in working capital and increase in Revenue from operations in the current year as compared to previous year.
Net profit ratio (%) <i>{Net profit/(loss) after tax / Total Income}</i>	-89%	-158%	-43%	PAT has improved and total income has increased during the year.
Return On Capital Employed (%) <i>(Earnings before interest and tax[EBIT] / Capital Employed)</i>	-28%	-76%	-63%	Capital employed has increased and EBIT has improved during the year.
Return on investment (%) <i>(Income on Mutual Funds Fixed Deposit / Average balance of Mutual Funds Fixed Deposit)</i>	1%	7%	-85%	Average investment has increased during the year and income from investment has decreased during the year.

See accompanying notes to the standalone financial statements.

In terms of our report of even date attached

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

David Jones
Partner
Membership No. 098113

Anup Sharma
Chief Financial Officer

Ajit Dheer
Chief Executive Officer

Samudra Bhattacharya
Director
(DIN:02797819)

Dinesh Mittal
Director
(DIN: 00105769)

Place: Gurugram
Date: May 24, 2022

Place: New Delhi
Date: May 24, 2022