NEXT MEDIAWORKS LIMITED

RADIO ONE

ANNUAL REPORT
2020 - 2021

To view the report online, please log on to:

www.nextmediaworks.com

Cautionary Statements

Certain statements in the MDA section concerning future prospects may be forward-looking statements which involve a number of underlying identified / non-identified risks and uncertainties that could cause actual results to differ materially. In addition to the changes in the macro-environment, the pandemic may pose unforeseen, unprecedented, unascertainable and constantly evolving risk(s), *inter-alia*, to the Company and the environment in which it operates. The results of these assumptions, relying on available internal and external information, constitute the basis for determining certain facts and figures stated in the report. Since the factors underlying these assumptions are subject to change over time, the estimates on which they are based, are also subject to change accordingly. These forward-looking statements represent only the Company's current intentions, beliefs or expectations, and any forward- looking statement speaks only as of the date on which it was made. The Company assumes no obligation to revise or update any forward-looking statements, whether as a result of new information, future events, or otherwise.

Disclaimer: *All data used in the MD&A have been primarily based on publicly available sources, and discrepancies, if any, are incidental and unintentional.*

CORPORATE INFORMATION

Board of Directors

Mr. Praveen Someshwar
Chairman
(Non-Executive Director)

Mr. Ajay Relan
Independent Director

Mr. Sameer Singh
Independent Director

Ms. Suchitra Rajendra
Independent Director

Mr. Dinesh Mittal
Non-executive Director

Mr. Samudra Bhattacharya
Non-executive Director

Chief Executive Officer

Mr. Ramesh Menon

Chief Financial Officer

Mr. Anup Sharma

Company Secretary

Ms. Diksha Singh

Statutory Auditor

B S R and Associates
Chartered Accountants

Registered Office

Unit 701A, 7th Floor, Tower-2
Indiabulls Finance Centre
Senapati Bapat Marg, Elphinstone Road
Mumbai – 400 013

Tel: +91-22-44104104

E-mail: investor.communication@radioone.in

Website: www.nextmediaworks.com

Registrar and Share Transfer Agent

KFin Technologies Private Limited
Selenium Tower-B, Plot No 31-32
Gachibowli, Financial District
Nanakramguda, Serilingampally Mandal
Hyderabad - 500 032
Tel.: +91-40-67162222
Fax: +91-40-23001153
Toll Free No.: 1800 345 4001
Email: einward.ris@kfintech.com
Website: www.kfintech.com

CONTENTS

MANAGEMENT DISCUSSION & ANALYSIS (MD&A)

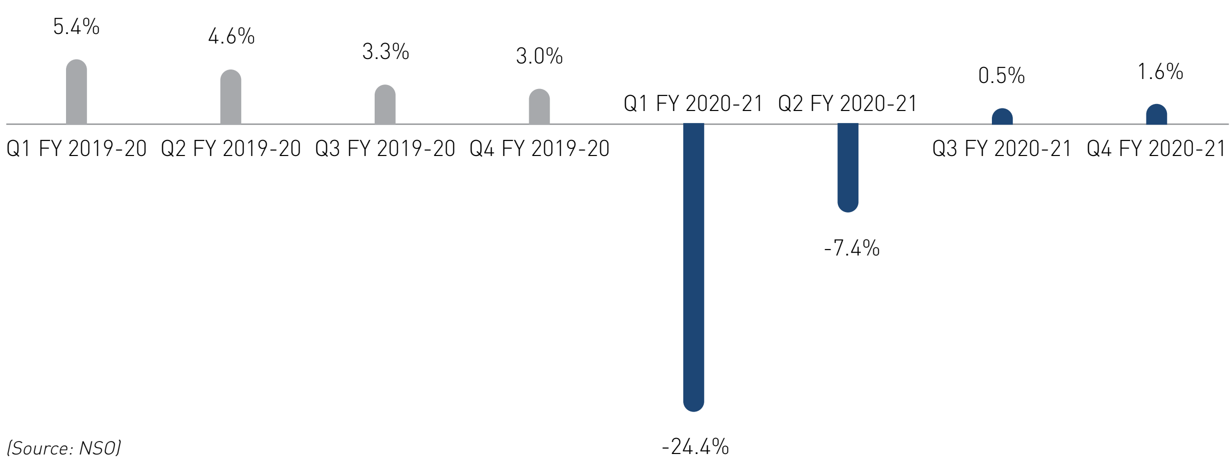
Indian Economy

India's Gross Domestic Product (GDP) growth had decelerated from 6.5% in FY 2018-19 to 4% in FY 2019-20. After being hit by the COVID-19 pandemic, the country's GDP contracted by 7.3% in FY 2020-21, according to data from National Statistical Office (NSO). The country witnessed its sharpest ever GDP contraction of 24.4% in the first quarter of FY 2020-21, owing to stringent lockdown to tackle the outbreak of COVID-19 pandemic. The muted sentiments continued into the subsequent quarter. However, the third quarter recorded positive growth of 0.5%, cushioned by government consumption and pent-up demand.

The pandemic disproportionately affected activity in the services sector. Private investment remained muted, with lacklustre credit uptake and reduced consumption. The government provided calibrated fiscal and monetary support to boost consumption, minimising further decline in the economy.

The start of world's largest vaccination programme in early 2021 is bolstering the V-shaped economic recovery, with hopes of a fast rebound in the services sector and prospects for good growth in consumption and investment.

Indian GDP growth (in %)



(Source: NSO)

Outlook

According to International Monetary Fund (IMF), India's GDP growth rate is expected to rise sharply to 9.5% in FY 2021-22, before settling at 8.5% in FY 2022-23. The growth is expected to be led by conversion of high levels of savings into consumption and a strategic focus on infrastructure development. Rural demand continues to be resilient while urban demand has been gaining strength due to normalisation of economic activity. It is expected to get a fillip with the ongoing vaccination drive. However, the surge in COVID infections in the second wave, which resulted in a dip in consumer confidence, presents a key risk to the outlook.

(Source: IMF WEO, Asian Development Bank Outlook, Economic Survey, RBI)

Indian Media and Entertainment Industry

The COVID-19 outbreak had a severe impact on the Media & Entertainment (M&E) industry in FY 2020-21. Almost all forms of outdoor entertainment stopped, resulting in a substantial decrease in advertising spend. The revenues in the M&E industry fell by 24%, coming at ₹ 1.38 trillion in Calendar Year (CY) 2020. However, the lockdown accelerated consumption on digital platforms and gaming companies experienced a rapid growth in its user base.

The advertising market, a significant contributor to M&E industry revenues, contracted 54% in CY 2020 over CY 2019 reaching ₹ 14.3 billion. Owing to the overall subdued market sentiment, campaigns were rescheduled or cancelled as companies aimed to reduce expenditure amidst uncertainties.

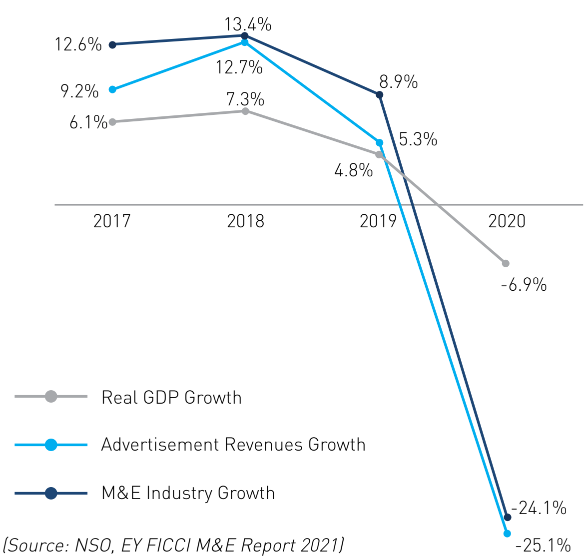
Companies with a strong balance sheet and healthy liquidity exhibited resilience during the crisis but, mid-sized and smaller industry players continued to be pressurised by economic headwinds. Though the first three quarters of CY 2020 witnessed decline, the quarter ending December 2020 saw growth over the last year with the return of active advertisers, giving an indication that advertising is going to bounce back sharply.

Outlook

The media and entertainment sector is anticipated to expand at a greater pace than GDP growth, and in comparison to the global average. Rural areas will prove to be a potentially lucrative market for this segment. The Indian M&E industry is projected to reach ₹ 1.73 trillion by CY 2021 and holds the potential to reach ₹ 2.23 trillion by CY 2023. However, the impact of the resurgence of another wave of COVID-19 might put in a few more roadblocks to the sharp growth expected.

(Source: EY FICCI M&E Report 2021, Pitch Madison Advertising Report 2021, Dentsu Advertising in India 2021, CRISIL on M&E 2021)

Indian M&E Industry Vs GDP growth

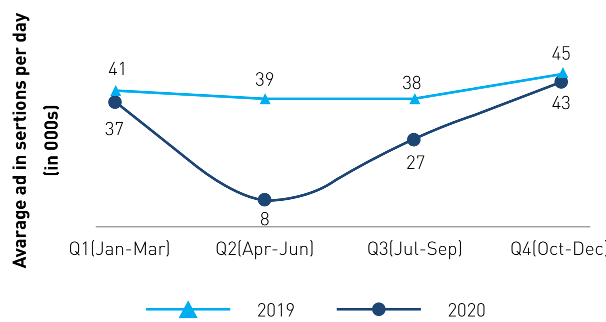


(Source: NSO, EY FICCI M&E Report 2021)

Indian Radio Sector

The Radio sector witnessed a revenue decline of 54% to ₹ 14 billion in CY 2020, as key advertising categories, primarily in the regional and retail domains, ran sub-scale businesses operations. Though all the categories had to reduce their budget, FMCG, BFSI, real estate, auto and e-commerce increased their relative share, contributing over 50% of total advertising revenue. Restriction on outdoor mobility and social distancing norms affected small and medium companies that constitute a significant customer base for Radio. Retail, which allocates 8% of advertising spends on radio and is the highest contributor, saw a significant reduction in footfalls between April to June 2020. During CY 2020, while advertisement rates dropped more than 37%, advertisement volumes witnessed a drop of 27%.On the other hand, there was a significant boost in the total duration of listenership supported by an increase in average daily duration and number of listeners. In addition, majority of the radio channels remained operational during the lockdown and ensured provision of services.

Advertising volumes



(Source: EY FICCI M&E Report 2021)

The Radio sector advertising volumes saw a large decline during Q1 FY 2020-21. However, the subsequent quarters witnessed sequential growth and advertising volume recovered to last year levels by December 2020. Nearly 69% of radio advertising volumes in CY 2020 were delivered by the services, banking & financial, food & beverages, auto and retail. National advertisers contributed 64% of advertising volumes, while the share of local advertisements decreased by 2% to reach 36% in CY 2020.

Outlook

Revenue from the radio sector is expected to grow by 63%, and expected to touch ₹ 23 billion in CY 2021. The recovery is expected to continue beyond CY 2023, to reach pre-COVID levels of revenue. Resumption of travel, revival of retail footfalls and growth of local service brands are likely to be the key demand drivers for this segment. The sector is constantly redefining its business model by strengthening its core and integrating digital technologies to create differentiated products. Listenership is expected to increase considerably in Tier-2 and Tier-3 markets. With its growing popularity and credibility, marketers are anticipated to use Radio to reach out to audiences in these markets. The radio industry has constantly reinvented itself in the past and is expected to expand into adjacent areas such as digital offerings, solutions and new media.

(Source: EY FICCI M&E Report 2021, KPMG India M&E 2020)

Company Overview

The Company was originally incorporated in 1981, and came out with its Initial Public Offer (IPO) in the year 2001. HT Media Group acquired a majority stake in the Next Mediaworks Limited (NMW) in 2019. The Company's subsidiary, Next Radio Limited (NRL), was among the first private players to venture into private FM broadcasting in India. It currently operates Radio stations under Radio One brand.

Radio One

Radio One has stations in 7 metropolitan cities in India including Delhi, Mumbai, Bangalore, Kolkata, Chennai, Pune and Ahmedabad. In Delhi, Mumbai and Bangalore, Radio One runs India's largest international format radio network targeting an upscale sophisticated audience. It operates the Contemporary Hit Radio (CHR) format in Pune and Ahmedabad; Hindi Retro format in Kolkata, and Tamil format in Chennai. Radio One appeals to intelligent and evolved listeners. The brand has successfully built communities around food, music, sports, travel and fitness.

Financial Performance Overview

Revenue from operations

Revenue from operations declined by 62% to ₹ 19.5 crore in FY 2020-21 from ₹ 51.9 crore, owing to the decrease in advertising spends across most categories including stress on SMEs on account of COVID-19, although spikes in listenership in radio was witnessed during lockdown.

Profitability

Operating EBITDA margin has declined to -101% in FY 2020-21 from -9% last year, mainly account of softness in advertising revenue, though the fall was contained by cost rationalisation measures implemented across the organisation. Net profit margin has also decreased to -180% in FY 2020-21 from -88% last year, due to negative operating income and marginal increase in finance cost. Return on net worth could not be computed due to loss after tax and negative shareholders' funds.

Current Ratio

Current Ratio saw increase at 1.2 times as on March 31 2021 over 0.6 times on March 31 2020. This is primarily on account of decrease in other current financial liabilities led by repayment of long term loans matured in the current financial year.

Gearing Ratio

Gearing Ratio increased to 142% as on March 31 2021 from 117% on March 31 2020 due to erosion of total component of equity primarily because of the loss after tax incurred by the Company in the financial year.

Debtor Turnover Ratio

Debtor Turnover Ratio has reduced from 2.5 times in FY 2019-20 to 1.8 times in FY 2020-21, owing to the fact that revenue from operations declined in current year, partially offsetting the positive impact of significant decrease in average accounts receivables in the financial year.

Interest Coverage Ratio

Interest Coverage Ratio worsened to -2.2 times in FY 2020-21 from -1.0 times in FY 2019-20 on account of increased losses before interest and taxes along with marginal increase in finance cost.

Marketing Initiatives

The Company builds brand value through various partnerships and associations with other media platforms. It enables the Company to leverage collaborative efforts to attain mutually beneficial goals. Radio One strives to stand out of the clutter in terms of ideas and their executions across platforms. The Company is on a journey to move beyond its conventional solutions. We are focusing on using our digital channels to reach the audience as a means of amplifying current revenue stream.

International Icon

Radio One launched a major project, International Icon, during the year. It targets global Indians with a deep connection to international music through a one-of-its-kind international digital musical talent hunt show. The initiative offers a digital platform for new talent. It has enlisted Grammy Award winning music icon Shaggy as a mentor and the celebrity face of the campaign.

100 Hours 100 Stars

With a star-studded lineup of celebrities from all walks of life, 100 Hours 100 Stars offered non-stop salute to COVID warriors. The digital carnival provided viewers with 100 hours of nonstop entertainment. Bryan Adams, Kamal Hasan, Mithun Sharma, Raveena Tandon, Shashi Tharoor, Javed Akhtar, Sonu Nigam, and Shruti Hasan were among the many celebrities who attended this event.

Human Resource

At NMW, Human Resources play a strategic role in partnership with business functions and operations. Our focus is on employee satisfaction, engagement and skill development. The Company believes in providing ample opportunities to its employees to professionally grow and fulfil business objectives.

The Company prioritised the safety of its employees during the pandemic, and enabled a smooth transition of employees across locations into a work from home setting. The Company also organised COVID awareness and wellness talks by qualified doctors. Moreover, regular office sanitization procedures were followed for employees working from the Company's offices. Various trainings on remote working and necessary tools for facilitating smooth operations were also organized for employees working from home.

Amidst tough times, technology and digital platforms played a crucial role for businesses around the world. NMW too resorted to virtual platforms to conduct leadership connect sessions. It also conducted virtual training programs for capacity building. A mix of functional, behavioural and compliance related trainings were organized during the year.

The Company abides by the Sexual Harassment of Women at Workplace (Prevention Prohibition and Redressal) Act, 2013 and provides a safe working environment to women employees across locations. The Company also has a grievance redressal committee for sexual harassment at the workplace. The Company has reported no such cases in FY 2020-21. The company, along with its subsidiaries, has employee strength of 42 as on March 31, 2021.

Risk Management

The Company has established risk management framework to identify, manage risks and mitigate risks arising from external and internal factors. A risk identification exercise is carried out periodically to identify various strategic, operational, financial and compliance related risks. These are evaluated for their likelihood and potential impact. Few risks and uncertainties that can affect the business include heavy dependence on retail business, increasing digitization that may limit relevance of traditional Radio channels, radical shift in consumer preferences towards newer content delivery platforms, heightened competitive intensity within the industry, changing regulatory landscape and uncertain macro-economic factors that might adversely impact corporate spending on Media.

Potential risks are reviewed on an ongoing basis and mitigating controls are deliberated upon as an integral part of decision-making. To stay ahead of the competition and minimise exposure to risk, the Company has taken various initiatives like re-configuring business with focus on cost controls for long term sustenance, higher focus on corporate clients to drive revenue growth, continuously introducing innovative programming content with appropriate blend of music and non-music components and effective use of in-house and other digital platforms for listener and client engagement. Further, a greater focus on creation of unique content and sharpening product propositions, focus around local to local retail market having lower correlation to macro-economic factors, and usage of an automated compliance tool to monitor status of statutory compliances across all locations/ functions help the Company to minimise its exposure to such risks. The Company also has a comprehensive review mechanism in place for its annual and long term business plans and the progress of all its operating activities and projects.

Internal Control

The Company has an effective system of internal controls corresponding with its size, nature of business and complexity of operations. The internal controls mechanism comprises of a well-defined organizational structure with clearly defined authority and responsibility levels and comprehensive documented policies, guidelines and procedures governing the operations of respective business areas and functions.

These controls have been designed to safeguard the assets and interests of the Company and its stakeholders and also ensure compliance with Company's policies, procedures and applicable regulations. The Company has also established a Code of Conduct (CoC) framework and Whistle-Blower mechanism, which is duly approved by the Board of Directors in compliance with the regulatory requirements. A designated CoC Committee is in place which is tasked with monitoring and review of whistle-blower complaints.

The Company has a strong focus on technology and automation and is constantly exploring integration opportunities of various systems used and establishment of appropriate automated controls to further enhance the existing control framework. A robust ERP system is used for accounting by the Company. The internal control system is supplemented by an extensive program of operational and IT audits to evaluate the adherence to laid down processes and controls on a periodic basis. The internal audit function supported by professional external audit firms conducts comprehensive risk focused audits and assesses the effectiveness of the internal control structure across functions on a regular basis. In addition to internal audit activities, the Company has also developed an internal financial control framework to periodically review the effectiveness of controls laid down across all critical processes. The Company performed an extensive review of its Internal Financial Control (IFC) framework, including design assessment and rationalisation of existing controls in line with dynamic business practices. The Company also uses an online compliance management tool and has established a concurrent audit mechanism of the same to ensure effective compliance oversight. Further, the Audit Committee reviews internal control systems, accounting processes, financial information, internal audit findings and other related areas including their adequacies.

Outlook

Radio segment took a fair share of brunt of the slowdown brought in by the pandemic during the current financial year. However, there have been positive developments such as an increase in duration of listenership and resurgence in demand for advertising during festive season. In the coming years, we expect the sector to undergo revival and showcase strong growth, as it continues to remain relevant to a dynamic user group. The Company would continue to leverage the content creators to offer engaging and enjoyable content for the listeners across formats. Going forward, the Company aims to move beyond their core solutions, making strategic advances across platforms to strengthen its foothold. The emphasis remains on providing innovative solutions to clients, while continuously engaging with and maintaining a positive interaction with businesses across sectors.

BOARD'S REPORT

Dear Members,

Your Directors are pleased to present their fortieth report, together with the Audited Financial Statements (Standalone & Consolidated) for the financial year ended on March 31, 2021.

FINANCIAL RESULTS

Your Company's performance during the financial year ended on March 31, 2021, along with previous year's figures is summarized below:

(Rs. in Lac)

Particulars	Standalone		Consolidated	
	2020-21	2019-20 (Revised)	2020-21	2019-20 (Revised)
Total Revenue	**25**	**229**	**2,180**	**5,838**
Earnings before finance cost, tax, depreciation and amortization (EBITDA) before exceptional items	**(110)**	**62**	**(1,746)**	**188**
Add: Exceptional items - gain/ (loss)	-	(2,018)	-	(2,996)
Less: Depreciation	-	-	952	1,261
Less: Finance Cost	139	139	1,221	1,075
Profit/(Loss) before tax	**(249)**	**(2,095)**	**(3,919)**	**(5,144)**
Less: Tax Expense				
- Current Tax	-	-	2	2
- Adjustment of current tax related to earlier period	-	-	2	2
- Deferred tax charges / (credit)	-	-	-	-
Total tax expense	-	-	4	4
Profit/ (Loss) for the year	**(249)**	**(2,095)**	**(3,923)**	**(5,148)**
Add: Other Comprehensive Income (net of tax)	-	2	(5)	(23)
Total Comprehensive Income/ (Loss) for the year (net of tax)	**(249)**	**(2,093)**	**(3,928)**	**(5,171)**
Opening balance in Retained Earnings	**(14,641)**	**(12,548)**	**(16,606)**	**(13,893)**
Add: Profit/ (Loss) for the year	(249)	(2,095)	(2,147)	(2,702)
Add: Items of other Comprehensive Income recognized directly in Retained Earnings				
- Re-measurements of defined benefit plans (net of tax)	(0)	2	(3)	(11)
Total Retained Earnings	**(14,890)**	**(14,641)**	**(18,756)**	**(16,606)**

DIVIDEND

In view of loss incurred by the Company during the year under review, your Company has not recommended any dividend on the equity shares for the financial year ended on March 31, 2021.

COMPANY PERFORMANCE AND FUTURE OUTLOOK

Your Company is the holding company of Next Radio Limited ("NRL"). NRL is engaged in the business of FM Radio broadcasting. It was among the first private players to venture into private FM broadcasting and runs the "Radio One" channel in top 7 cities of the country namely Delhi, Mumbai, Chennai, Kolkata, Bengaluru, Pune, and Ahmedabad. NRL operates under the frequency 94.3 MHz in all the cities, except Ahmedabad where it operates under 95 MHz frequency.

A detailed analysis and insight into the financial performance and operations of your Company and NRL for the year under review and future outlook, is appearing under the Management Discussion and Analysis section, which forms part of this Annual Report.

RISK MANAGEMENT

Your Company has a robust risk management framework to identify, evaluate and mitigate business risks. A detailed statement indicating development and implementation of a risk management policy of the Company, including identification of various elements of risk, is appearing under the Management Discussion and Analysis section.

SCHEME OF ARRANGEMENT

On the recommendation/approval of Committee of Independent Directors and Audit Committee, the Board of Directors at its meeting held on February 11, 2021 approved a Composite Scheme of Amalgamation under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 (the "Act") and the Rules framed thereunder, between the Company, Digicontent Limited and HT Mobile Solutions Limited ("Transferor Companies") and HT Media Limited (the "Transferee Company") and their respective shareholders and creditors (the "Scheme"), which is subject to requisite approvals. The Scheme envisages amalgamation of Transferor Companies with the Transferee Company. Accordingly, upon the Scheme becoming effective, the Company shall stand dissolved without winding up, and the equity shareholders of the Company will be entitled to shares of the Transferee Company as per the fair equity share exchange ratio enshrined in the Scheme.

Among other benefits, the Scheme will result in consolidation of businesses of Transferor Companies under the Transferee Company, whereby the Transferee Company will be able to provide an increased capability to offer a wider portfolio of products and services, to effectively address the change in consumer preferences and market dynamics. The combined ability to integrate, innovate, customize and bundle the offerings and services of the Transferee and Transferor Companies under a single platform and creation of a synergized go to market strategy, will result in building a sustainable business.

The Scheme has been filed with both, NSE and BSE for their no-objection, and the same is awaited.

SUBSIDIARY COMPANIES

As on March 31, 2021, the Company had following subsidiary companies:

(a) Next Radio Limited; and

(b) Syngience Broadcast Ahmedabad Limited (wholly owned subsidiary of NRL)

The above subsidiary companies *viz.* SBAL and NRL filed a joint application before Hon'ble National Company Law Tribunal, Mumbai Bench ("NCLT") on May 21, 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. 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 whereof the Scheme did not come into effect. The joint application was allowed by NCLT in the 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 cancelled, and the paid-up share capital of SBAL has been reduced to Rs.1,55,00,000/- comprising of 15,50,000 equity shares of Rs. 10/- each.

The Board of Directors of SBAL and NRL, at the respective meetings held on March 31, 2021 have considered and approved a draft Scheme of Amalgamation under Sections 230 to 232 and other applicable provisions of the Act and rules made thereunder, in terms whereof, SBAL will be merged into NRL. The said scheme is subject to sanction by Hon'ble National Company Law Tribunal, Mumbai Bench and other necessary regulatory approvals, if any.

In terms of the applicable provisions of Section 136 of the Act the Financial Statements of subsidiary companies for the financial year ended on March 31, 2021 are available for inspection at Company's website at https://nextmediaworks.com/subsidiaries-2020-2021.php.

A report on the performance and financial position of both the subsidiary companies in prescribed Form AOC-1 is annexed to the Consolidated Financial Statements and hence, not reproduced here. The 'Policy for determining Material Subsidiary(ies), is available on the Company's website at http://nextmediaworks.com/Material-Subsidiary-NMW.pdf.

The contribution of subsidiary companies to the overall performance of your Company is outlined in note no. 35C of the Consolidated Financial Statements for the financial year ended March 31, 2021.

No subsidiary, associate or joint venture has been acquired or ceased/ sold/ liquidated during the financial year ended on March 31, 2021.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

Directors

Mr. Harshad Jain tendered resignation as CEO & MD w.e.f. November 26, 2020.

On the recommendation of Nomination & Remuneration Committee, the Board of Directors accorded approval to the appointment of Mr. Samudra Bhattacharya (DIN: 02797819) as Non-executive Director w.e.f. December 30, 2020, subject to approval of the members. The Board commends the appointment of Mr. Samudra Bhattacharya as Non-executive Director for approval of members at the ensuing AGM.

In accordance with the provisions of the Act, Mr. Dinesh Mittal (DIN: 00105769) retires by rotation at the ensuing AGM and being eligible, offers himself for re-appointment. The Board commends re-appointment of Mr. Dinesh Mittal, for approval of the Members at the ensuing AGM.

Brief resume, nature of expertise, details of directorship(s) held in other companies of directors proposed to be appointed/ re-appointed at the ensuing AGM, along with their respective shareholding in the Company as required under Secretarial Standard-2 and Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "SEBI Listing Regulations"), are outlined in the Notice of the ensuing AGM.

The Independent Directors of the Company have confirmed the following:

a. they meet the criteria of independence as prescribed under both, the Act and SEBI Listing Regulations;

b. they have registered themselves on the data bank of Independent Directors maintained by Indian Institute of Corporate Affairs;

Further, all the Directors have confirmed adherence to the Company's 'Code of Conduct'.

Key Managerial Personnel (KMP)

During the year under review, Mr. Harshad Jain, CEO & MD and Mr. Abhishek Kapoor, CFO (KMPs u/s 203 of the Act) tendered resignation w.e.f. November 26, 2020.

On the recommendation of Nomination and Remuneration Committee and Audit Committee (as applicable), the Board of Directors accorded its approval to the appointment of Mr. Ramesh Menon as Chief Executive Officer and Mr. Anup Sharma as Chief Financial Officer (KMPs u/s 203 of the Act) w.e.f. November 27, 2020.

PERFORMANCE EVALUATION

In line with the requirements under the Act and the SEBI Listing Regulations, the Board undertook a formal annual evaluation of its own performance and that of its committees and directors.

The Nomination & Remuneration Committee framed questionnaires for evaluation of performance of the Board as a whole, Board Committees (*viz.* Audit Committee, Stakeholders' Relationship Committee and Nomination & Remuneration Committee); Directors and the Chairperson, on various criteria outlined in the 'Guidance Note on Board Evaluation' issued by SEBI on January 5, 2017.

The Directors were evaluated on various parameters such as, value addition to discussions, level of preparedness, willingness to appreciate the views of fellow directors, commitment to processes which include risk management, compliance and control, commitment to all stakeholders (shareholders, employees, vendors, customers etc.), familiarization with relevant aspects of company's business / activities amongst other matters. Similarly, the Board as a whole was evaluated on parameters which included its composition, strategic direction, focus on governance, risk management and financial controls.

A summary report of the feedback of Directors on the questionnaire(s) was considered by the Nomination & Remuneration Committee and the Board of Directors. The Board would endeavour to use the outcome of the evaluation process constructively, to improve its own effectiveness and deliver superior performance.

AUDITORS

Statutory Auditor

B S R and Associates, Chartered Accountants (Firm Registration No. 128901W) ('BSR') were appointed as Statutory Auditor of the Company, for a term of 5 (five) consecutive years, at the Annual General Meeting held on September 12, 2019.

The Auditor's Report of BSR on Annual Financial Statements for the financial year ended on March 31, 2021 does not contain any qualification, reservation, adverse remark or disclaimer.

Secretarial Auditor

Pursuant to the provisions of Section 204 of the Act and rules made thereunder, the Board of Directors appointed RMG & Associates, Company Secretaries ('RMG') as Secretarial Auditor, to conduct the Secretarial Audit for the financial year ended on March 31, 2021. The Secretarial Audit Report of the Company for FY-21 does not contain any qualification, reservation, adverse remark or disclaimer and is annexed herewith as "**Annexure - A**".

Further, Secretarial Audit of the material unlisted subsidiary viz. Next Radio Limited ("NRL") for FY-21, as required under Regulation 24A of SEBI Listing Regulations, has been conducted by RMG. The Secretarial Audit Report of NRL does not contain any qualification, reservation, adverse remark or disclaimer and is annexed herewith as '**Annexure -B**'.

During the year under review, Statutory Auditor and Secretarial Auditor have not reported any instance of fraud to the Audit Committee pursuant to Section 143(12) of the Act and rules made thereunder, therefore, no disclosure is required under Section 134(3)(ca) of the Act.

RELATED PARTY TRANSACTIONS

All contracts /arrangements /transactions entered into by the Company with related parties during the year under review, were in ordinary course of business of the Company and on arms' length terms. The related party transactions were placed before the Audit Committee for review and approval. During the year, the Company did not enter into any contract / arrangement /transaction with related party, which could be considered material in accordance with the Company's 'Policy on Materiality of and dealing with Related Party Transactions' and accordingly, the disclosure of related party transactions in Form AOC-2 is not applicable. The aforesaid Policy is available on the Company's website at http://nextmediaworks.com/RPT-Policy-Revised-NMW.pdf.

Reference of the Members is invited to note no. 26 of the Standalone Annual Financial Statements, which set out the related party disclosures as per Ind AS-24.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134 of the Act, your Directors state that:

(i) in the preparation of the annual accounts for the financial year ended on March 31, 2021, the applicable Accounting Standards have been followed and there are no material departures;

(ii) such accounting policies have been selected and applied consistently and judgments and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as on March 31, 2021; and of the loss of the Company for the year ended on March 31, 2021;

(iii) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

(iv) the annual accounts have been prepared on a going concern basis;

(v) proper internal financial controls were in place and that such internal financial controls were adequate and operating effectively; and

(vi) systems has been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

DISCLOSURES UNDER THE ACT

Borrowing and Debt Servicing: During the year under review, your Company has met all its obligations towards repayment of principal and interest on loans availed.

Particulars of loans given, investments made, guarantees /securities given: Details of investments made and loans/ guarantees/securities given, as applicable, are given in note no. 29 to the Annual Standalone Financial Statements.

Board Meetings: Yearly calendar of board meetings is prepared and circulated in advance to the Directors. During the financial year ended on March 31, 2021, the Board met six times on June 23, 2020, July 23, 2020, November 18, 2020, November 27, 2020, January 15, 2021 and February 11, 2021. For further details of these meetings, Members may please refer 'Report on Corporate Governance' which forms part of the Annual Report.

Committees of the Board: At present, four standing committees of the Board of Directors are in place *viz.* Audit Committee, Nomination & Remuneration Committee, Stakeholders' Relationship Committee and Banking & Finance Committee. During the year under review, recommendations of the aforesaid Committees were accepted by the Board. For further details of the committees of the Board, Members may please refer 'Report on Corporate Governance' which forms part of the Annual Report.

Remuneration Policy: Remuneration Policy of the Company on appointment and remuneration of Directors, KMPs & Senior Management, as prescribed under Section 178(3) of the Act and SEBI Listing Regulations, is available on the Company's website at http://nextmediaworks.com/NMW-Revised-Remuneration-Policy-Final.pdf. The Remuneration Policy includes, *inter-alia*, the criteria for appointment of Directors, KMPs, Senior Management Personnel and other covered employees, their remuneration structure and disclosure(s) in relation thereto. Further, there was no change in the Remuneration Policy during the year under review.

Vigil Mechanism: The Vigil Mechanism, as envisaged in the Act & rules made thereunder, and SEBI Listing Regulations, is addressed in the Company's "Whistle Blower Policy". In terms of the Policy, directors/ employees/ stakeholders of the Company may report concerns about unethical behavior, actual or suspected fraud or any violation of the Company's Code of Conduct and any incident of leak or suspected leak of Unpublished Price Sensitive Information (UPSI). The Policy provides for adequate safeguards against victimization of the Whistle Blower. The said policy is available on the Company's website at http://nextmediaworks.com/NMW-WB-Policy.pdf.

Particulars of employees and related disclosures: In accordance with the provisions of Section 197(12) of the Act read with Rule 5(2) & (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, details of employees remuneration are set out in the "**Annexure - C**" to this Report. In terms of the provisions of Section 136(1) of the Act, the Board's Report is being sent to the Members without this annexure. Any member interested in obtaining such information, may write to the Company Secretary at the Registered Office of the Company.

Disclosures under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is annexed herewith as "**Annexure - D**"

Annual Return: In terms of Section 92(3) read with Section 134(3(a) of the Act, the Annual Return (Form MGT-7) for FY-20 & FY-21, are available on the website of the Company at http://nextmediaworks.com/financials.php.

Conservation of energy, technology absorption and foreign exchange earnings & outgo: Nil

CORPORATE GOVERNANCE

The report on Corporate Governance in terms of SEBI Listing Regulations, forms part of the Annual Report. The certificate issued by Company Secretary-in-Practice confirming the compliance of conditions of corporate governance, is annexed herewith as "**Annexure - E**".

SECRETARIAL STANDARDS

Applicable provisions of Secretarial Standards i.e. SS-1 and SS-2, relating to 'Meetings of the Board of Directors' and 'General Meetings', respectively have been followed by the Company.

PREVENTION OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE

Your Company adheres to a strict policy to ensure the safety of women employees at workplace. The Company is compliant with the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, as applicable. No complaint was reported during the year under review.

GENERAL

Your Directors state that no disclosure is required in respect of the following matters as there were no transactions/events in relation thereto, during the year under review:

1. Details relating to deposits covered under Chapter V of the Act.
2. Issue of equity shares with differential rights as to dividend, voting or otherwise.
3. Issue of shares (including sweat equity shares) to employees of the Company under any scheme of the Company.

The Company does not have any Employee Stock Option Scheme.

There was no change in the share capital of the Company during the year under review.

During the year under review, the provisions relating to Corporate Social Responsibility enshrined under Section 135 of the Act, were not applicable on the Company.

The Company has not transferred any amount to the General Reserve during the year under review.

No material changes/commitments of the Company have occurred after the end of the financial year 2020-21 and till the date of this report, which affect the financial position of your Company, other than those already mentioned in this report.

No significant or material order was passed by Regulators or Courts or Tribunals which impact the 'going concern' status and Company's operations in future.

The Company is not required to maintain cost records as per Section 148(1) of the Act.

There was no proceeding initiated/ pending against your Company under the Insolvency and Bankruptcy Code, 2016.

There was no instance of onetime settlement with any Bank or Financial Institution.

INTERNAL FINANCIAL CONTROL

Your Company has adequate internal financial controls in place with reference to the financial statements. The internal control system is supplemented by an extensive program of internal audits and their reviews by the management. The in-house internal audit function supported by professional external audit firms conduct comprehensive risk focused audits and evaluate the effectiveness of the internal control structure across locations and functions on a regular basis. In addition to internal audit activities, Company has also developed an internal financial control framework to periodically review the effectiveness of controls laid down across all critical processes. The Company has instituted an online compliance management tool with a centralized repository, to cater to its statutory compliance requirements.

In the Board's Report for FY-20, it was outlined that the Company had received a whistleblower complaint in August, 2020 from a named employee of the radio business of HT Media Limited (HT Media) on his last working day ("WB Compliant"). The WB Complaint alleged anomalies resulting in deficiencies in certain financial reporting processes of the radio business of HT Media and the subsidiary company i.e. NRL. HT Media, in accordance with its whistleblower policy and as confirmed by the Audit Committee, appointed an independent law firm which worked closely with two independent accounting firms, for an in-depth comprehensive review. The said investigation brought out practices indicating certain deficiencies and lapses during financial years 2019-20 and 2020-21.

Based on a very detailed investigation performed, the investigating team and the management concluded that the above mentioned findings were confined to a particular stream of revenue ('Non FCT') of radio business of NRL only, and were not pervasive across other financial statement captions. The said investigation did not reveal existence of any personal profiteering or siphoning of funds or embezzlement or misappropriation of funds.

The final findings of the investigation were presented to the Audit Committee and Board of Directors of the Company. The Board of Directors considered the investigation report at the Board meeting held on November 27, 2020 and expressed its concurrence with the follow-up actions recommended by the Audit Committee, which include (i) actions against the Company's personnel identified as responsible for the misdemeanor; (ii) further strengthening internal control framework and centralized revenue assurance function; (iii) strengthening governance and communication around Whistleblower and Code of Conduct process; and (iv) redefining values and culture for the organisation and digitize the program.

During the year under review, your Company undertook various initiatives to further strengthen the internal financial controls and processes, and HR policies and practices with emphasis on strict implementation of ethical codes and practices.

ACKNOWLEDGEMENT

Your Directors place on record their sincere appreciation for the co-operation and support extended by Ministry of Information & Broadcasting and all listeners, advertisers, stakeholders, including various government authorities, shareholders, investors, banks, etc. Your Directors also place on record their deep appreciation of the committed services of the executives and employees of the Company.

For and on behalf of the Board

(Praveen Someshwar)
Chairman
DIN: 01802656

Date: June 16, 2021
Place: New Delhi

ANNEXURE - A TO BOARD'S REPORT

Secretarial Audit Report

For the Financial Year ended on March 31, 2021

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members
Next Mediaworks Limited
(CIN: L22100MH1981PLC024052)
Unit 701 A, 7th Floor, Tower 2, Indiabulls Finance Centre
Senapati Bapat Marg, Elphinstone Road
Mumbai, Maharashtra - 400013

We have conducted the secretarial audit of the compliance of the applicable statutory provisions and the adherence to good corporate practices by **Next Mediaworks Limited** (hereinafter referred to as the 'Company' or 'NMW'), having its Registered Office at Unit 701A, 7th Floor, Tower-2, Indiabulls Finance Centre, Senapati Bapat Marg, Elphinstone Road, Mumbai – 400 013. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification, *to the extent possible due to COVID-19 pandemic*, of the Company's books, papers, minutes books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended **March 31, 2021**, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records as maintained by the Company for the financial year ended on March 31, 2021 according to the provisions of:

I. The Companies Act, 2013 (the 'Act') and the rules made thereunder;

II. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

III. The Depositories Act, 1996 and the regulations and Bye-laws framed thereunder by the Depositories with regard to de-materialisation/re-materialisation of securities and reconciliation of records of dematerialized securities with all securities issued by the Company;

IV. Foreign Exchange Management Act, 1999 and rules and regulations made thereunder to the extent of Foreign Direct Investment ('FDI'), however, no FDI inflow was observed during the year under review. Further, there was no transaction of Overseas Direct Investment and External Commercial Borrowings which was required to be reviewed during the period under audit;

V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):

   (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 including the provisions with regard to disclosures and maintenance of records required under the said Regulations;

   (b) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 ('SEBI PIT Regulations');

(c) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI LODR, 2015').

(d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 **[Not applicable as the Company has not issued any further share capital during the period under review];**

(e) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 **[Not applicable as the Company has not offered any shares or granted any options pursuant to any employee benefit scheme during the period under review];**

(f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 **[Not applicable as the Company has not issued any debt securities during the period under review];**

(g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client to the extent of securities issued **[Not applicable as the Company is not registered with SEBI as Registrars to an Issue and Share Transfer Agents];**

(h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 **[Not applicable as the Company has not delisted/ proposed to delist its equity shares from any Stock Exchange during the period under review];**

(i) The Securities and Exchange Board of India (Buy Back of Securities) Regulations, 2018 **[Not applicable as the Company has not bought back/ proposed to buy-back any of its securities during the period under review].**

As informed by the management and verified by us, no industry specific law is applicable to the company during the reporting period since the Company is not having any business.

For the compliances of applicable Environmental Laws, Labour Laws & other General Laws, our examination and reporting is based on the documents, records and files as produced and shown to us and the information and explanations as provided to us, by the officers and management of the Company and to the best of our judgment and understanding of the applicability of the different enactments upon the Company, in our opinion there are systems and processes exist in the Company to monitor and ensure compliance with applicable Environmental Laws, Labour Laws & other General Laws, rules, regulations and guidelines as the Company has developed comprehensive legal compliance scheduling and management software by which specific compliance tasks were assigned to specified officials. The software enables in planning and monitoring all compliance activities across the Company.

The compliance by the Company of applicable financial laws, like direct and indirect tax laws, have not been reviewed in this audit since the same have been subject to review by the statutory auditor and other designated professionals.

We have also examined compliance with the applicable clauses of the following:

1. Secretarial Standards with respect to Meetings of Board of Directors (SS-1) and General Meetings (SS-2) issued by the Institute of Company Secretaries of India. However, stricter applicability of Secretarial Standards is advised to the company.

2. General Circular Nos.14/2020, 17/2020 and 20/2020 dated April 08, 2020, April 13, 2020 and May 05, 2020, respectively, issued by the Ministry of Corporate Affairs and Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 issued by the Securities and Exchange Board of India to hold Extra-Ordinary General Meetings/ Annual General Meetings through Video Conferencing (VC) or other audio-visual means (OAVM).

3. Notification No. G.S.R 186 (E) dated March 19, 2020 read with Notification No. G.S.R 395 (E) dated June 23, 2020 issued by the Ministry of Corporate Affairs, to conduct the meetings of the Board or its committees through Video Conferencing (VC) or other audio-visual means (OAVM).

During the period under review, the Company had generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, Circulars, Notifications etc. mentioned above.

We further report that -

- the Board of Directors of the Company is constituted with proper balance of Executive Director(s), Non-Executive Director(s), Independent Director(s) (including Independent Woman Director) during the period under review. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the applicable provisions of the Act and SEBI LODR.

- adequate notice(s) were given to all directors to schedule the Board/committee meetings, agenda and detailed notes on agenda were sent in accordance with the applicable laws, as mentioned here above and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

- all the decision of the Board/its committees were taken adequately, while the dissenting members' views, if any, are captured and recorded as part of the minutes;

- the Company filed all the forms, returns, documents and resolutions as were required to be filed with the Registrar of Companies and other authorities, and all the formalities relating to the same are in compliance with the Act; and

- during the year, the Company has taken adequate steps to comply with the provisions of SEBI PIT Regulations, including issue of warning letter to the Designated Person (DP) in a case of violation of Code of Conduct under SEBI PIT Regulations. Report of such violation along with action taken by the Company against the concerned DP was reported to the Stock Exchanges in due compliance with the SEBI Circular No. SEBI/HO/ISD/ISD/CIR/P/2020/135 dated July 23, 2020 and SEBI PIT Regulations.

- financial results under regulation 33(3)(a) of SEBI LODR, 2015 for quarter ended September, 2020 were filed delayed and fine was duly paid by the company to both the stock exchanges.

We further report that during the audit period, the Company has following specific events/actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc. referred to above:

i. On the recommendation of Committee of Independent Directors and Audit Committee, the Board of Directors at its meeting held on February 11, 2021, has considered and approved the Composite Scheme of Amalgamation between the Company, Digicontent Limited, HT Mobile Solutions Limited and HT Media Limited and their respective shareholders and creditors under Section 230 to 232 and other applicable provisions of the Act and rules framed thereunder ('Scheme'). The Company has filed application under Regulation 37 of SEBI LODR, 2015 to stock exchanges *viz.* NSE and BSE seeking their no-objection. The Scheme is subject to regulatory approvals as specified in the draft Scheme of Amalgamation.

ii. A whistle blower complaint was received by HT Media Limited, Holding Company ('HTML') in August, 2020 alleging anomalies resulting in deficiencies in certain financial reporting processes of the radio business of HTML and its subsidiaries including Next Radio Limited, subsidiary of the Company ('NRL').

    The Annual General Meeting of the Company scheduled for September 17, 2020 was deferred and an independent law firm was appointed to investigate the matter and submit report thereon.

    Pursuant to the investigation, following anomalies during financial years 2019-20 and 2020-21 were affirmed:

    - Practice of pre-billing (i.e., billing and booking revenue for services yet to be consumed/ delivered or burnt) for reporting higher revenue. Such billing remaining unconsumed/ undelivered.

    - Debtor ageing management by issuance of credit notes and new invoices to avoid higher provisioning for bad debts.

    - Improper balance confirmation processes to establish audit trails, which largely remained unconfirmed during the confirmation process.

    - Internal tracking of pre-billing amounts not reflecting in the system software like SAP.

    - Potentially improper credit approvals including forced/ credit approval under protest at the instructions of leadership of the radio business.

The above affirmations established a financial impact on the radio business of the subsidiary company *viz.* NRL. As per the Investigation Report, investigation did not reveal existence of personal profiteering or siphoning of funds or embezzlement or misappropriation of funds or corruption or similar financial indiscipline. Further, the investigation team was of the view that the alleged practices are restricted to pure money segment of the radio business and thus, is restricted only to the radio business of HTML and that of its subsidiary companies and the personnel working in the said business division. Some of the members of the senior management of the radio business were found to be aware of and were monitoring the said trackers, containing the details of the invoices being burned or adjusted against future orders. As per the same the entries regarding overstated revenues in the financials were identified and rectified.

Accordingly, the Board of Directors at its meeting held on November 27, 2020 has approved the revised financial statements for the financial year ended on March 31, 2020 which were subsequently approved by the shareholders at their 39th AGM held on December 29, 2020.

For RMG & Associates
Company Secretaries
Firm Registration No. P2001DE16100
Peer Review No. : 734 / 2020

Sd/-

Date : June 16, 2021
Place : New Delhi
UDIN : F005123C000468245

CS Manish Gupta
Partner
FCS: 5123; C.P. No.: 4095

This report is to be read with 'Annexure' attached herewith and forms an integral part of this report.

ANNEXURE TO SECRETARIAL AUDIT REPORT

To,
The Members
Next Mediaworks Limited
(CIN: L22100MH1981PLC024052)
Unit 701 A, 7th Floor, Tower 2, Indiabulls Finance Centre
Senapati Bapat Marg, Elphinstone Road
Mumbai, Maharashtra - 400013

Our Secretarial Audit Report of even date, for the financial year ended March 31, 2021 is to be read along with this letter:

1. It is the responsibility of management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operating effectively.

2. Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.

3. We believe that audit evidence and information obtained from the Company's management is adequate and appropriate for us to provide a basis for our opinion.

4. Wherever required, we have obtained the management's representation about the compliance of laws, rules and regulations and happening of events etc.

5. The Secretarial Audit Report is neither an assurance as to future viability of the Company nor of the efficacy or effectiveness with which the management has conducted affairs of the Company.

6. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

7. We have conducted online verification & examination of records, as facilitated by the Company, due to Covid 19 and subsequent lockdown situation for the purpose of issuing this Report.

For RMG & Associates
Company Secretaries
Firm Registration No. P2001DE16100
Peer Review No. : 734 / 2020

Sd/-
CS Manish Gupta
Partner
FCS: 5123; C.P. No.: 4095

Date : June 16, 2021
Place : New Delhi
UDIN : F005123C000468245

ANNEXURE - B TO BOARD'S REPORT

Secretarial Audit Report of Next Radio Limited

For the financial year ended on March 31, 2021

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To
The Members
Next Radio Limited
(CIN: U32201MH1999PLC122233)
Unit 701A, 7th Floor, Tower 2, Indiabulls Finance Centre
Senapati Bapat Marg, Elphinstone Road
Mumbai – 400 013

We have conducted the secretarial audit of the compliance of the applicable statutory provisions and the adherence to good corporate practices by **Next Radio Limited** (hereinafter referred to as the 'Company' or 'NRL'), having its Registered Office at Unit 701A, 7th Floor, Tower-2, Indiabulls Finance Centre, Senapati Bapat Marg, Elphinstone Road, Mumbai – 400 013. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification, *to the extent possible due to COVID-19 pandemic*, of the Company's books, papers, minutes books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended **March 31, 2021**, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records as maintained by the Company for the financial year ended on March 31, 2021 according to the provisions of:

I. The Companies Act, 2013 (the 'Act') and the rules made thereunder;

II. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder; **(Not applicable as the Company has not listed any of its securities on any Stock Exchange)**

III. The Depositories Act, 1996 and the regulations and Bye-laws framed thereunder by the Depositories with regard to de-materialisation/re-materialisation of securities and reconciliation of records of dematerialized securities with all securities issued by the Company;

IV. Foreign Exchange Management Act, 1999 and rules and regulations made thereunder to the extent of Foreign Direct Investment ('FDI'); (**Not applicable**)

V. The Company being an unlisted Company was not required to comply with any of the regulation and / or guidelines as prescribed by the Securities and Exchange Board of India in this regard under the Securities and Exchange Board of India Act, 1992, except the following:

   - The Securities and Exchange Board of India (Registrar to an Issue and Share Transfer Agents) Regulation 1993, regarding the Act and dealing with client to the extent of De-materialisation of Securities by the Company.

VI. As informed by the management and verified by us, following are the other applicable laws as applicable to the Company:

(a) Telecom Regulatory Authority of India Act, 1997;
(b) Indian Telegraphy Act, 1885;
(c) Indian Wireless Telegraphy Act, 1933;

For the compliances of applicable Environmental Laws, Labour Laws & other General Laws, our examination and reporting is based on the documents, records and files as produced and shown to us and the information and explanations as provided to us, by the officers and management of the Company and to the best of our judgment and understanding of the applicability of the different enactments upon the Company, in our opinion there are systems and processes exist in the Company to monitor and ensure compliance with applicable Environmental Laws, Labour Laws & other General Laws, rules, regulations and guidelines as the Company has developed comprehensive legal compliance scheduling and management software by which specific compliance tasks were assigned to specified officials. The software enables in planning and monitoring all compliance activities across the Company.

The compliance by the Company of applicable financial laws, like direct and indirect tax laws, have not been reviewed in this audit since the same have been subject to review by the statutory auditor and other designated professionals.

We have also examined compliance with the applicable clauses of the following:

1. Secretarial Standards with respect to Meetings of Board of Directors (SS-1) and General Meetings (SS-2) issued by the Institute of Company Secretaries of India. However, stricter applicability of Secretarial Standards is advised to the company.

2. General Circular Nos.14/2020, 17/2020 and 20/2020 dated April 08, 2020, April 13, 2020 and May 05, 2020, respectively, issued by the Ministry of Corporate Affairs and to hold Extra-Ordinary General Meetings/ Annual General Meetings through Video Conferencing (VC) or other audio-visual means (OAVM).

3. Notification No. G.S.R 186 (E) dated March 19, 2020 read with Notification No. G.S.R 395 (E) dated June 23, 2020 issued by the Ministry of Corporate Affairs, to conduct the Meetings of the Board or its committees through Video Conferencing (VC) or other audio-visual means (OAVM).

During the period under review, the Company had generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, Circulars, Notifications etc. mentioned above.

We Further Report that

- the Board of Directors of the Company is constituted with proper balance of Executive Director(s), Non-Executive Director(s), Independent Director(s) during the period under review. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the applicable provisions of the Act.

- adequate notice(s) were given to all directors to schedule the Board/committee Meetings, agenda and detailed notes on agenda were sent in accordance with the applicable laws, as mentioned here above and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

- all the decision of the Board/its committees were taken adequately, while the dissenting members' views, if any, are captured and recorded as part of the minutes;

- the Company filed all the forms, returns, documents and resolutions as were required to be filed with the Registrar of Companies and other authorities, and all the formalities relating to the same are in compliance with the Act; and

We further report that during the audit period, the Company has following specific events/actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc. referred to above:

(i) NRL and its wholly owned subsidiary company viz. Syngience Broadcast Ahmedabad Limited ('SBAL') filed a joint application before Hon'ble National Company Law Tribunal, Mumbai Bench ('NCLT') on May 21, 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 for transfer of Ahmedabad FM Radio license from NRL to SBAL pursuant to the Scheme and as a result of which the Scheme did not come into effect. The joint 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, which has also been updated on MCA portal on November 6, 2020.

(ii) The Board of Directors of NRL and SBAL, at their respective meetings held on March 31, 2021, have considered and approved a draft Scheme of Amalgamation under Sections 230 to 232 of the Companies Act, 2013 and other applicable provisions of the Act and rules made thereunder ('Scheme'), in terms whereof, SBAL will be merged into NRL. The Scheme has been filed with Hon'ble National Company Law Tribunal, Mumbai Bench on June 7, 2021.

(iii) A Whistle Blower complaint was received by HT Media Limited, Holding Company ("HTML") in August, 2020, alleging anomalies resulting in deficiencies in certain financial reporting processes of the radio business of HTML and its subsidiaries including Next Radio Limited (NRL).

The Annual General Meeting of the Company scheduled for September 17, 2020 was deferred and an Independent Law Firm was appointed to investigate the matter and submit report thereon.

Pursuant to the investigation, following anomalies during financial years 2019-20 and 2020-21 were affirmed:

- Practice of pre-billing (i.e., billing and booking revenue for services yet to be consumed/ delivered or burnt) for reporting higher revenue. Such billing remaining unconsumed/ undelivered.

- Debtor ageing management by issuance of credit notes and new invoices to avoid higher provisioning for bad debts.

- Improper balance confirmation processes to establish audit trails, which largely remained unconfirmed during the confirmation process.

- Internal tracking of pre-billing amounts not reflecting in the system software like SAP.

- Potentially improper credit approvals including forced/ credit approval under protest at the instructions of leadership of the radio business

The above affirmations established a financial impact on the radio business of the company. As per the Investigation Report, the investigation did not reveal existence of personal profiteering or siphoning of funds or embezzlement or misappropriation of funds or corruption or similar financial indiscipline. Further, the Investigation Team was of the view that the alleged practices are restricted to pure money segment of the radio business and thus, is restricted only to the radio business of HTML and that of its subsidiary Companies and the personnel working in the said business division. Some of the members of the senior management of the radio business were found to be aware of and were monitoring the said trackers, containing the details of the invoices being burned or adjusted against future orders. As per the same the entries regarding overstated revenues in the financials were identified and rectified. Accordingly, the Board of Directors at its meeting held on November 27, 2020 has approved the revised financial statements for the financial year ended on March 31, 2020, which were subsequently approved by the shareholders at their 20th AGM held on December 22, 2020 .

For RMG & Associates
Company Secretaries
Firm Registration No. P2001DE16100
Peer Review No.: 734 / 2020

Sd/-
CS Manish Gupta
Partner
FCS: 5123; C.P. No.: 4095

Date: June 16, 2021
Place: New Delhi
UDIN: F005123C000468267

This report is to be read with 'Annexure - I' attached herewith and forms an integral part of this report.

Annexure - I TO SECRETARIAL AUDIT REPORT OF NEXT RADIO LIMITED

To
The Members
Next Radio Limited
(CIN: U32201MH1999PLC122233)
Unit 701A, 7th Floor, Tower 2, Indiabulls Finance Centre
Senapati Bapat Marg, Elphinstone Road
Mumbai – 400 013

Our Secretarial Audit Report of even date, for the financial year ended March 31, 2021 is to be read along with this letter:

1. It is the responsibility of management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operating effectively.
2. Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.
3. We believe that audit evidence and information obtained from the Company's management is adequate and appropriate for us to provide a basis for our opinion.
4. Wherever required, we have obtained the management's representation about the compliance of laws, rules and regulations and happening of events etc.
5. The Secretarial Audit Report is neither an assurance as to future viability of the Company nor of the efficacy or effectiveness with which the management has conducted affairs of the Company.
6. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
7. We have conducted online verification & examination of records, as facilitated by the Company, due to Covid 19 and subsequent lockdown situation for the purpose of issuing this Report.

For RMG & Associates
Company Secretaries
Firm Registration No. P2001DE16100
Peer Review No.: 734 / 2020

Sd/-
CS Manish Gupta
Partner
FCS: 5123; C.P. No.: 4095

Date: June 16, 2021
Place: New Delhi
UDIN: F005123C000468267

ANNEXURE - D TO BOARD'S REPORT

Details pertaining to remuneration as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

i. The ratio of remuneration of each Director to the median remuneration of the employees and percentage increase in remuneration of each Director and Key Managerial Personnel during the financial year ended on March 31, 2021, is as under -

Name of Director/KMP & designation	Remuneration for FY-21 (Rs. in Lac)	% increase in remuneration in FY-21	Ratio of remuneration of each Director to median remuneration of employees in FY-21[@]
Mr. Ajay Relan *Independent Director*	10.00[&]	5.26%	0.56
Mr. Sameer Singh *Independent Director*	8.50[&]	Not comparable^	0.47
Ms. Suchitra Rajendra *Independent Director*	9.50[&]	11.76%	0.53
Ms. Diksha Singh Company Secretary	13.64	Not comparable^	Not applicable

[@] Mean of remuneration of employees during FY-21 was Rs.18 Lac (Median could not be calculated as there were only 2 employees as on March 31, 2021)

[&]comprise of sitting fee for attending Board/Committee meetings, as applicable

^remuneration not comparable owning to appointment during FY-20

Note:

a. Perquisites have been valued as per Income Tax Act, 1961.

b. Save and except the above, no remuneration was paid by the Company, to directors/ KMPs during FY-21.

c. Mr. Harshad Jain and Mr. Abhishek Kapoor, ceased to be CEO and CFO, respectively, of the Company and subsidiary company viz. Next Radio Limited ("NRL") w.e.f. November 26, 2020. They drew remuneration from NRL during FY-21.

d. Mr. Ramesh Menon and Mr. Anup Sharma were appointed as CEO and CFO, repsectively, of the Company and NRL w.e.f. November 27, 2020. They drew remuneration from NRL during FY-21.

ii. There was a decrease of 3.59% in the Mean of remuneration of employees of the Company in FY 21 (Mean of remuneration was calculated for FY-20 and FY-21 as there were only 2 employees as on March 31, 2021).

iii. As on March 31, 2021, there were 2 permanent employees on the rolls of the Company.

iv. During FY-21, there was no change in the remuneration of employees. Further, no managerial remuneration was paid by the Company during the year.

v. It is hereby affirmed that the remuneration is as per the Remuneration Policy of the Company.

For and on behalf of the Board

(Praveen Someshwar)
Chairman
DIN: 01802656

Date: June 16, 2021
Place: New Delhi

ANNEXURE - E TO BOARD'S REPORT

Compliance Certificate

To,
The Members
Next Mediaworks Limited
(CIN: L22100MH1981PLC024052)
Unit 701 A, 7th Floor, Tower 2, Indiabulls Finance Centre
Senapati Bapat Marg, Elphinstone Road
Mumbai, Maharashtra - 400013

We have examined the compliance of conditions of Corporate Governance by **Next Mediaworks Limited** (hereinafter referred to as the **'Company'**), having its Registered Office at Unit 701A, 7th Floor, Tower 2, Indiabulls Finance Centre, Senapati Bapat Marg, Elphinstone Road, Mumbai, Maharashtra - 400013, for the year ended on March 31, 2021, as stipulated in the relevant provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time (**"Listing Regulations"**).

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to a review of procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has compiled with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Regulations.

We further state that this certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For RMG & Associates
Company Secretaries
Firm Registration No. P2001DE16100
Peer Review No. : 734 / 2020

Sd/-

CS Manish Gupta
Partner
FCS: 5123; C.P. No.: 4095

Date : June 16, 2021
Place : New Delhi
UDIN : F005123C000468223

REPORT ON CORPORATE GOVERNANCE

In your Company, Corporate Governance embraces the tenets of trusteeship, accountability and transparency. Adherence to each of these principles has set a culture in the Company, wherein good Corporate Governance underlines interface with all stakeholders. In addition to compliance with regulatory requirements, the Company endeavors to ensure that highest standards of ethical and responsible conduct are met across the organization. With this belief, the Company has implemented various measures for balanced care for all stakeholders.

A report on Corporate Governance in accordance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), is outlined below.

BOARD OF DIRECTORS

Composition of the Board

As on March 31, 2021, the entire Board comprised of Non-executive Directors. In accordance with SEBI Listing Regulations, your Company complies with the requirement of at least one-half of the Board to comprise of Independent Directors including one Woman Independent Director.

The composition of the Board of Directors as on March 31, 2021 is as follows:

Name of the Director	Date of appointment	Relationship between Directors, *inter-se*	Director Identification Number (DIN)
Independent Directors			
Mr. Ajay Relan	April 18, 2019	None	00002632
Mr. Sameer Singh	January 13, 2020	None	08138465
Ms. Suchitra Rajendra	April 18, 2019	None	07962214
Non-Executive Non-Independent Directors			
Mr. Praveen Someshwar*	April 18, 2019	None	01802656
Mr. Dinesh Mittal	April 18, 2019	None	00105769
Mr. Samudra Bhattacharya	December 30, 2020	None	02797819

** designated as Chairman (Non-executive) of the Board w.e.f. June 16, 2021*

During the year, Mr. Harshad Jain resigned from the Board of Directors w.e.f. November 26, 2020.

The Non-executive Directors do not hold any shares in the Company, except Mr. Dinesh Mittal, who holds 5 equity shares.

Further, none of the Directors on the Board have been debarred or disqualified from being appointed or continuing as director of a company by SEBI/ Ministry of Corporate Affairs or any other statutory authority. The certificate of RMG & Associates, Company Secretaries, certifying the same, is appearing in this report as "**Annexure - I**".

The Directors hold qualifications, and possess requisite skills, expertise, competence and experience in general corporate management, finance, legal, banking, economics and other allied fields, which enable them to contribute effectively to the Company. Brief profile of each of the Directors is available on the Company's website at http://nextmediaworks.com/board-of-directors.php.

Matrix setting out the core skills/ expertise/ competence of the Board

The matrix setting out the skills/expertise/competence of individual Directors is given below:

Area of skill/ expertise	Board of Directors as on March 31, 2021					
	Mr. Ajay Relan	Mr. Sameer Singh	Ms. Suchitra Rajendra	Mr. Praveen Someshwar	Mr. Dinesh Mittal	Mr. Samudra Bhattacharya
Part A - Industry knowledge/experience						
Knowledge of Media & Entertainment Industry	√	√	√	√	√	√
Understanding of laws, rules, regulations and policies applicable to Media & Entertainment Industry	√	√	√	√	√	√
Part B - Technical skills/experience						
General management	√	√	√	√	√	√
Accounting and finance	√	√	-	√	√	√
Strategic planning/ business development	√	√	√	√	√	√
Information technology	√	√	√	√	√	√
Talent management	√	√	√	√	√	√
Part C - Behavioural Competencies						
Integrity and ethical standards	√	√	√	√	√	√
Decision making	√	√	√	√	√	√
Problem solving skills	√	√	√	√	√	√

Directors' attendance and Directorships held

Due to outbreak of the pandemic and consequent relaxations granted by the Ministry of Corporate Affairs, majority of the meetings of Board of Directors were held via video-conferencing, during the financial year ended on March 31, 2021.

During the financial year ended on March 31, 2021, six Board meetings were held, details whereof are as follows:

Date of Board Meeting	Board Strength	Number of Directors present	Number of Independent Directors present
June 23, 2020	6	6	3 out of 3
July 23, 2020	6	6	3 out of 3
November 18, 2020	6	3	1 out of 3
November 27, 2020	5	5	3 out of 3
January 15, 2021	6	6	3 out of 3
February 11, 2021	6	5	3 out of 3

Attendance records of the Directors at the Board meetings held during FY-21, and details of other directorships/ committee positions held by them as on March 31, 2021 in Indian public limited companies, are as follows:

Name of the Director	No. of Board meetings attended during FY-21	No. of other directorship held	Committee positions held in other companies^		Directorships held in other listed companies and category
			Chairperson	Member#	
Mr. Ajay Relan	6	6	4	3	i. Hindustan Media Ventures Limited *Independent Director* ii. HT Media Limited *Independent Director* iii. Digicontent Limited *Independent Director* iv. Capri Global Capital Limited *Independent Director*
Mr. Sameer Singh	5	1	0	1	-
Ms. Suchitra Rajendra	5	2	0	2	i. Digicontent Limited *Independent Director*
Mr. Praveen Someshwar	5	9	0	6	i. Hindustan Media Ventures Limited *Managing Director* ii. HT Media Limited *Managing Director & CEO* iii. Digicontent Limited *Non-executive Director*
Mr. Dinesh Mittal	6	8	0	1	i. Digicontent Limited *Non-executive Director*
Mr. Samudra Bhattacharya*	2	1	-	-	-
Mr. Harshad Jain@	2	← Not applicable →			

^only Audit Committee and Stakeholders' Relationship Committee have been considered

#does not include Chairmanship(s)

**appointed as Additional director w.e.f. December 30, 2020*

@resigned w.e.f. November 26, 2020

The number of directorships, committee membership(s)/ chairpersonship(s) of all Directors are within the respective limits prescribed under the Companies Act, 2013 (the "Act") and SEBI Listing Regulations.

All the directors attended the last Annual General Meeting of Members of the Company on December 29, 2020 via video-conferencing.

Board Procedure

Detailed agenda notes, setting out the business(es) to be transacted at Board/Committee meeting(s) are provided in advance, and decisions are taken after due deliberations. In case where it is not practicable to forward the relevant document(s) with the agenda papers, the same are circulated before the meeting or placed at the meeting. The agenda notes of the Board and Committee meetings are circulated electronically through a secured IT platform. The Directors are provided with video-conferencing facility to enable them to join the Board/ Committee meeting(s).

Quality debates and participation by all directors and invitees are encouraged at Board/ Committee meetings. The Board engages with the management during business reviews, and provides constructive suggestions and guidance on various issues, including strategy, as required from time to time.

In order to meet business exigencies, matters which require board / committee approval, are approved by way of resolution(s) passed by circulation, which are permissible by law to be passed as such.

The Board gives due attention to governance and compliance related issues, including the efficacy of systems of internal financial controls, risk management, avoidance of conflict of interest, and redressal of employee/ stakeholders' grievances, among others.

In line with Para 4 of Schedule B of SEBI (Prohibition of Insider Trading) Regulations, 2015, it is endeavor of the Company that the gap between the recommendation of financials/ accounts by Audit Committee and approval at the Board meeting is as narrow as possible.

The information provided to the Board from time to time, *inter-alia*, include the item(s) mentioned under Regulation 17(7) of the SEBI Listing Regulations.

REMUNERATION PAID TO DIRECTORS

During the financial year ended on March 31, 2021, the Independent Directors were paid sitting fee @ Rs. 1,00,000 and Rs. 50,000 per Board and Committee meetings, respectively. The details of sitting fee paid to the Directors during FY-21, are as under:

Name of Director	Sitting fee paid (Rs. in Lac)
Mr. Ajay Relan	10.00
Mr. Sameer Singh	8.50
Ms.Suchitra Rajendra	9.50

No commission was paid to the Directors during FY-21.

During the year, Mr. Harshad Jain, held office as CEO & MD (KMP) upto November 26, 2020 on nil remuneration.He drew remuneration from the subsidiary company *viz.* Next Radio Limited.

During the year under review, none of the Non-executive Director had any material pecuniary relationship or transactions vis-a-vis the Company, other than payment of sitting fee as mentioned above.

BOARD COMMITTEES

As at year end, following four standing committees of the Board of Directors were in place, which were delegated requisite powers to discharge their functions.

These committees are as follows –

a) Audit Committee

b) Stakeholders' Relationship Committee

c) Nomination & Remuneration Committee

d) Banking & Finance Committee

The role and composition of these committees, particulars of meetings held during the financial year ended on March 31, 2021 and attendance of Directors thereat, are given hereunder.

(a) Audit Committee

Audit Committee of the Board of Directors comprises of four members, including three Independent Directors. The Audit Committee acts as the link between the Statutory Auditors & Internal Auditor and Board of Directors of the Company.

The terms of reference of the Audit Committee are in accordance with the Act, and SEBI Listing Regulations which, *inter-alia*, include oversight of Company's financial reporting process and disclosure of financial information to ensure that the financial statements are correct, sufficient and credible; recommending the appointment, re-appointment, remuneration and terms of appointment of auditors and approval of payment for other services rendered by statutory auditor; reviewing with the management quarterly results and annual financial statements before submission to the Board for approval; approval or subsequent modification of transactions with related parties; review and monitor the auditor's independence and performance and effectiveness of audit process; scrutiny of inter corporate loans and investments; valuation of undertakings or assets of the Company, whenever it is necessary; evaluation of internal financial controls and risk management system; reviewing with the management, performance of statutory and internal auditors and adequacy of the internal control systems; and reviewing the functioning of the whistle blower mechanism.

During the financial year ended on March 31, 2021, six meetings of the Audit Committee were held. The composition of Audit Committee, date on which the meetings were held and attendance of Directors at the said meetings, are as follows:

Name of the Director	Category	Attendance at the meetings held on					
		June 23, 2020	July 23, 2020	September 15, 2020	November 26, 2020*	January 15, 2021	February 10, 2021
Mr. Ajay Relan *(Chairman)*	Independent Director	√	√	√	√	√	√
Mr. Sameer Singh	Independent Director	√	√	√	√	√	√
Ms. Suchitra Rajendra	Independent Director	√	√	√	√	√	√
Mr. Praveen Someshwar	Non-executive Director	√	√	√	√	√	-

** concluded on November 27, 2020 with an adjournment in between*

Due to the pandemic, all Audit Committee meetings were held via Video-conferencing during FY-21.

Chairman of Audit Committee is a Non-executive Independent Director who has accounting and related financial management expertise.

All the members of Audit Committee are financially literate. The Audit Committee satisfies the criteria of two-third of its members being Independent Directors.

Chief Executive Officer, Chief Financial Officer and Internal Auditor also attended the meetings of Audit Committee. Representatives of Statutory Auditor are permanent invitees to the meetings of Audit Committee.

Company Secretary acts as Secretary to the Committee.

(b) Stakeholders' Relationship Committee (SRC)

SRC of the Board of Directors comprises of three Directors including one Independent Director. Chairman of the Committee is a Non-executive Independent Director.

The terms of reference of SRC are in accordance with the Act and SEBI Listing Regulations. The role of SRC includes, *inter-alia*, resolving grievances of the security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc; review of measures taken for effective exercise of voting rights by shareholders; review of adherence to the service standards adopted by the Company in respect of various services rendered by the Registrar & Share Transfer Agent; and review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/ annual reports/statutory notices by the shareholders of the Company.

The Committee discharges such other function(s) as may be delegated by the Board from time to time.

During the financial year ended on March 31, 2021, one meeting of SRC was held. The composition of SRC and attendance of the Directors at the said meeting, are as follows:

Name of the Director	Category	Attendance at the meeting held on March 16, 2021
Mr. Praveen Someshwar *(Chairman)*	Non-executive Director	√
Ms. Suchitra Rajendra	Independent Director	√
Mr. Dinesh Mittal	Non-executive Director	√

Company Secretary is the Compliance Officer of the Company.

The status of investor complaint(s) during the financial year ended on March 31, 2021, is as follows:

Opening balance	Received	Resolved	Closing balance
←	Nil		→

The status of investor complaints is reported to the Board of Directors from time of time.

(c) Nomination & Remuneration Committee (NRC)

NRC comprises of three Non-executive Directors. Chairman of NRC is a Non-executive Independent Director.

The terms of reference of NRC are in accordance with the requirements of the Act and SEBI Listing Regulations, which, *inter-alia*, include identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board their appointment and removal; carry out evaluation of every director's performance; formulate the criteria for determining qualifications, positive attributes and independence of a director; and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees; and recommend to the Board, all remuneration, in whatever form, payable to senior management.

The Board of Directors have adopted the Remuneration Policy for Directors, Senior Management Personnel including Key Managerial Personnel and other employees. The Remuneration Policy has been framed to attract, motivate and retain talent by offering an appropriate remuneration package, and also by way of providing a congenial & healthy work environment. This Policy is hosted on Company's website at http://nextmediaworks.com/NMW-Revised-Remuneration-Policy-Final.pdf.

During the financial year ended on March 31, 2021, one meeting of NRC was held. The composition of NRC and attendance of Directors at the said meeting, is as follows:

Name of the Director	Category	Attendance at the meeting held on November 26, 2020
Mr. Ajay Relan *(Chairman)*	Independent Director	√
Ms. Suchitra Rajendra	Independent Director	√
Mr. Praveen Someshwar	Non-executive Director	√

(d) Banking & Finance Committee (BFC)

BFC of Directors has been entrusted with functions/ powers relating to banking and finance matters.

During the financial year ended on March 31, 2021, BFC met once. The composition of BFC and attendance of Directors at the said meeting, is as follows:

Name of the Director	Category	Attendance at the meeting held on June 23, 2020
Mr. Praveen Someshwar *(Chairman)*	Non-executive Director	√
Mr. Harshad Jain*	Executive Director	√
Mr. Dinesh Mittal	Non-executive Director	-
Mr. Samudra Bhattacharya#	Non-executive Director	Not applicable

** ceased to be Director and member of BFC w.e.f. November 26, 2020*

 # appointed as member of BFC w.e.f. January 15, 2021

COMMITTEE OF INDEPENDENT DIRECTORS

In terms of the requirement of SEBI's Circular no. CFD/DIL3/CIR/2017/21 dated March 10, 2017 as amended vide circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/215 dated November 3, 2020, a Committee of Independent Directors was constituted by the Board of Directors on February 8, 2021 in relation to a Composite Scheme of Amalgamation under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 and the Rules framed thereunder, between the Company, Digicontent Limited and HT Mobile Solutions Limited ("Transferor Companies") and HT Media Limited (the "Transferee Company") and their respective shareholders and creditors. All the Independent Directors were appointed as members of this Committee.

The Committee met once on February 10, 2021, and the meeting was attended by all the independent directors.

GENERAL BODY MEETINGS

Details of the last three Annual General Meetings ('AGM') are as under:

Date & Time	December 29, 2020 at 11.00 AM	September 12, 2019 at 11.30 AM	September 20, 2018 at 3.00 PM
Venue	Held via video-conferencing due to the pandemic, in compliance of the circulars issued by Ministry of Corporate Affairs in this regard.	Sunville Banquet, 9 Dr. Annie Besant Road, Near Poonam Chambers, Worli, Mumbai- 400 018	Hall of Harmony, Nehru Centre, Dr. Annie Besant Road, Worli, Mumbai – 400 018
Special resolution(s) passed	None	None	Approval of transfer of assets of the Company to Inquilab Offset Printers Limited

No Extra-ordinary General Meeting was held during last three years. Also, there was no Postal Ballot activity during the financial year ended on March 31, 2021. At present, no Special Resolution is proposed to be passed through Postal Ballot.

DISCLOSURES

During the financial year ended on March 31, 2021, all transactions entered into with related parties covered under the Act, and Regulation 23 of SEBI Listing Regulations, were in the ordinary course of business and on arm's length terms, and they did not attract the provisions of Section 188 of the Act. There were no materially significant related party transactions that may have a potential conflict with the interests of the Company at large. The Audit Committee reviewed the statement containing details of transactions with the related parties, on quarterly basis.

The required disclosures on related parties and transactions with them, are appearing in note no. 26 of Standalone Financial Statements. The Company has formulated the 'Policy on Materiality of and dealing with Related Party Transactions', which is hosted on the Company's website at http://nextmediaworks.com/RPT-Policy-Revised-NMW.pdf.

No penalty or stricture was imposed on the Company by SEBI or other statutory authority for non-compliance during last three years on any matter, related to capital markets, except the following fine imposed by NSE and BSE for:

(i) delay in filing of the Shareholding Pattern of the Company under Regulation 31 of SEBI Listing Regulations for the quarter ended on June 30, 2019, on account of delay in receipt of requisite disclosures with respect to Significant Beneficial Ownership.

(ii) delay in submission of the Un-audited Financial Results for the quarter and half-year ended on September 30, 2020, due to investigation of a whistle blower complaint received from a named employee alleging anomalies in certain practices adopted in the radio business of the subsidiary company *viz.* Next Radio Limited ('NRL'), which led to financial implications on previous period financial results/ statements.

The Company has prepared the financial statements to comply in all material respects with the Accounting Standards notified under Section 133 of the Act, read with Companies (Accounts) Rules, 2014. The CEO & CFO certificate in terms of Regulation 17(8) of SEBI Listing Regulations has been placed before the Board.

The Independent Directors have the requisite qualifications and experience which enable them to contribute effectively. Terms and conditions of appointment of Independent Directors are hosted on Company's website at http://nextmediaworks.com/Terms-and-Conditions-of-appointment-of-Independent-Directors.pdf.

All the Independent Directors meet the criteria of independence specified in Section 149(6) of the Act and Regulation 16 of the SEBI Listing Regulations, and are independent of the management.

The Company has complied with some of the non-mandatory requirements of SEBI Listing Regulations on Corporate Governance. The report of Statutory Auditor on Annual Financial Statements for the financial year ended on March 31, 2021 does not contain any qualification, reservation, adverse remark or disclaimer.

The Whistle Blower Policy provides opportunity to the directors/ employees/ stakeholders of the Company to report concerns about unethical behavior, actual or suspected fraud by any Director and/or employee of the Company or any violation of the Company's Code of Conduct and any incident of leak or suspected leak of Unpublished Price Sensitive Information (UPSI). The policy provides for adequate safeguards against victimization of the whistle blower. The Policy is hosted on the Company's website at http://nextmediaworks.com/NMW-WB-Policy.pdf. During FY-21, no person was denied access to the Audit Committee.

The Company did not raise any funds through preferential allotment or qualified institutions placement as specified under Regulation 32(7A) of the SEBI Listing Regulations during the year under review.

During the year under review, all the recommendations made by the committee(s) of directors have been duly accepted by the Board of Directors.

During the financial year ended on March 31, 2021, Company did not issue any debt instrument or fixed deposit programme, and thus, there was no requirement of obtaining credit rating.

During the year under review, the Company has complied with all mandatory requirements specified in Regulations 17 to 27 and clause (b) to (i) of Regulation 46(2) of the SEBI Listing Regulations, as applicable.

FEES PAID TO STATUTORY AUDITORS

Details of fee paid by the Company and its subsidiary viz. NRL, during FY 2020-21, to B S R and Associates, Chartered Accountants ('BSR'), Statutory Auditor, and to all entities in the network firm / network entity of which BSR is a part, are as follows:

Particulars	Amount* (Rs. in Lac)
Audit fee	24.00
Fee for Limited Review of Quarterly Results	1.50
Special Purpose Audit fee	11.95
Fee for miscellaneous certifications	4.00
Total	**41.45**

**exclusive of applicable taxes & levies and re-imbursement of out-of-pocket expenses*

PREVENTION OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE

During the year under review, no complaint was filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

PERFORMANCE EVALUATION

The process followed for evaluation of performance of the Board, its Committees, individual directors and the Chairperson for the financial year ended on March 31, 2021 along with criteria for the same, is outlined in the Board's Report.

FAMILIARIZATION PROGRAMME

Your Company conducts induction and familiarization programme for Independent Directors. The Company, through such programme, familiarizes the Independent Directors with the background of the Company, nature of the industry in which it operates, business model, business operations, etc. The programme also includes interactive sessions with leadership team for better understanding of business strategy, operational performance, product offerings, marketing initiatives etc. Details of familiarization programme for Independent Directors are hosted on the Company's website at http://nextmediaworks.com/Familiarisation-Programme-Website-(FY-21).pdf.

MEETING OF INDEPENDENT DIRECTORS

During the year, a separate meeting of Independent Directors was held on January 12, 2021 without the presence of Non-Independent Directors and members of the management, wherein performance of Non-Independent Directors and the Board as a whole was evaluated, taking into account the views of other Directors.

CODE OF CONDUCT

The Company has adopted a "Code of Conduct" governing the conduct of Directors and Senior Management Personnel which is available on the website of the Company at http://nextmediaworks.com/NMW-Code-of-Conduct.pdf.

The Board Members and Senior Management Personnel are expected to adhere to the Code, and have accordingly, affirmed compliance of the same during FY-21. The declaration of CEO affirming compliance of the Code by the Board Members and Senior Management Personnel of the Company during FY-21, is appearing at the end of this report as "**Annexure - II**".

PROHIBITION OF INSIDER TRADING OF SHARES

In compliance of the SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company has adopted the 'Code of Conduct to Regulate, Monitor and Report Trading by Designated Persons' and the "Code for Fair disclosure of Unpublished Price Sensitive Information".

POLICY ON MATERIAL SUBSIDIARIES

The subsidiary companies are managed by their Board which are entrusted with the responsibility to manage the affairs in the best interest of all stakeholders. The Company has formulated 'Policy for determining Material Subsidiary(ies)' which is hosted on the Company's website at http://nextmediaworks.com/Material-Subsidiary-NMW.pdf.

MEANS OF COMMUNICATION

- **Financial Results**

  The quarterly, half yearly and annual financial results of the Company are published in 'Mint' (English newspaper) and 'Navshakti' or 'VrittaManas' (Marathi newspapers). The financial results are also forwarded to the investors via e-mail, whose e-mail address is available. Investors are encouraged to avail this service/ facility by providing their e-mail address to the Depository Participant/ Company.

- **Company's Website**

  Important shareholders' information such as Annual Report, financial results etc. are displayed on the website of the Company *viz.* www.nextmediaworks.com.

- **Official News Releases, Presentations etc.**

  Official news releases shareholding pattern, detailed presentations made to media, analysts, institutional investors etc. if any, are displayed on the Company's website *viz.* www.nextmediaworks.com.

- **Stock Exchange filings**

  All disclosures are filed electronically on the portal/ web based application of BSE and NSE.

- **Management Discussion and Analysis**

  Management Discussion and Analysis (MD&A), covering the operations of the Company and its subsidiary company viz. NRL, forms part of this Annual Report.

- **Designated E-mail Id**

  The Company has designated an E-mail id *viz.* investor.commincation@radioone.in, for sending investor requests/ complaints.

GENERAL SHAREHOLDER INFORMATION

40th Annual General Meeting

Day, Date & Time	Thursday, September 23, 2021 at 11.00 AM
Venue	AGM will be conducted through video-conferencing/ OAVM. For details, please refer to the Notice of AGM.

As required under Regulation 36(3) of the SEBI Listing Regulations and Secretarial Standards 2 (General Meetings), particulars of Directors(s) seeking appointment/ re-appointment at the AGM are given in the Annexure to the Notice convening this AGM.

Financial Year

April 1 of each year to March 31 of next year.

Financial Calendar (Tentative)

Results for quarter ended June 30, 2021	End of July, 2021
Results for quarter and half year ended September 30, 2021	End of October, 2021
Results for quarter and nine months period ending December 31, 2021	End of January, 2022
Results for year ending March 31, 2022	End of May, 2022
Annual General Meeting for financial year ending March 31, 2022	Mid of September, 2022

Registrar & Share Transfer Agent

KFin Technologies Private Limited
Unit: Next Mediaworks Limited
Selenium Tower B, Plot No. 31 & 32
Gachibowli, Financial District
Nanakramguda, Serilingampally
Hyderabad – 500 032
Tel : +91 - 40 - 67162222
Fax : +91 - 40 - 23001153
Toll Free No. : 1800 309 4001
E-mail : einward.ris@kfintech.com
Website : www.kfintech.com

Share Transfer System

The equity shares of the Company are compulsorily traded in demat form. In terms of Regulation 40(1) of the SEBI Listing Regulations, as amended, equity shares can be transferred only in dematerialized form w.e.f. April 1, 2019, except in case of transmission or transposition of shares. Members are advised, in their own interest, to dematerialise the shares held by them in physical form. Transfer of equity shares in electronic form is effected through the depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

As required under Regulation 40(9) of SEBI Listing Regulations, the Company obtains a certificate on half-yearly basis from a Company Secretary-in-Practice, regarding share transfer formalities, which is filed with the stock exchanges.

Listing of Equity Shares on Stock Exchanges and Stock Codes

The Equity Shares of the Company are listed on the following Stock Exchanges:

Name of the Stock Exchange	Scrip Code / Trading Symbol
BSE Limited (BSE) Phiroze Jeejeebhoy Tower Dalal Street, Mumbai - 400 001	532416
National Stock Exchange of India Limited (NSE) Exchange Plaza, Plot No. C-1 G-Block, Bandra-Kurla Complex Bandra (East), Mumbai - 400 051	NEXTMEDIA

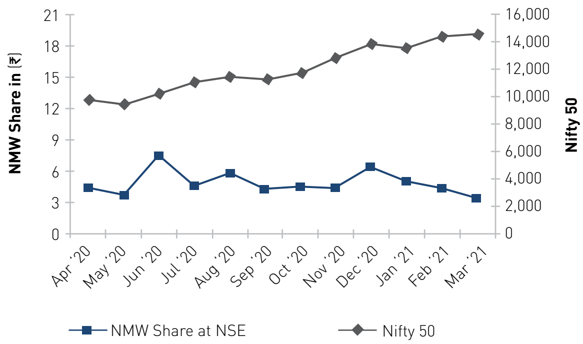
Annual listing fee for the financial year 2021-22 has been paid to both BSE and NSE.

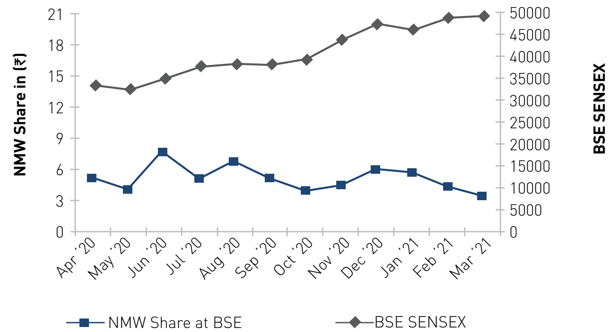
ISIN of the Equity Shares of the Company is '**INE747B01016**'.

Stock Price Data

Month	BSE				NSE			
	NEXTMEDIA		SENSEX		NEXTMEDIA		NIFTY 50	
	High (in ₹)	Low (in ₹)	High	Low	High (in ₹)	Low (in ₹)	High	Low
April, 2020	8.90	5.32	33,887.25	27,500.79	5.05	2.95	9,889.05	8,055.80
May, 2020	5.06	3.68	32,845.48	29,968.45	4.70	3.45	9,598.85	8,806.75
June, 2020	8.00	3.61	35,706.55	32,348.10	7.90	3.25	10,553.15	95,44.35
July, 2020	8.29	4.79	38,617.03	34,927.20	7.70	4.30	11,341.40	10,299.60
August, 2020	7.05	4.56	40,010.17	36,911.23	7.20	4.40	11,794.25	10,882.25
September, 2020	6.46	5.42	39,359.51	36,495.98	6.15	4.55	11,618.10	10,790.20
October, 2020	5.15	4.01	41,048.05	38,410.20	5.25	3.65	12,025.45	11,347.05
November, 2020	4.55	3.38	44,825.37	39,334.92	4.90	3.65	13,145.85	11,557.40
December, 2020	7.08	4.33	47,896.97	44,118.10	7.10	4.30	14,024.85	12,962.80
January, 2021	6.77	5.22	50,184.01	46,160.46	7.45	5.15	14,753.55	13,596.75
February, 2021	6.59	4.18	52,516.76	46,433.65	5.80	4.20	15,431.75	13,661.75
March, 2021	4.64	3.58	51,821.84	48,236.35	4.75	3.50	15,336.30	14,264.40

Performance in comparison to broad-based indices (Month-end closing)





Distribution of shareholding by size as on March 31, 2021

No. of Equity Shares held	No. of shareholders[@]	% of total shareholders	No. of Equity Shares held	% to total Equity Shares
Upto 500	11,282	83.05	17,13,338	2.56
501 – 1,000	1,128	8.30	9,56,272	1.43
1,001 – 5,000	879	6.47	20,41,614	3.05
5,001 – 10,000	148	1.09	11,17,266	1.67
10,001 & above	148	1.09	6,10,64,418	91.29
TOTAL	**13,585**	**100.00**	**6,68,92,908**	**100.00**

[@] *Pursuant to SEBI's circular, shareholding is consolidated on the basis of PAN and accordingly, number of shareholders is reduced from 13,779 to 13,585.*

Category-wise Shareholding Pattern as on March 31, 2021

Category	No. of Equity Shares held	% to total Equity Shares
Promoters & Promoter Group (A)	**5,01,61,307**	**74.99***
Public Shareholding (B)		
Foreign Institutional Investors	16,36,409	2.45
Bodies Corporate	45,56,870	6.81
Public	99,81,916	14.92
Non-Resident Indians	1,05,471	0.16
Clearing Members	23,007	0.03
HUF	4,14,076	0.62
IEPF	352	0.00
Trust	13,500	0.02
Total Public Shareholding	**1,67,31,601**	**25.01**
Non-Promoter Non-Public (C)	**0**	**0.00**
TOTAL (A+B+C)	**6,68,92,908**	**100.00**

** Consists of HT Media Limited and other promoters holding 51.00% and 23.99%, respectively*

Dematerialisation of shares and liquidity as on March 31, 2021

Category	No. of shareholders	% of total shareholders
Shares held in Demat form	6,68,91,019	99.9999
Shares held in Physical form	1,889	0.0001
Total	**6,68,92,908**	**100.0000**

Number of outstanding GDRs/ADRs/Warrants or any convertible instruments

No GDR/ADR/warrant or any convertible instrument has been issued by the Company during FY-21.

Commodity price risk or foreign exchange risk and hedging activities

The Company had no exposure to commodity or foreign exchange risk and there was no hedging activity during the year under review.

Plant location(s)

The Company did not carry out any manufacturing activity during the period under review.

Address for correspondence

Company Secretary & Compliance Officer Next Mediaworks Limited	Hindustan Times House (2nd Floor) 18-20, Kasturba Gandhi Marg New Delhi – 110 001 Tel: +91-11-66561234 E-mail: investor.communication@radioone.in Website: www.nextmediaworks.com

Compliance Officer

Ms. Diksha Singh, Company Secretary
Tel. +91-11-66561234

Company Registration Details

Your Company is registered with the office of Registrar of Companies, Mumbai. The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs is **L22100MH1981PLC024052**.

Compliance certificate

The certificate dated June 16, 2021 of RMG & Associates, Company Secretaries, regarding compliance of conditions of 'Corporate Governance' as stipulated under Schedule V of SEBI Listing Regulations, is annexed to the Board's Report.

Nomination facility

In terms of Section 72 of the Act, shareholders holding shares in demat and/or physical form may, in their own interest, register their nomination with Depository Participant or R&T Agent of the Company, as the case may be.

Trading Suspension

During the year under review, the securities of the Company were not suspended from trading.

NEXT MEDIAWORKS LIMITED

ANNEXURE - I TO REPORT ON CORPORATE GOVERNANCE

Certificate of Non-Disqualification of Directors

[Pursuant to Regulation 34(3) read with Clause (10)(i) of Para C of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,
The Members
Next Mediaworks Limited
(CIN: L22100MH1981PLC024052)
Unit 701 A, 7th Floor, Tower 2, Indiabulls Finance Centre
Senapati Bapat Marg, Elphinstone Road
Mumbai, Maharashtra - 400013

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Next Mediaworks Limited** (CIN: L22100MH1981PLC024052), having its Registered Office at Unit 701A, 7th Floor, Tower 2, Indiabulls Finance Centre, Senapati Bapat Marg, Elphinstone Road, Mumbai, Maharashtra- 400013 (hereinafter referred as the **"Company"**) and produced before us by the Company for the purpose of issuing this certificate, in pursuance of the provisions of Regulation 34(3) read with Clause 10(i) of Para C of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications [including Director Identification Number (DIN) status at the portal www.mca.gov.in] as considered necessary by us and explanations furnished to us by the Company, we hereby certify that none of the Directors on the Board of Director of the Company stated below, for the financial year ended March 31, 2021, have been debarred or disqualified from being appointed or continuing as directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other statutory authority.

Sr. No.	Name of Director	Director Identification Number (DIN)	Date of appointment in the Company
1.	Mr. Ajay Kumar Relan	00002632	18-04-2019
2.	Ms. Suchitra Rajendra	07962214	18-04-2019
3.	Mr. Sameer Singh	08138465	13-01-2020
4.	Mr. Praveen Someshwar	01802656	18-04-2019
5.	Mr. Dinesh Mittal	00105769	18-04-2019
6.	Mr. Samudra Bhattacharya	02797819	30-12-2020

Ensuring the eligibility for the appointment / continuity of a Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these, based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For RMG & Associates
Company Secretaries
Firm Registration No. P2001DE16100
Peer Review No. : 734 / 2020

Sd/-

Date : June 16, 2021
Place : New Delhi
UDIN : F005123C000468201

CS Manish Gupta
Partner
FCS: 5123; C.P. No.: 4095

ANNEXURE - II TO REPORT ON CORPORATE GOVERNANCE

Declaration of compliance with 'Code of Conduct' of the Company

I, Ramesh Menon, Chief Executive Officer, do hereby confirm that all the Board members and Senior Management Personnel of the Company have complied with the 'Code of Conduct' during the financial year 2020-21, save and except an instance reported by a whistle blower in August, 2020 regarding anomalies in certain practices adopted in the radio business of subsidiary company which formed part of this declaration for financial year 2020, and outcome whereof was reported to stock exchanges on November 27, 2020.

This declaration is based on and is in pursuance of the individual affirmations received from the Board members and the Senior Management Personnel of the Company.

Place: New Delhi
Date: May 30, 2021

(Ramesh Menon)
Chief Executive Officer

Financial Statements

INDEPENDENT AUDITOR'S REPORT

To the Members of Next Mediaworks Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of Next Mediaworks Limited ("the Company"), which comprise the standalone balance sheet as at 31 March 2021, and the standalone statement of profit and loss (including other comprehensive income), standalone statement of changes in equity and standalone statement of cash flows for the year then ended, and notes to the standalone financial statements, including a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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 2021, 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 Standalone 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 standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the Standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Description of Key Audit Matter

Impairment assessment of Investment in subsidiary

See note 2 to the standalone financial statements

The key audit matter	How the matter was addressed in our audit
The Company has performed an impairment assessment of its investment in subsidiary Next Radio Limited ('NRL') having carrying value of ₹ 2,174 lakhs (gross value before impairment ₹ 4,192 lakhs) as at 31 March 2021. The recoverable value is considered to be the higher of the Company's assessment of the value in use (VIU) and fair value less cost of disposal (FVLCD). The economic slowdown owing to the Covid-19 pandemic and other economic factors may impact the future cash flows of NRL and the key assumptions taken while computing VIU. The impairment testing of the above investment is considered as a key audit matter as it involves significant judgements and estimates in assessing the recoverable value.	Our audit procedures included: - We assessed the recoverable value as the higher of the Company's assessment of VIU or FVLCD. - We assessed the FVLCD as determined by the Company using the market price of the equity shares of the Company. - We assessed the VIU as determined by the Company as under: • Assessed the method of determining VIU and key assumptions used therein through historical information, budgets / projections, externally derived data and other relevant information.

The key audit matter	How the matter was addressed in our audit
	• Challenged the key assumptions within the build-up and methodologies used by the Company. • Assessed the sensitivity of the outcome of impairment assessment to changes in key assumptions. • Compared the implied multiple arising from the VIU to the market multiples. - Involved our internal specialists to assist us in performing above mentioned procedures. - Tested the adequacy of the disclosures made in the revised standalone financial statements, as required by the relevant accounting standards.

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 auditors' report thereon.

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

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

In preparing the standalone 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 Standalone Financial Statements

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

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

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

- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone 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 standalone financial statements, including the disclosures, and whether the standalone 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government in terms of section 143 (11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. (A) As required by Section 143(3) of the Act, we report that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

   c) The standalone balance sheet, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flows dealt with by this Report are in agreement with the books of account.

d) In our opinion, the aforesaid standalone 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 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2021 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 Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations as at 31 March 2021 on its financial position in its standalone financial statements - Refer Note 23(ii) to the standalone financial statements.

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

iv. The disclosures in the standalone financial statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made in these standalone financial statements since they do not pertain to the financial year ended 31 March 2021.

(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 & Associates**
Chartered Accountants
Firm's Registration No.: 128901W

Rajesh Arora
Partner
Membership No.: 076124
UDIN: 21076124AAAABZ8735

Place: Gurugram
Date: 16 June 2021

ANNEXURE A

referred to in our Independent Auditor's Report to the Members of Next Mediaworks Limited on the standalone financial statements for the year ended 31 March 2021

We report that:

(i) The Company did not have any fixed assets (i.e. Property, plant and equipment) during the year ended 31 March 2021. Therefore, provisions of paragraph 3(i) of the order are not applicable to the Company.

(ii) The Company does not hold inventory. Accordingly, paragraph 3(ii) of the Order is not applicable to the Company.

(iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to Companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of paragraph 3(iii) of the order are not applicable to the Company.

(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 guarantee given or investments made by the Company which are not in compliance with section 185 and 186 of the Companies Act, 2013. Further, there are no loans given or securities provided by the Company as specified under section 185 and 186 of the Companies Act, 2013.

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

(vi) According to the information and explanation given to us, the Central Government has not prescribed the maintenance of the cost records under sub-section (1) section 148 of the Companies Act, 2013, for any of the services rendered by the Company. Accordingly, paragraph 3(vi) of the Order is not applicable to the Company.

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

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income-tax, GST, cess and other statutory dues were in arrears as at 31 March 2021 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no dues of income tax, service tax, duty of customs, duty of excise and value added tax, which have not been deposited by the Company with appropriate authorities on account of any dispute as at 31 March 2021 other than those mentioned as follows:

Statement of Disputed Tax Dues

(₹ in Lakhs)

Particulars	Nature of dues	Amount	Amount paid under protest	Period to which amount relates	Forum where dispute is pending
Income Tax Act, 1961	Disallowance of certain expenses/ adjustments	193	98	A.Y. 2009-10	Bombay High Court

(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 taken any loans or borrowings from financial institutions, banks and government and has not issued any debentures. Accordingly, paragraph 3(viii) of the order is not applicable to the Company.

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

(x) Attention is invited to Note 37 to the standalone financial statements for the year ended 31 March 2021, during the current year, pursuant to a whistleblower complaint received, an investigation was conducted which brought out certain deficiencies in a stream of radio business. According to the information and explanations given to us, no other material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

(xi) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no directors to whom remuneration is paid/ payable in accordance with the provisions of Section 197 of the Act. Accordingly, paragraph 3(xi) of the Order is not applicable to the Company.

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

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

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

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

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

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

Rajesh Arora
Partner
Membership No.: 076124
UDIN: 21076124AAAABZ8735

Place: Gurugram
Date: 16 June 2021

ANNEXURE B

to the Independent Auditor's report on the standalone financial statements of Next Mediaworks Limited for the year ended 31 March 2021

Report on the internal financial controls with reference to the aforesaid standalone 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 Mediaworks Limited ("the Company") as of 31 March 2021 in conjunction with our audit of the standalone 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 2021, 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 standalone financial statements, whether due to fraud or error.

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

Meaning of Internal Financial controls with Reference to Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the standalone 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 Standalone financial statements to future periods are subject to the risk that the internal financial controls with reference to standalone 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 & Associates**
Chartered Accountants
Firm's Registration No.: 128901W

Rajesh Arora
Partner
Membership No.: 076124
UDIN:21076124AAAABZ8735

Place: Gurugram
Date: 16 June 2021

BALANCE SHEET

as at March 31, 2021

(₹ in Lakhs)

Particulars	Notes	As at March 31, 2021	As at March 31, 2020 (Revised*)
I ASSETS			
1) Non current assets			
a) Investment in subsidiary	2	2,174	2,174
b) Income tax assets	4	152	152
Total Non-current assets		**2,326**	**2,326**
2) Current assets			
a) Financial assets			
i) Investments	3	-	57
ii) Trade receivables	5	29	29
ii) Cash and cash equivalents	6	16	39
iii) Loans **	7	-	-
b) Other current assets	8	23	9
Total current assets		**68**	**134**
TOTAL ASSETS		**2,394**	**2,460**
II EQUITY AND LIABILITIES			
1) Equity			
a) Equity share capital	9	6,689	6,689
b) Other equity	10	(6,284)	(6,035)
Total equity		**405**	**654**
2) Liabilities			
Non-current liabilities			
a) Financial Liabilities			
i) Borrowings	11	1,347	1,227
ii) Other financial liabilities	12	590	463
b) Provisions	15	3	3
Total non-current liabilities		**1,940**	**1,693**
Current liabilities			
a) Financial liabilities			
i) Borrowings	11	-	25
ii) Trade payables			
(a) Total outstanding dues of micro enterprises and small enterprises	13	-	-
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	13	45	36
iii) Other financial liabilities	14	1	49
b) Other current liabilities	16	1	3
c) Provisions	15	2	-
Total current liabilities		**49**	**113**
Total liabilities		**1,989**	**1,806**
TOTAL EQUITY AND LIABILITIES		**2,394**	**2,460**
Summary of significant accounting policies	1		

* Refer note no. 37

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

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 Mediaworks Limited

Rajesh Arora
Partner
Membership No. 076124

Anup Sharma
Chief Financial Officer

Ramesh Menon
Chief Executive Officer

Diksha Singh
Company Secretary
Membership No.: A44999

Praveen Someshwar
Chairman
(DIN: 01802656)

Dinesh Mittal
Director
(DIN: 00105769)

Place: Gurugram
Date: June 16, 2021

Place: New Delhi
Date: June 16, 2021

STATEMENT OF PROFIT AND LOSS

for the year ended March 31, 2021

(₹ in Lakhs)

Particulars		Notes	Year ended March 31, 2021	Year ended March 31, 2020 (Revised*)
I	**Income**			
	a) Revenue from operations		-	-
	b) Other income	17	25	229
	Total Income		**25**	**229**
II	**Expenses**			
	a) Employee benefits expense	18	31	44
	b) Finance costs	19	139	139
	c) Other expenses	20	104	123
	Total Expenses		**274**	**306**
III	**Loss before exceptional items and tax from operations(I-II)**		**(249)**	**(77)**
IV	Exceptional items	33	-	(2,018)
V	**Loss before tax (III+IV)**		**(249)**	**(2,095)**
VI	**Earnings before finance cost, tax, depreciation (EBITDA) [III+II(d)+II(c)] and exceptional items**		**(110)**	**62**
VII	**Tax expense**			
	a) Current tax		-	-
	b) Deferred tax		-	-
	Total tax expenses		**-**	**-**
VIII	**Loss after tax for the year (V-VII)**		**(249)**	**(2,095)**
IX	**Other comprehensive income**			
	(a) Items that will not to be reclassified subsequently to profit or loss			
	Remeasurement gain of the defined benefits plan **	28	-	2
	Income tax effect		-	-
	Other comprehensive income for the year, net of tax		**-**	**2**
X	**Total comprehensive loss for the year, net of tax (VIII+IX)**		**(249)**	**(2,093)**
IX	**Loss per equity share (nominal value of ₹ 10 each)**			
	Loss per share	21		
	Basic (Nominal value of share ₹ 10/-)		(0.37)	(3.13)
	Diluted (Nominal value of share ₹ 10/-)		(0.37)	(3.13)
	Summary of significant accounting policies	1		

* Refer note no. 37

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

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)

Rajesh Arora
Partner
Membership No. 076124

Place: Gurugram
Date: June 16, 2021

For and on behalf of the Board of Directors of
Next Mediaworks Limited

Anup Sharma
Chief Financial Officer

Ramesh Menon
Chief Executive Officer

Diksha Singh
Company Secretary
Membership No.: A44999

Praveen Someshwar
Chairman
(DIN: 01802656)

Dinesh Mittal
Director
(DIN: 00105769)

Place: New Delhi
Date: June 16, 2021

STATEMENT OF CASH FLOWS

for the year ended March 31, 2021

(₹ in Lakhs)

Particulars	March 31, 2021	March 31, 2020 (Revised*)
Cash flows from operating activities:		
Loss before tax	**(249)**	**(2,095)**
Adjustments for :		
Security deposit written off **	-	-
Interest cost on borrowings	139	139
Income from financial guarantee	-	(40)
Interest income - other **	-	-
Impairment of investment in subsidiaries (exceptional item)	-	2,018
Net gain on sale of property, plant and equipment	-	(180)
Dividend income	(1)	(2)
Liabilities no longer required written back	(24)	(3)
Changes in operating assets and liabilities:		
Increase in trade and other receivables	-	(29)
(Increase)/decrease in current financial assets, non-current financial assets, other current assets and other non-current assets	(14)	25
Decrease in contract assets	-	22
Increase/(decrease) in trade payables, other current financial liabilities, other non-current financial liabilities, current provisions and non-current provisions	7	(17)
Cash generated used in operating activities	**(142)**	**(162)**
Income taxes paid **	-	(4)
Net cash flows used in operating activities (A)	**(142)**	**(166)**
Cash flows from investing activities:		
Proceeds from sale of investment properties	-	200
Proceeds from sale of mutual fund	57	-
Dividend received	1	-
Proceeds from sale of shares held by ESOP trust	-	4
Net cash from investing activities (B)	**58**	**204**
Cash flows from financing activities:		
Proceeds from borrowings	120	1,213
Repayment of borrowings	(25)	(1,175)
Interest paid	(34)	(38)
Net cash flows (used in) / generated from financing activities (C) **	**61**	**-**
Net increase/ (decrease) in cash and cash equivalents (D= A+B+C)	(23)	38
Cash and cash equivalents at the beginning of the year (E)	39	1
Cash and cash equivalents at year end (D+E)	**16**	**39**

STATEMENT OF CASH FLOWS

for the year ended March 31, 2021

(₹ in Lakhs)

Particulars	March 31, 2021	March 31, 2020
Components of cash & cash equivalents as at end of the year		
Balances with banks		
- in current accounts	16	39
Cash on hand	-	-
Cash and cash equivalents as per Cash Flow Statement	**16**	**39**

* Refer note no. 37

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

Refer Note 11 for debt reconciliation disclosure

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)

Rajesh Arora
Partner
Membership No. 076124

Place: Gurugram
Date: June 16, 2021

For and on behalf of the Board of Directors of
Next Mediaworks Limited

Anup Sharma
Chief Financial Officer

Ramesh Menon
Chief Executive Officer

Diksha Singh
Company Secretary
Membership No.: A44999

Praveen Someshwar
Chairman
(DIN: 01802656)

Dinesh Mittal
Director
(DIN: 00105769)

Place: New Delhi
Date: June 16, 2021

STATEMENT OF CHANGES IN EQUITY

for the year ended March 31, 2021

A Equity share capital (refer note 9)

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

(₹ in Lakhs)

Particulars	Number of shares	Amount
As at April 1, 2019	**6,68,56,408**	**6,685**
Changes in equity share capital during the year	36,500	4
Balance as at March 31, 2020	**6,68,92,908**	**6,689**
Changes in equity share capital during the year	-	-
Balance as at March 31, 2021	**6,68,92,908**	**6,689**

B Other equity (refer note 10)

(₹ in Lakhs)

Particulars	Reserves and Surplus		Other comprehensive income*	Total
	Securities Premium	Retained earnings		
As at April 1, 2019	**8,606**	**(12,548)**	**-**	**(3,942)**
Loss for the year	-	(2,095)	-	(2,095)
Other comprehensive income for the year (net of tax)	-	-	2	2
Total comprehensive income for the year	**-**	**(2,095)**	**2**	**(2,093)**
Transferred to retained earnings	-	2	(2)	-
Balance as at March 31, 2020	**8,606**	**(14,641)**	**-**	**(6,035)**
Loss for the year	-	(249)	-	(249)
Other comprehensive income for the year (net of tax) **	-	-	-	-
Total comprehensive income for the year	**-**	**(249)**	**-**	**(249)**
Transferred to retained earnings	-	-	-	-
Balance as at March 31, 2021	**8,606**	**(14,890)**	**-**	**(6,284)**

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

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

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)

Rajesh Arora
Partner
Membership No. 076124

Place: Gurugram
Date: June 16, 2021

For and on behalf of the Board of Directors of
Next Mediaworks Limited

Anup Sharma
Chief Financial Officer

Ramesh Menon
Chief Executive Officer

Diksha Singh
Company Secretary
Membership No.: A44999

Praveen Someshwar
Chairman
(DIN: 01802656)

Dinesh Mittal
Director
(DIN: 00105769)

Place: New Delhi
Date: June 16, 2021

NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2021

1. Corporate information

Next Mediaworks Limited ('the Company') is a public Company domiciled in India and incorporated under the provisions of Companies Act, 1956.

The company stock is listed on National Stock Exchange (NSE) and Bombay Stock Exchange (BSE)

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 26.

The financial statements of the Company for the year ended March 31, 2021 are authorised for issue in accordance with a resolution of the Board of Directors on June 16, 2021

2. Significant accounting policies followed by company

2.1 Basis of preparation

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

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

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

- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments).

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

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

2.2 Summary of significant accounting policies

a) Current versus non- current classification

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

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

All other assets are classified as non-current.

A liability is current when:

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

The Company classifies all other liabilities as non-current.

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

The Company has identified twelve months as its operating cycle.

NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2021

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

NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2021

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 at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government. 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 Group 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:

Revenue from other services

Revenue from other services is recognized, in the period in which the services are rendered and where applicable, the percentage completed method is applied.

Interest income

For all debt instruments measured at amortised cost, interest income is recorded using the effective interest rate (ElR). 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 Group's right to receive the payment is established, which is generally when shareholders approve the dividend.

e) Taxes

Current income tax

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

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

NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2021

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

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

Appendix C to Ind AS 12, Income Taxes dealing with accounting for uncertainty over income tax treatments does not have any material impact on financial statements of the Company.

Deferred tax

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

Deferred tax liabilities are recognised for all taxable temporary differences except :

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of taxable temporary differences associated with investments in subsidiaries and associates, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future

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

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of deductible temporary differences associated with investments in subsidiaries and associates, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised

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

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

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

NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2021

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) 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.

g) 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 asset 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

NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2021

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.

h) Provisions

Provisions are recognised when the Group 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 Group 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.

i) Retirement and other 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.

NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2021

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.

j) 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

NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2021

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.

k) 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, Debt instruments are measured at amortized cost.

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.

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

NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2021

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 Group may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the group 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 Group 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

NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2021

to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

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

As a practical expedient, the Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the Statement of Profit and Loss. This amount is reflected under the head 'other expenses' in the Statement of Profit and Loss. The balance sheet presentation for various financial instruments is described below:

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

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

Financial liabilities

Initial recognition and measurement

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

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

Subsequent measurement

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the ElR 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 ElR 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.

NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2021

Financial guarantee contracts

Financial guarantee contracts are recognised as a financial liability at the time the guarantee is issued. The liability is initially measured at fair value and subsequently at the higher of (i) the amount determined in accordance with the expected credit loss model as per Ind AS 109 and (ii) the amount initially recognised less, where appropriate, cumulative amount of income recognised in accordance with the principles of Ind AS 115.

The fair value of financial guarantees is determined based on the present value of the difference in cash flows between the contractual payments required under the debt instrument and the payments that would be required without the guarantee, or the estimated amount that would be payable to a third party for assuming the obligations.

Where guarantees in relation to loans or other payables of subsidiaries are provided for no compensation, the fair values are accounted for as contributions and recognised as part of the cost of the investment.

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.

l) 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.

m) 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.

n) 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.

o) 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

NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2021

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

p) Investments in subsidiaries and associates

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

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

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

(a) power over the investee;

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

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

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

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

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

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

2.3. Significant accounting judgements, estimates and assumptions

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

The areas involving critical estimates are as below:

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 27.

NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2021

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 25.

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 32.

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.

NOTES TO STANDALONE FINANCIAL STATEMENTS
for the year ended March 31, 2021

2 Investment in subsidiary

(₹ in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Investment in subsidiary (at cost)		
Unquoted		
Next Radio Limited 38,933,165 (Previous Year: 38,933,165) equity shares of ₹ 10 each, fully paid up	3,893	3,893
Deemed investment*	299	299
Total (A)	**4,192**	**4,192**
Provision for impairment in value of investment (B) (refer note 33)	2,018	2,018
Total Investment in Subsidiary (A) - (B)	**2,174**	**2,174**
Aggregate book value of unquoted investments	2,174	2,174
Non - Current	2,174	2,174

*In relation to financial guarantee given for Next Radio Limited.

3 Investments

(₹ in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Investment at fair value through profit and loss		
Quoted		
Investment in mutual fund	-	57
Total	**-**	**57**
Aggregate book value of quoted investments	-	57
Market value of Quoted Investment	-	57
Current	-	57
Non - Current	-	-

4 Income tax assets

(₹ in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Income tax assets (refer note 24)	152	152
Total	**152**	**152**
Non - Current	152	152

NOTES TO STANDALONE FINANCIAL STATEMENTS
for the year ended March 31, 2021

5 Trade receivables

(₹ in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Unsecured, considered good		
Trade receivables (refer note 26A)	29	29
Total	**29**	**29**
Current	29	29

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

6 Cash and cash equivalents

(₹ in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Balances with banks :		
- in current accounts	16	39
Cash on hand *	-	-
Total	**16**	**39**

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

7 Loans

(₹ in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Unsecured and considered good at amortised cost		
Security deposit *	-	-
Total	**-**	**-**
Current	-	-

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

7A Break up of financial assets carried at amortised cost

(₹ in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Cash and cash equivalents (note 6)	16	39
Loans - current (note 7)	-	-
Trade receivables (note 5)	29	29
Total	**45**	**68**

NOTES TO STANDALONE FINANCIAL STATEMENTS
for the year ended March 31, 2021

7 Loans (Contd..)

7A Break up of financial assets carried at amortised cost (Contd..)

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

(₹ in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Investments (note 3)	-	57
Total	**-**	**57**

8 Other current assets

(₹ in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Unsecured, considered good		
Prepaid expenses	1	-
Balance with Government authorities	22	9
Total	**23**	**9**

9 Share Capital

a Authorised share capital

Particulars	Number of shares	Amount (₹ in Lakhs)
As at April 1, 2019	**8,00,00,000**	**8,000**
Increase/(decrease) during the year	-	-
At March 31, 2020	**8,00,00,000**	**8,000**
Increase/(decrease) during the year	-	-
At March 31, 2021	**8,00,00,000**	**8,000**

b Terms of equity shares

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

c Issued, subscribed and paid up share capital

Particulars	Number of shares	Amount (₹ in Lakhs)
As at April 1, 2019	**6,68,56,408**	**6,685**
Changes during the year	-	-
Add : Sale of shares held by ESOP Trust	36,500	4
At March 31, 2020	**6,68,92,908**	**6,689**
Changes during the year	-	-
At March 31, 2021	**6,68,92,908**	**6,689**

NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2021

9 Share Capital (Contd..)

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

(₹ in Lakhs)

Particulars	March 31, 2021		March 31, 2020	
	Number of shares	Amount (₹ in Lakhs)	Number of shares	Amount (₹ in Lakhs)
Shares outstanding at the beginning of the year	6,68,92,908	6,689	6,68,56,408	6,685
Sale of shares held by ESOP Trust	-	-	36,500	4
Shares outstanding at the end of year	**6,68,92,908**	**6,689**	**6,68,92,908**	**6,689**

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

(₹ in Lakhs)

Particulars	March 31, 2021		March 31, 2020	
	Number of shares	Amount (₹ in Lakhs)	Number of shares	Amount (₹ in Lakhs)
HT Media Limited, the holding company	3,41,15,386	3,412	3,41,15,386	3,412

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

Particulars	March 31, 2021		March 31, 2020	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Equity Shares				
HT Media Limited, the holding company	3,41,15,386	51.00%	3,41,15,386	51.00%
Tehzeeb Ansari	43,37,298	6.48%	43,37,298	6.48%
Meridian Holding and Leasing Company Private Limited	37,73,246	5.64%	37,73,246	5.64%
Bennett Coleman and Company Limited	36,49,391	5.46%	36,49,391	5.46%

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.

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

Particulars	2020-21	2019-20	2018-19	2017-18	2016-17
Equity shares					
Shares issued under ESOP	-	-	-	66,680	1,66,680

h Shares reserved for issue under employee stock options

There are no outstanding shares under ESOP scheme

NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2021

10 Other equity

(₹ in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Securities premium*	8,606	8,606
Retained earning#	(14,890)	(14,641)
Total	**(6,284)**	**(6,035)**

*Securities premium is used to record the premium on issue of shares. It is utilised in accordance with the provisions of the Companies Act, 2013.

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

Securities premium

(₹ in Lakhs)

Particulars	Amount
As at April 1, 2019	**8,606**
Add: addition during the year	-
Balance as at March 31, 2020	**8,606**
Add: addition during the year	-
Balance as at March 31, 2021	**8,606**

Retained earning

(₹ in Lakhs)

Particulars	Amount
As at April 1, 2019	**(12,548)**
Loss for the year	(2,095)
Add: Items of other comprehensive income (OCI) recognised directly in retained earnings	
- Remeasurement of post-employment benefit obligation, net of tax	2
Balance as at March 31, 2020	**(14,641)**
Loss for the year	(249)
Add: Items of other comprehensive income (OCI) recognised directly in retained earnings	
- Remeasurement of post-employment benefit obligation, net of tax *	-
Balance as at March 31, 2021	**(14,890)**

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

NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2021

11 Borrowings

(₹ in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Non-current Borrowings		
Unsecured		
Loan from related party (refer note 26A)		
Next Radio Limited*	1,347	1,227
Sub total (a)	**1,347**	**1,227**
Current Borrowings		
Unsecured		
Loan from related party (refer note 26A)		
HT Music and Entertainment Limited**	-	25
Sub total (b)	**-**	**25**
Total (a+b)	**1,347**	**1,252**

Note:

* Repayable at end of 8 years from April 29, 2015. The loan carries interest @ 11% p.a.

** Repayable in one year from the date of loan, i.e, August 25, 2020.The loan carries interest @ 11% p.a.

Debt reconciliation for FY 2020-21

(₹ in Lakhs)

Particulars	Current Borrowings	Non Current Borrowings
Opening Balance as at April 1, 2020	25	1,227
Cash Flows:		
Add: Drawdowns	-	120
Less: Repayments	25	-
Closing Balance as at March 31, 2021	**-**	**1,347**

Debt reconciliation for FY 2019-20

(₹ in Lakhs)

Particulars	Current Borrowings	Non Current Borrowings
Opening Balance as at April 1, 2019	600	614
Cash Flows:		
Add: Drawdowns	600	613
Less: Repayments	1,175	-
Closing Balance as at March 31, 2020	**25**	**1,227**

12 Other financial liabilities at amortised cost - non current

(₹ in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Interest accrued but not due on borrowings to related party (refer note 26A)	590	463
Total	**590**	**463**

NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2021

13 Trade payables

(₹ in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Trade payables		
- Amount payable to micro enterprises and small enterprises	-	-
- Amount payable to Related parties (refer note 26A)	3	14
- Amount payable to other than micro enterprises and small enterprises	42	22
Total	**45**	**36**

14 Other financial liabilities at amortised cost - current

(₹ in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Employee related payable	1	3
Interest accrued but not due on borrowings to related party (refer note 26A)	-	23
Financial guarantee liability	-	23
Total	**1**	**49**

14A Break up of financial liabilities carried at amortised cost

(₹ in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Borrowings (note 11)	1,347	1,252
Trade payables (note 13)	45	36
Other non-current financial liabilities (note 12)	590	463
Other current financial liabilities (note 14)	1	49
Total	**1,983**	**1,800**

15 Provisions

(₹ in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Non-current		
Provision for employee benefits		
Gratuity (refer note 27)	2	3
Leave encashment (refer note 27) *	1	-
Total	**3**	**3**
Current		
Provision for employee benefits		
Gratuity (refer note 27) *	2	-
Leave encashment (refer note 27) *	-	-
Total	**2**	**-**

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

NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2021

16 Other current liabilities

(₹ in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Statutory dues	1	3
Total	**1**	**3**

17 Other Income

(₹ in Lakhs)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Interest income on EIR method		
- others *	-	-
Dividend income	1	2
Other non - operating income		
Rental income (refer note 26A)	-	4
Profit on sale of property, plant and equipment	-	180
Income on financial guarantee	-	40
Liabilities no longer required written back	24	3
Total	**25**	**229**

*INR less than 50,000/- in March 31, 2020 has been rounded off to Nil.

18 Employee benefits expense

(₹ in Lakhs)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Salaries, wages and bonus	29	41
Contribution to provident and other funds (refer note 27)	1	2
Gratuity expense (refer note 27)	1	1
Workmen and staff welfare expenses *	-	-
Total	**31**	**44**

*INR less than 50,000/- in March 31, 2020 has been rounded off to Nil.

19 Finance cost

(₹ in Lakhs)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Interest expenses on		
- loans from related party (refer note 26A)	139	114
- loans from others	-	25
Bank charges *	-	-
Total	**139**	**139**

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

NOTES TO STANDALONE FINANCIAL STATEMENTS
for the year ended March 31, 2021

20 Other expenses

(₹ in Lakhs)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Insurance *	-	-
Rates and taxes *	6	-
Travelling and conveyance	1	2
Repairs and maintenance :		
- Others *	-	-
Power and fuel *	-	-
Rent (expenses relating to short-term leases)	-	5
Payment to auditors (refer note below)	8	6
Advertising and sales promotion	11	39
Legal and professional fees	50	41
Directors sitting fees (refer note 26A)	28	27
Miscellaneous expenses *	-	3
Total	**104**	**123**

*INR less than 50,000/- in March 31, 2020 has been rounded off to Nil.

Payment to auditors

(₹ in Lakhs)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
As auditor :		
- Audit fee	4	4
- Special purpose audit	2	
- Fee for limited review	2	2
Total	**8**	**6**

21 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 earnings per share computations:

(₹ in Lakhs)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Total loss attributable to equity holders (₹ Lakhs)	(249)	(2,095)
Weighted average number of Equity shares for basic and diluted loss per share	6,68,92,908	6,68,65,608
Loss per share		
Basic (Nominal value of share ₹ 10/-)	(0.37)	(3.13)
Diluted (Nominal value of share ₹ 10/-)	(0.37)	(3.13)

NOTES TO STANDALONE FINANCIAL STATEMENTS
for the year ended March 31, 2021

22 Segment reporting

Considering the nature of operations, the Company has concluded that there is only one operating segment as per Ind AS 108 "Operating Segments". Accordingly, no separate disclosure of segment information has been made.

23 Commitments and contingencies

(i) Guarantees

(₹ in Lakhs)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Bank guarantee issued for subsidiaries	-	2,710
Total	**-**	**2,710**

(ii) Contingent liabilities

a. In respect of income tax demand under dispute ₹ 193 lakhs (previous year ₹ 193 lakhs) against the same the Company has paid tax under protest of ₹ 98 lakhs (previous year ₹ 98 lakhs). The tax demands are mainly on account of disallowances of expenses claimed by the Company under the Income Tax Act.

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, 2021.

(iii) Commitments

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

24 Income tax assets

(₹ in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
At the start of the year	152	148
Taxes paid during the year (TDS receivable) *	-	4
At the end of the year	**152**	**152**

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

25 Deferred tax*

(₹ in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Deferred tax Assets		
- on Carry forwards business loss [(Available for 8 Assessment Years i.e.from FY 2015-16 to FY 2028-29) (for previous year from FY 2015-16 to FY 2027-28)]	317	264
- on unabsorbed depreciation (Available for infinite period)	4	4
- on other temporary difference (Available on payment basis)	1	1
Total Deferred tax Assets	**322**	**269**
Deferred tax Liability		
- on WDV of investment property	-	-
Net Deferred tax Assets	**322**	**269**

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

NOTES TO STANDALONE FINANCIAL STATEMENTS
for the year ended March 31, 2021

26 Related party transactions

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

i) List of related parties and relationships:-

a. Holding Company (w.e.f. April 15, 2019)	HT Media 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)	Next Radio Limited
c. Fellow Subsidiary Company (w.e.f. April 15, 2019) (with whom transactions have occurred during the year)	HT Music and Entertainment Company Limited
d. Under control of management (with whom transactions have occurred during the year)	Inquilab Offset Printers Limited *
e. Entities which are post employment benefit plans (with whom transactions have occurred during the year)	Next Mediaworks Limited Employees Group Gratuity Trust
f. Key Managerial Personnel (with whom transactions have occurred during the year)	Mr. Ajay Relan (Non-Executive independent Director, w.e.f April 18, 2019) Ms. Suchitra Rajendra (Non-Executive independent Director, w.e.f April 18, 2019) Mr. Sameer Singh (Non-Executive independent Director, w.e.f January 13, 2020) Mr. Dilip Cherian (Non-Executive independent Director)** Mr. Rajbir Singh Bhandal (Non-Executive independent Director)* Mr. Sunil Dalal (Non-Executive independent Director)* Mr. Chetan Desai (Non-Executive independent Director)* Mr. Tarique Ansari (Managing Director)* Mr. Adille Sumariwala (Non-Executive independent Director)* Mr. I Venkat (Non-Executive independent Director)* Ms.Monisha Shah (Non-Executive independent Director)*

*Relationship ceased with effect from close of business hours of April 18, 2019.

**Relationship ceased with effect from close of business hours of January 23, 2020

#The Hindustan Times Limited (HTL) does not hold any direct investment in the Company. However, HTL's subsidiary HT Media Limited holds shares in the Company.

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

ii) Transactions with related parties

Refer note 26 A

iii) Terms and conditions of transactions with related parties

The transaction with 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 except in case of loans taken and settlement occurs in cash.

NEXT MEDIAWORKS LIMITED

NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2021

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

(₹ in Lakhs)

SL No	Particulars	Holding Company		Subsidiary Company		Fellow Subsidiary Company		Under control of Management		Entities which are post employment benefit plans		Key Managerial Personnel (KMP's) / Directors (Refer Note B)		Total	
		For year ended March 31, 2021	For year ended March 31, 2020	For year ended March 31, 2021	For year ended March 31, 2020	For year ended March 31, 2021	For year ended March 31, 2020	For year ended March 31, 2021	For year ended March 31, 2020	For year ended March 31, 2021	For year ended March 31, 2020	For year ended March 31, 2021	For year ended March 31, 2020	March 31, 2021	March 31, 2020
A	**REVENUE**														
1	Rental income	-	-	-	4	-	-	-	-	-	-	-	-	**-**	**4**
B	**EXPENSES**	-	-	-	-	-	-	-	-	-	-	-	-	**-**	**-**
2	Advertisement charges	11	13	-	-	-	-	-	-	-	-	-	-	**11**	**13**
3	Interest expenses	-	-	138	86	1	26	-	2	-	-	-	-	**139**	**114**
4	Remuneration paid to Key managerial personnel	-	-	-	-	-	-	-	-	-	-	-	3	**-**	**3**
5	Directors sitting fees	-	-	-	-	-	-	-	-	-	-	28	27	**28**	**27**
C	**OTHERS**	-	-	-	-	-	-	-	-	-	-	-	-	**-**	**-**
6	Loan received during the year	-	-	120	613	-	600	-	-	-	-	-	-	**120**	**1,213**
7	Loan repaid During the year	-	-	-	-	25	575	-	600	-	-	-	-	**25**	**1,175**
8	Withdrawal of fund during the year	-	-	-	-	-	-	-	-	-	23	-	-	**-**	**23**
D	**BALANCE OUTSTANDING**	-	-	-	-	-	-	-	-	-	-	-	-	**-**	**-**
9	Investment in shares	-	-	2,174	2,174	-	-	-	-	-	-	-	-	**2,174**	**2,174**
10	Trade Receivables	-	-	29	29	-	-	-	-	-	-	-	-	**29**	**29**
11	Inter corporate deposit taken and interest accrued on it	-	-	1,937	1,690	-	48	-	-	-	-	-	-	**1,937**	**1,738**
12	Trade payable *	3	14	-	-	-	-	-	-	-	-	-	-	**3**	**14**

* Amount payable as Trade payable to Key Managerial Personnel (KMP's) / Directors less than 50,000 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.

Note C - Refer note 23 and 29 for corporate guarantees given on behalf of subsidiary.

NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2021

27 Employee Benefits

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

Defined Contribution Plans

Provident fund

The Company has recognised ₹ 1 lakhs (previous year ₹ 2 lakhs) in Statement of Profit and Loss 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.

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

Particulars	As at March 31, 2021	As at March 31, 2020
Discount Rate	6.15% pa	6.85% pa
Rate of Increase in compensation levels (pa)	4.00% pa	5.00% pa
Mortality Rate	Indian Assured Lives Mortality (2012-14) Ultimate	Indian Assured Lives Mortality (2012-14) Ultimate
Attrition Rate	Upto 30 years - 35%	Upto 30 years - 3%
	31 to 44 years - 35%	31 to 44 years - 2%
	Above 44 years - 35%	Above 44 years - 1%

a. Change in the Present Value obligation

(₹ in Lakhs)

Particulars	For year ended March 31, 2021	For year ended March 31, 2020
Present Value of Defined Benefit Obligation as at beginning of the year	3	54
Interest cost*	-	4
Current service cost*	-	-
Benefits paid	-	(54)
Actuarial (gain) / loss on obligation arising from:		
- change in demographic assumptions *	1	-
- change in financial assumptions*	-	-
- experience variance (i.e. Actual experience vs assumptions)*	-	(2)
Present value of defined benefit obligation as at end of the year	4	3

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

NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2021

27 Employee Benefits (Contd..)

b. Fair Value of Plan Assets (for Funded Scheme – Gratuity)

(₹ in Lakhs)

Particulars	For year ended March 31, 2021	For year ended March 31, 2020
Present value of plan assets as at beginning of the year	-	74
Interest income	-	4
Return on plan asset recognised in OCI *	-	-
Contributions	-	(23)
Benefits paid	-	(54)
Present value of plan assets as at end of the year **	-	-

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

** The Company has invested in HDFC GROUP Unit Linked Plan - Option A through trust "Next Mediaworks Limited Employees Group Gratuity Trust" but the same does not exist from year ended 31 March 2020.

c. Amount recognised in the Balance Sheet

(₹ in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Present Value of Defined Benefit Obligation as at the end of the year	4	3
Fair Value of Plan Assets As at the end of the year	-	-
Liability / (net asset) recognised in the Balance Sheet	4	3

d. Expenses Recognised in the Statement of Profit and Loss Statement

(₹ in Lakhs)

Particulars	For year ended March 31, 2021	For year ended March 31, 2020
Current service cost*	-	-
Interest cost*	-	4
Interest income*	-	(4)
Total expenses recognised in the Statement of Profit and Loss (net)	1	1

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

e. Expenses Recognised in the Other comprehensive income

(₹ in Lakhs)

Particulars	For year ended March 31, 2021	For year ended March 31, 2020
Actuarial (gains)/losses on obligation for the year *	-	(2)
Remeasurement- return on plan assets excluding interest income *	-	-
Net (income)/ expense for the year recongised in OCI *	-	(2)

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

NOTES TO STANDALONE FINANCIAL STATEMENTS
for the year ended March 31, 2021

27 Employee Benefits (Contd..)

f. Sensitivity analysis

Significant actuarial assumptions for the determination of the defined obligation are discount rate, expected salary increase and mortality. The sensitivity analyses below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

The sensitivity of the defined benefit obligation to changes in the principal assumptions:

(₹ in Lakhs)

Particulars	For year ended March 31, 2021	For year ended March 31, 2020
Projected Benefit Obligation on Current Assumptions	4	3
Delta Effect of +1% Change in Rate of Discounting *	-	-
Delta Effect of -1% Change in Rate of Discounting *	-	-
Delta Effect of +1% Change in Rate of Salary Increase *	-	-
Delta Effect of -1% Change in Rate of Salary Increase *	-	(3)
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.

g. Maturity analysis of projected benefit obligation:

(₹ in Lakhs)

Projected benefits payable in future years from the date of reporting	For year ended March 31, 2021	For year ended March 31, 2020
within one year *	1	-
2 to 5 years *	2	-
6 to 10 years *	1	-
more than 10 years *	-	7

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

h. Average duration of the defined benefit plan obligation

(₹ in Lakhs)

Projected benefits payable in future years from the date of reporting	As at March 31, 2021	As at March 31, 2020
Weighted Average duration	2 years	14 years

The expected contribution for next year is ₹ Nil (Previous Year ₹ 3 lakhs)

NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2021

27 Employee Benefits (Contd..)

h. Average duration of the defined benefit plan obligation

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:

(₹ in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Liability at the beginning of the year *	-	4
Benefits paid during the year *	-	4
Provided during the year *	-	1
Liability at the end of the year *	1	-

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

28 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, 2021

(₹ in Lakhs)

Particulars	Retained earnings	Total
Remeasurement gain of the defined benefits plan (refer note 27) *	-	-
Total	**-**	**-**

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

During the year ended March 31, 2020

(₹ in Lakhs)

Particulars	Retained earnings	Total
Remeasurement gain of the defined benefits plan (refer note 27)	2	2
Total	**2**	**2**

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

- Corporate Guarantee amounting to ₹ 1500 lakhs (previous year: ₹ 9,500 lakhs) has been given to bank on behalf of Next Radio Limited. For outstanding position as on the Balance sheet date (Refer Note 23).
- Details of investment made are given under Note 2 and 3

NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2021

30 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 Company's operations and to support its operations. The Company's principal financial assets include Trade receivables 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 risk. 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 does not have any transactions in foreign currencies. Accordingly, its exposure to the foreign currency risk is limited.

2 Credit risk

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and 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, 2021.

The Company believes that the risk associated with respect to trade/ other receivables is low, as there are no significant recoverables outside the group.

Financial instruments and cash deposits

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

3 Liquidity Risk

Liquidity risk is defined as a risk that the Company will not be able to settle or meet its obligations on time. The Group'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.

NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2021

30 Financial risk management objectives and policies (Contd..)

Maturities of financial liabilities

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

(₹ in Lakhs)

Particulars	As at March 31, 2021		As at March 31, 2020	
	Less than 1 year	More than 1 year	Less than 1 year	More than 1 year
Borrowings	-	1,347	25	1,227
Other financial liabilities	1	590	49	463
Trade payables	45	-	36	-
	46	**1,937**	**110**	**1,690**

for mitigating the liquidity risk, refer note no. 36

31 Capital management

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

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital and net debt. The Company includes within net debt, interest bearing loans and borrowings, interest accrued on borrowings, less cash and cash equivalents. for mitigating the liquidity risk, refer note no. 36

(₹ in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Gross debt	1,937	1,738
Less: Cash and cash equivalent	16	39
(a) Net debts	**1,921**	**1,699**
(b) Total equity (as per balance sheet)	**405**	**654**
(c) Total capital (a) +(b)	**2,326**	**2,353**
(d) Net gearing ratio (a)/(c)	**0.83**	**0.72**

NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2021

32 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:

(₹ in Lakhs)

Particulars	Carrying amount		Fair Value		Fair value measurement hierarchy level
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020	
Financial liabilities measured at amortised cost					
Non-current					
Long Term Borrowings (Note 11)	1,347	1,227	1,347	1,227	Level 2

The management assessed that fair value of current investment, trade receivables, cash and cash equivalents, other current financial assets, loans (security deposit paid), trade payables, short- term borrowings 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.

33 Exceptional items

The Company after considering the economic environment has performed an impairment assessment of Investment in its subsidiary. As the recoverable amount is lower than the carrying amount of investments, the Company has recognised an impairment loss of ₹ 2,018 lakhs which has been disclosed as an exceptional item in March 31, 2020 The recoverable amount of CGU is based on its value in use which is ₹ 2,174 lakhs using discount rate in the range of 15%.

34 Standards issued but not yet effective

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2021

35 Management has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amount of Investment in subsidiary. In developing the assumptions relating to the possible future uncertainties because of this pandemic, the Company, as at the date of adoption of these standalone financial statements has used internal and external sources of information. The Company has performed sensitivity analysis on the assumptions used and based on current factors estimated that the carrying amount of investment as at 31 March 2021 will be recovered. The impact of COVID-19 on the Company's financial statements may differ from that estimated as at the date of adoption of audited financial statements for the year ended 31 March 2021. Such changes, if any, will be prospectively recognized. The Company will continue to closely monitor any material changes to future economic conditions.

NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2021

36 The Company has incurred losses in the current year and has accumulated losses as at 31 March 2021, which has resulted in substantial erosion of its net worth as at 31 March 2021. However, the Company's current assets exceed the current liabilities as at 31 March 2021. Basis the carrying value of its investment in Next Radio Limited (Material subsidiary company) , the Company believes the same can be used to settle the non-current liabilities. The Company also believes its current assets (financial and non-financial) as at 31 March 2021 will enable it to meet its known future obligations due in next year from the reporting date, in the ordinary course of business. Further, the Company has received a letter of support from its Holding Company (HT Media Limited), where in the holding company has agreed to provide financial support to the Company. In view of the above, use of going concern assumption has been considered appropriate in preparation of these standalone financial statements.

37 Note on Revision of Financials

HT Media Limited (Holding Company), received a whistleblower complaint in August 2020 from a named employee of the radio business on his last working day ("WB Complaint"). The WB Complaint alleged anomalies resulting in deficiencies in certain financial reporting processes of the radio business of the Company's Subsidiary i.e. Next Radio Limited. 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. The said investigation brought out practices indicating the following deficiencies and lapses during financial years 2019-20 and 2020-21:

a. Practice of pre-billing (i.e. billing and booking revenue for services yet to be consumed/ delivered) resulting in reporting of higher revenue in financial statements. Such billing remained unconsumed/ undelivered.

b. Potential manipulation of debtor ageing by issuance of inappropriate credit notes and additional invoices to avoid higher provisioning for bad debts.

c. Circulating improper balance confirmation requests (by including invoices without delivery/ requests for advertisement) to customers (with such balances either remaining unconfirmed or disputed) resulting in reporting higher revenue.

d. Potentially improper credit approvals including forced/ credit approval under protest at the instructions of senior management of the Radio business.

Further, based on a very detailed investigation performed, the investigating team and the management concluded that the above mentioned findings were confined to a stream of revenue ('Non FCT') of radio business of the above mentioned subsidiary only and were not pervasive across other financial statement captions. The said investigation did not reveal existence of any personal profiteering or siphoning of funds or embezzlement or misappropriation of funds.

The final findings of the investigation were presented to the Audit Committee and Board of Directors of the Company and the Holding Company, including multiple status update briefings in the interim. The Board of Directors considered the investigation report and expressed its concurrence with the follow-up actions recommended by the Audit Committee, which include (i) actions against the Company's personnel identified as responsible for the misdemeanor; (ii) further strengthening internal control framework and centralized revenue assurance function; (iii) strengthening governance and communication around Whistleblower (WB) and Code of Conduct (COC) process; and (iv) redefining values and culture for the organisation and digitize the program. During the current year, the management undertook the following initiatives: (a) strengthening the internal financial controls and processes; and (b) changes in HR policies and practices with emphasis on strict implementation of ethical codes and practices.

As an outcome of the above investigation, management has revised the comparative information as disclosed in these standalone financial statements.

NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2021

37 Note on Revision of Financials (Contd..)

The Company has made an assessment of and believes that it has provided for the financial impact arising from this matter including non-compliances with laws and regulations, to the extent identified and believes that the additional financial impact, if any, arising from adjustments due to instances other than those identified is not expected to be material.

Further, the revised financial statements for the year ended 31 March 2020 had also recognised the impact of adjusting events occurring after the reporting period (including the period after the date of approval of pre-revised financial statements (June 23, 2020) till date of approval of the revised consolidated financial statements i.e. November 27, 2020), which were significantly impacted by economic and market conditions including COVID-19. These revised standalone financial information for the year ended 31 March 2020 are included as comparative financial information in these standalone financial statements for the year ended 31 March 2021. These adjustments are as follows:

In Statement of Profit and Loss Account

(₹ in Lakhs)

Financial statement caption	Original issued financial statements	Revised financial statements	Consequential impact
	Year ended March 31, 2020	Year ended March 31, 2020	Year ended March 31, 2020
Total Revenue	226	229	3
Total Expenses	340	306	34
Exceptional items (loss)	(800)	(2,018)	(1,218)
Impact on Loss before tax			**(1,181)**
Tax expense	-	-	-
Impact on Loss after tax			**(1,181)**

In Balance Sheet

(₹ in Lakhs)

Financial statement caption	Original issued financial statements	Revised financial statements	Consequential impact
	Year ended March 31, 2020	Year ended March 31, 2020	Year ended March 31, 2020
Investment in Subsidiary	3,392	2,174	(1,218)
Net Impact on Assets			**(1,218)**
Other equity	(4,854)	(6,035)	(1,181)
Trade payable	39	36	(3)
Other Non current financial liabilities	497	463	(34)
Net Impact on Liabilities			**(1,218)**

NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2021

38 A composite Scheme of Amalgamation u/s 230-232 of the Companies Act, 2013 which provides for merger of Next Mediaworks Limited (NMWL), Digicontent Limited (DCL) and HT Mobile Solutions Limited (HTMSL) with HT Media Limited (HTML) ("Scheme"), has been approved by the respective Board of Directors of companies at their meetings held on February 11, 2021, subject to requisite approval(s). The application under Regulation 37 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 has been filed with both, NSE and BSE and their approval is awaited. Pending sanction of the Scheme, impact thereof has not been considered in NMWL's standalone financial statements for FY 2020-21.

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)

Rajesh Arora
Partner
Membership No. 076124

Place: Gurugram
Date: June 16, 2021

For and on behalf of the Board of Directors of
Next Mediaworks Limited

Anup Sharma
Chief Financial Officer

Ramesh Menon
Chief Executive Officer

Diksha Singh
Company Secretary
Membership No.: A44999

Praveen Someshwar
Chairman
(DIN: 01802656)

Dinesh Mittal
Director
(DIN: 00105769)

Place: New Delhi
Date: June 16, 2021

INDEPENDENT AUDITOR'S REPORT

To the Members of Next Mediaworks Limited

Report on the Audit of Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Next Mediaworks Limited (hereinafter referred to as the 'Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), which comprise the consolidated balance sheet as at 31 March 2021, and the consolidated statement of profit and loss (including other comprehensive income), consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of report of other auditor on separate financial statements of subsidiary as was audited by the other auditor, the aforesaid consolidated 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 consolidated state of affairs of the Group as at 31 March 2021, of its consolidated loss and other comprehensive income, consolidated changes in equity and consolidated cash flows for the year then ended.

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 Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence obtained by us along with the consideration of audit report of the other auditor referred to in sub paragraph (a) of the "Other Matters" paragraph below, is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Impairment of Intangible Assets

See note 2A to the consolidated financial statements

The key audit matter	How the matter was addressed in our audit
The carrying value of radio licenses (part of intangible assets) aggregates to ₹ 5,592 lakhs as at 31 March 2021. The Group performs annual assessment of the radio licenses at cash generating unit (CGU) level, to identify indicators of impairment, if any. The Group has identified each radio license as a separate CGU. The recoverable amount of the CGUs which is based on the value in use ('VIU'), has been derived from discounted cash flow model. The model uses several key assumptions. The economic slowdown owing to the Covid-19 pandemic and other economic factors may impact the key assumptions taken while computing VIU.	Our audit procedures included: • Assessed Group's identification of CGUs with reference to the guidance in the applicable accounting standards; • Tested design, implementation and operating effectiveness of key controls over the impairment assessment process. • We obtained and assessed the value in use (VIU) as determined by the Group as under: • Assessed the method of determining VIU and key assumptions used therein through historical information, budgets / projections, externally derived data and other relevant information.

The key audit matter	How the matter was addressed in our audit
Considering the inherent uncertainty, complexity and judgment involved and the significance of the value of the assets, impairment assessment of the above mentioned radio licenses has been considered as a key audit matter.	• Challenged the key assumptions and judgements within the build-up and methodologies used by the Group. • Assessed the sensitivity of the outcome of impairment assessment to changes in key assumptions. • Involved our internal specialists to assist us in performing above mentioned procedures. • Tested the adequacy of disclosures made in the consolidated financial statements, as required by relevant accounting standards.

Going concern

See note 47 to the consolidated financial statements

The key audit matter	How the matter was addressed in our audit
The Group through its subsidiary; Next Radio Limited ('NRL') is engaged in the business of private FM broadcasting where the principal revenue stream is advertisement. The Group derives its net worth primarily from NRL. The net worth of NRL is completely eroded and NRL has incurred losses in current year and in earlier years. This necessitates the evaluation of NRL and the Group's ability to continue as a Going concern. Further, with the outbreak of COVID-19 pandemic, the operations of NRL have been significantly impacted. In view of the above, we have identified Going Concern as a key audit matter.	Our audit procedures included: • Discussed with the management and those charged with governance regarding the possibility of NRL's and the Group's ability to meet their obligations. • Assessed and challenged the key assumptions used in the preparation of projected financial information through historical information, externally derived data and other relevant information. • Evaluated the mitigating measures taken by NRL's and the Group's management and those charged with governance. • Assessed the Holding Company's ability and financial strength for providing support to the Group in meeting the liabilities as they fall due. • Assessed the adequacy of the disclosures included in the consolidated financial statements.

Revenue Recognition

See note 23 and 48 to the consolidated financial statements

The key audit matter	How the matter was addressed in our audit
As disclosed in Note 23 to the consolidated financial statements, the Group's revenue from operations for the year ended 31 March 2021 was ₹ 1,949 Lakhs (Previous year ₹ 5,189 Lakhs). Revenue is recognized upon transfer of control of promised services to the customers and when it is "probable" that the Group will collect the consideration. Revenue is recognized on the airing of client's commercials.	Our audit procedures included: • Assessed the appropriateness of the accounting policy for revenue recognition as per the relevant accounting standard; • Evaluated the design and implementation of key controls in relation to revenue recognition and tested the operating effectiveness of such controls for a sample of transactions;

The key audit matter	How the matter was addressed in our audit

There is a risk that revenue is recognized before the advertisement is aired.
 	
Further, during the current year, HT Media Limited ('the Holding Company') received a whistleblower complaint from a named employee alleging deficiencies in a stream of radio business. The Holding Company and the Company, in accordance with their whistleblower policy, and as confirmed by the respective Audit Committees, commenced investigation in the matter by appointing an independent Law firm, which worked closely with an independent accounting firm.
 	
The said investigation has affirmed the deficiencies, which has resulted in the revision of financial statements for the year ended 31 March 2020.
 	
Standards on Auditing presume that there is fraud risk with regard to revenue recognition. Also, revenue is one of the key performance indicators of the Group which makes it susceptible to misstatement.
 	
In view of the above, we have identified revenue recognition as a key audit matter.
	• Involved our IT specialists to assist us in testing of key IT system controls which impact revenue recognition;
	
	• Performed detailed testing by selecting samples of revenue transactions recorded during and after the year. For such samples, verified the underlying documents supporting the revenue recognition;
	
	• On investigation relating to deficiencies in a stream of radio business, our procedures included:
	
	  • discussed the approach for investigation with senior management and those charged with governance.
	
	  • discussed the investigation approach, investigation report and assessment of non-compliances with laws and regulations with the investigating teams and with management.
	
	  • evaluated the pervasiveness of the deficiencies including impact on our risk assessments and any resulting impact on the nature timing and extent of audit procedures to respond to the assessed risks.
	
	  • evaluated the accounting for and adequacy of disclosure of the matter involved.
	
	  • performed shadow procedures and for sample transactions tested whether revenue recognition is appropriate.
	
	  • Involved our internal specialists to assist us in performing above mentioned procedures, to the extent applicable.

Other Information

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

Our opinion on the consolidated 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 consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed and based on the work done/ audit report of other auditors, 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 Consolidated Financial Statements

The Holding Company's Management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated state of affairs, consolidated loss and other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. The respective Management and Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each company. and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Management and Directors of the Holding Company, as aforesaid.

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

The respective Board of Directors of the companies included in the Group is responsible for overseeing the financial reporting process of each company.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated 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 consolidated 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 the internal financial controls with reference to the consolidated financial statements and the operating effectiveness of such controls based on our audit.

- 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 Management and Board of Directors use of the going concern basis of accounting in preparation of consolidated 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 appropriateness of this assumption. 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 consolidated 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 Group to cease to continue as a going concern.

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

- Obtain sufficient appropriate audit evidence regarding the financial information of such entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in para (a) of the section titled 'Other Matters' in this audit report.

We believe that the audit evidence obtained by us along with the consideration of audit report of the other auditor referred to in sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

We communicate with those charged with governance of the Holding Company and such other entity included in the consolidated financial statements of which we are the independent auditors 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

(a) We did not audit the financial statements of one subsidiary, whose financial statements reflect Group's share total assets (before consolidation adjustments) of Rs.195 lakhs as at 31 March 2021, Group's share of total revenues (before consolidation adjustments) of Rs.16 lakhs, Group's share of total net profit after tax (before consolidation adjustment) of ₹ 6 lakhs and Group's share of net cash outflows (before consolidation adjustments) amounting to ₹ 1 lakh for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditor whose report have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of said subsidiary, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary is based solely on the audit report of the other auditor.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the report of the other auditor.

Report on Other Legal and Regulatory Requirements

A. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditor on separate financial statements of subsidiary company as was audited by other auditor, as noted in the 'Other Matters' paragraph, we report, to the extent applicable, 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 of the aforesaid consolidated financial statements.

b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the report of the other auditor.

c) The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

d) In our opinion, the aforesaid consolidated 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 of the Holding Company as on

31 March 2021 taken on record by the Board of Directors of the Holding Company, its subsidiary company and the report of the statutory auditor of its subsidiary company, none of the directors of the Group companies incorporated in India is disqualified as on 31 March 2021 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 Holding Company and its subsidiary companies and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".

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 and based on the consideration of the reports of the other auditor on separate financial statements of the subsidiary company, as noted in the 'Other Matters' paragraph:

i. The consolidated financial statements disclose the impact of pending litigations as at 31 March 2021 on the consolidated financial position of the Group. Refer Note 32(ii) to the consolidated financial statements.

ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts during the year ended 31 March 2021.

iii. There are no amounts which are required to be transferred to the Investor Education and Protection Fund by the Holding Company or its subsidiary company during the year ended 31 March 2021.

iv. The disclosures in the consolidated financial statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made in the financial statements since they do not pertain to the financial year ended 31 March 2021.

C. With respect to the matter to be included in the Auditor's report under section 197(16):

In our opinion and according to the information and explanations given to us there are no directors in Holding Company to whom remuneration is paid/payable in accordance with the provisions of Section 197 of the Act. Further, the remuneration paid during the current year by the subsidiary company; Next Radio Limited to its directors is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director by its above mentioned subsidiary company, is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

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

Rajesh Arora
Partner
Membership No. 076124
UDIN:21076124AAAABY1908

Place: Gurugram
Date: 16 June 2021

ANNEXURE A

to the Independent Auditor's report on the consolidated financial statements of Next Mediaworks Limited for the year ended 31 March 2021

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

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

Opinion

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31 March 2021, we have audited the internal financial controls with reference to consolidated financial statements of Next Mediaworks Limited (hereinafter referred to as "the Holding Company") and such companies incorporated in India under the Companies Act, 2013 which are its subsidiary companies, as of that date (Holding Company along with subsidiary companies, referred to as "Group").

In our opinion, the Holding Company and such companies incorporated in India which are its subsidiary companies have in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls were operating effectively as at 31 March 2021, based on the internal financial controls with reference to consolidated financial statements criteria established by such companies considering the essential components of such internal controls 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 respective Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on the criteria established by the respective 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 the respective 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").

Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated 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 consolidated 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 consolidated financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of the internal controls 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 consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditor of the relevant subsidiary company in terms of their report referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements.

Meaning of Internal Financial controls with Reference to Consolidated Financial Statements

A company's internal financial controls with reference to consolidated 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 consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial controls with Reference to consolidated Financial Statements

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

Other Matters

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements insofar as it relates to one subsidiary company, which are companies incorporated in India, is based on the corresponding report of the auditor of such company incorporated in India.

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

Rajesh Arora
Partner
Membership No.: 076124
UDIN:21076124AAAABY1908

Place: Gurugram
Date: 16 June 2021

CONSOLIDATED BALANCE SHEET

as at March 31, 2021

(₹ in Lakhs)

Particulars	Notes	As at March 31, 2021	As at March 31, 2020 (Revised*)
I ASSETS			
1) Non current assets			
a) Property, plant and equipment	2	352	457
b) Right-of- use assets	29	1,915	2,138
c) Intangible assets	2A	5,592	6,213
d) Financial assets			
i) Loans	4	139	137
ii) Other financial assets	5	-	125
e) Income tax assets (net)	6	392	485
f) Other non-current assets	7	13	3
Total non-current assets		**8,403**	**9,558**
2) Current assets			
a) Financial assets			
i) Investments	3	-	57
ii) Trade receivables	8	672	1,458
iii) Cash and cash equivalents	9	166	153
iv) Bank balances other than (iii) above	10	93	46
v) Loans	4	1	1
vi) Other financial assets	5	476	178
b) Other current assets	12	393	265
Total current assets		**1,801**	**2,158**
TOTAL ASSETS		**10,204**	**11,716**
II EQUITY AND LIABILITIES			
1) Equity			
a) Equity share capital	13	6,689	6,689
b) Other equity	14	(10,151)	(8,001)
Equity attributable to equity holders of parent company		**(3,462)**	**(1,312)**
c) Non controlling interest		(1,603)	175
Total equity		**(5,065)**	**(1,137)**
2) Liabilities			
Non-current liabilities			
a) Financial liabilities			
i) Borrowings	15	11,520	6,864
ii) Lease liabilities	16	1,760	1,817
iii) Other financial liabilities	17	389	339
b) Provisions	20	47	106
Total non-current liabilities		**13,716**	**9,126**
Current liabilities			
a) Financial liabilities			
i) Borrowings	15	-	575
ii) Lease liabilities	16	315	289
iii) Trade payables			
(a) Total outstanding dues of micro enterprises and small enterprises	18	-	-
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	18	772	635
iv) Other financial liabilities	19	208	2,065
b) Contract liabilities	21	93	61
c) Other current liabilities	22	155	101
d) Provisions	20	10	1
Total current liabilities		**1,553**	**3,727**
Total liabilities		**15,269**	**12,853**
TOTAL EQUITY AND LIABILITIES		**10,204**	**11,716**
Summary of significant accounting policies	1		

*Refer note no. 48

See accompanying notes to the consolidated financial statements.

In terms of our report of even date attached

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

Rajesh Arora
Partner
Membership No. 076124

For and on behalf of the Board of Directors of
Next Mediaworks Limited

Anup Sharma
Chief Financial Officer

Ramesh Menon
Chief Executive Officer

Diksha Singh
Company Secretary
Membership No.: A44999

Praveen Someshwar
Chairman
(DIN: 01802656)

Dinesh Mittal
Director
(DIN: 00105769)

Place: Gurugram
Date: June 16, 2021

Place: New Delhi
Date: June 16, 2021

NEXT MEDIAWORKS LIMITED

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

for the year ended March 31, 2021

(₹ in Lakhs)

	Particulars	Notes	Year ended March 31, 2021	Year ended March 31, 2020 (Revised*)
I	**Income**			
	a) Revenue from operations	23	1,949	5,189
	b) Other income	24	231	649
	Total income		**2,180**	**5,838**
II	**Expenses**			
	a) Radio license fees		1,390	1,393
	b) Employee benefits expense	25	916	1,848
	c) Finance costs	26	1,221	1,075
	d) Depreciation and amortisation expense	27	952	1,261
	e) Other expenses	28	1,620	2,409
	Total expenses		**6,099**	**7,986**
III	**Loss before exceptional items and tax from operations(I-II)**		**(3,919)**	**(2,148)**
IV	Exceptional items	40	-	(2,996)
V	**Loss before tax (III+IV)**		**(3,919)**	**(5,144)**
VI	**Earnings before finance cost , tax, depreciation and amortisation (EBITDA) before exceptional items [III+II(c)+II(d)]**		**(1,746)**	**188**
VII	**Tax expense**	33		
	a) Current tax		4	4
	b) Deferred tax		-	-
	Total tax expenses		**4**	**4**
VIII	**Loss for the year (V-VII)**		**(3,923)**	**(5,148)**
IX	**Other comprehensive income**			
	(a) Items that will not to be reclassified subsequently to profit or loss			
	Remeasurement of the defined benefits plans	37	(5)	(23)
	Income tax effect		-	-
	Other comprehensive income for the year, net of tax		**(5)**	**(23)**
X	**Total comprehensive income/ (loss) for the year, net of tax (VIII+IX)**		**(3,928)**	**(5,171)**
XI	**Net loss attributable to:**			
	a) Owners of the Company		(2,147)	(2,702)
	b) Non-controlling interest		(1,776)	(2,446)
XII	**Other comprehensive income**			
	a) Owners of the Company		(3)	(11)
	b) Non-controlling interest		(2)	(12)
XIII	**Total comprehensive loss**			
	a) Owners of the Company		(2,150)	(2,713)
	b) Non-controlling interest		(1,778)	(2,458)
IX	**Loss per equity share (nominal value of ₹ 10 each)**			
	Loss per share	**30**		
	Basic (Nominal value of share ₹ 10/-)		(3.21)	(4.04)
	Diluted (Nominal value of share ₹ 10/-)		(3.21)	(4.04)
	Summary of significant accounting policies	1		

*Refer note no. 48

See accompanying notes to the consolidated financial statements.
In terms of our report of even date attached

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

Rajesh Arora
Partner
Membership No. 076124

For and on behalf of the Board of Directors of
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Chief Financial Officer

Ramesh Menon
Chief Executive Officer

Diksha Singh
Company Secretary
Membership No.: A44999

Praveen Someshwar
Chairman
(DIN: 01802656)

Dinesh Mittal
Director
(DIN: 00105769)

Place: Gurugram
Date: June 16, 2021

Place: New Delhi
Date: June 16, 2021

CONSOLIDATED STATEMENT OF CASH FLOWS

for the year ended March 31, 2021

(₹ in Lakhs)

Particulars	March 31, 2021	March 31, 2020 (Revised*)
Cash flows from operating activities:		
Loss before tax	**(3,919)**	**(5,144)**
Adjustments for :		
Depreciation and amortisation expenses	952	1,261
Loss allowance for doubtful receivables	298	189
Finance costs	1,221	1,074
Rental income	(31)	(8)
Interest income on bank deposit	(6)	(6)
Interest income - other	(10)	(18)
Interest on Income tax refund	(9)	(18)
Gain on lease termination	(11)	-
Fair value through profit or loss (FVTPL) gain on derivative	(51)	(245)
Unrealised foreign exchange fluctuation	59	281
Loss / (Profit) on property, plant and equipment sold/discarded	11	(142)
Impairment of property, plant and equipment and Intangibles (exceptional item)	-	2,996
Dividend Income in investments designated at FVTPL	(1)	(2)
Liabilities no longer required written back	(37)	(171)
Changes in operating assets and liabilities:		
Decrease in trade and other receivables	489	984
(Increase)/ decrease in current and non-current financial assets and other current and non-current assets	(352)	225
Decrease in trade payables, other current and non - current financial liabilities and current and non-current provisions	(35)	(3,028)
Decrease / (increase) in contract liabilities	32	(618)
Cash flow used in operating activities	**(1,400)**	**(2,390)**
Income taxes refund	89	43
Net cash used in operating activities (A)	**(1,311)**	**(2,347)**
Cash flows from investing activities:		
Purchase of property, plant and equipment	(6)	(259)
Sale of property, plant and equipment	11	209
Deposits made during the year	(6)	(12)
Rental income	31	8
Proceeds from sale of shares held by ESOP trust	-	4
Interest received	13	15
Proceeds from sale of mutual fund	57	-
Net cash from/ (used in) investing activities (B)	**100**	**(35)**
Cash flows from financing activities:		
Proceeds from borrowings	5,470	6,650
Repayment of borrowings	(3,017)	(3,378)
Repayment of lease liability	(27)	(173)
Interest paid	(1,202)	(716)
Net cash flows from financing activities (C)	**1,224**	**2,383**
Net increase in cash and cash equivalents (D= A+B+C)	13	1
Cash and cash equivalents at the beginning of the year (E)	153	152
Cash and cash equivalents at year end (D+E)	**166**	**153**

CONSOLIDATED STATEMENT OF CASH FLOWS

for the year ended March 31, 2021

(₹ in Lakhs)

Particulars	March 31, 2021	March 31, 2020
Components of cash & cash equivalents as at end of the year		
Balances with banks		
- in current accounts	143	130
Cheques in hand	23	23
Cash on hand **	-	-
Cash and cash equivalents as per cash flow statement	**166**	**153**

* Refer Note no. 48

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

See accompanying notes to the consolidated financial statements.

Refer Note 15 for debt reconciliation disclosure
Refer Note 29 for leases reconciliation disclosure

In terms of our report of even date attached

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

Rajesh Arora
Partner
Membership No. 076124

Place: Gurugram
Date: June 16, 2021

For and on behalf of the Board of Directors of
Next Mediaworks Limited

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Chief Financial Officer

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Chief Executive Officer

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Company Secretary
Membership No.: A44999

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Chairman
(DIN: 01802656)

Dinesh Mittal
Director
(DIN: 00105769)

Place: New Delhi
Date: June 16, 2021

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the year ended March 31, 2021

A Equity share capital (refer note 13)

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

Particulars	Number of shares	Amount (₹ in Lakhs)
As at April 1, 2019	**6,68,56,408**	**6,685**
Changes in equity share capital during the year	36,500	4
Balance as at March 31, 2020	**6,68,92,908**	**6,689**
Changes in equity share capital during the year	-	-
Balance as at March 31, 2021	**6,68,92,908**	**6,689**

B Other equity (refer note 14)

(₹ in Lakhs)

Particulars	Reserves and Surplus		Other comprehensive income*	Total attributable to owners of Company	Non Controlling Interest
	Securities Premium	Retained earnings			
As at April 1, 2019	**8,606**	**(13,893)**	**-**	**(5,287)**	**2,633**
Loss for the year	-	(2,703)	-	(2,703)	(2,446)
Other comprehensive income for the year (net of tax) *	-	-	(11)	-	-
Total comprehensive income for the year	**-**	**(2,703)**	**(11)**	**(2,703)**	**(2,446)**
Transferred to retained earnings	-	(11)	11	(11)	(12)
Balance as at March 31, 2020	**8,606**	**(16,607)**	**-**	**(8,001)**	**175**
Loss for the year	-	(2,147)	-	(2,147)	(1,776)
Other comprehensive income for the year (net of tax) *	-	-	(3)	-	-
Total comprehensive income for the year	**-**	**(2,147)**	**(3)**	**(2,147)**	**(1,776)**
Transferred to retained earnings	-	(3)	3	(3)	(2)
Balance as at March 31, 2021	**8,606**	**(18,757)**	**-**	**(10,151)**	**(1,603)**

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

See accompanying notes to the consolidated financial statements.

In terms of our report of even date attached

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

Rajesh Arora
Partner
Membership No. 076124

For and on behalf of the Board of Directors of
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(DIN: 01802656)

Dinesh Mittal
Director
(DIN: 00105769)

Place: Gurugram
Date: June 16, 2021

Place: New Delhi
Date: June 16, 2021

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2021

1. Corporate information

Next Mediaworks Group consists of Next Mediaworks Limited ("the Company" or "the Parent Company") and its wholly owned subsidiary (Next Radio Limited) and its step down subsidiary (Syngience Broadcast Ahmedabad Limited) [hereinafter referred to as "the Group"].

Next Radio Limited (NRL) 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 principal revenue stream is advertising. Advertising revenues are generated through the sale of air time in the NRL's FM radio broadcasting stations, activations and monetization of NRL'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 Group is provided in Note No 35.

The financial statements of the Company for the year ended March 31, 2021 are authorised for issue in accordance with a resolution of the Board of Directors on June 16, 2021.

1.1 Significant accounting policies

1.1.1 Basis of preparation

The Consolidated financial statements (CFS) of the Group 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 Consolidated financial statements.

The consolidated 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 consolidated financial statements and notes have been rounded off to the nearest lacs as per the requirement of Schedule III, unless otherwise stated.

1.1.2 Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at 31 March, 2021. Control is achieved when the Group 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.

Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2021

- The Group's voting rights and potential voting rights
- The size of the group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed off during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that group member's financial statements in preparing the consolidated financial statements to ensure conformity with the group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent, i.e., year ended on 31 March. When the end of the reporting period of the parent is different from that of a subsidiary, the subsidiary prepares, for consolidation purposes, additional financial information as of the same date as the financial statements of the parent to enable the parent to consolidate the financial information of the subsidiary, unless it is impracticable to do so.

Consolidation procedure:

i) Subsidiaries:

(a) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries.

(b) Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.

(c) Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised in assets, such as property, plant and equipment, are eliminated in full). Ind-AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- Derecognises the assets (including goodwill) and liabilities of the subsidiary
- Derecognises the carrying amount of any non-controlling interests
- Derecognises the cumulative translation differences recorded in equity
- Recognises the fair value of the consideration received

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2021

- Recognises the fair value of any investment retained
- Recognises any surplus or deficit in profit or loss
- Reclassifies the parent's share of components previously recognised in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities

1.1.3 Summary of significant accounting policies

a) Current versus non- current classification

The Group 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 Group classifies all other liabilities as non-current.

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

The operating cycle is the time between the display of advertisement on websites and delivery of content and their realization in cash and cash equivalents. The Group has identified twelve months as its operating cycle.

b) Foreign currencies

The Group's consolidated financial statements are presented in ₹, which is also the parent Company's functional currency. For each entity the Group determines the functional currency and items included in the financial statements of each entity are measured using that functional currency. The Group uses the direct method of consolidation and on disposal of a foreign operation the gain or loss that is reclassified to profit or loss reflects the amount that arises from using this method.

Transactions and Balances

Transactions in foreign currencies are initially recorded by the Group at their respective functional currency spot rates at the date the transaction first qualifies for recognition. However, for practical reasons, the Group 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 Group'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.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2021

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 Group 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 Group.

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 Group 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 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly
- Level 3 — Valuation techniques for which inputs are unobservable inputs for the asset or liability

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group 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 Group 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.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2021

d) Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group 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 Group 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 credit risks.

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

Contract asset represents the Group's right to consideration in exchange for services that the Group 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 Non FCT 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 either 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 Group 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 other income in the statement of profit and loss.

Dividends

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

e) Taxes

Current income tax

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

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

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2021

compute the amount are those that are enacted or substantively enacted, at the reporting date.

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

Appendix C to Ind AS 12, Income Taxes dealing with accounting for uncertainty over income tax treatments does not have any material impact on financial statements of the Group.

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 arerecognised 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

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2021

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 Group 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

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2021

Type	Useful lives estimated by the management (in years)
Leasehold improvements	Life based on lease period
Computers	3
Computers – Servers	6

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

Includes IT Equipment Also

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 finite life are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite life is recognised in the statement of profit and loss.

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

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2021

supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

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

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

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

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

h) Borrowing costs

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

i) Leases

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

Group as a lessee

The Group 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 asset 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 assets 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 Group 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 Group uses incremental borrowing rate. The lease payments shall include fixed payments, variable lease payments, residual value guarantees,

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2021

exercise price of a purchase option where the Group 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 Group 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 Group recognises any remaining amount of the re-measurement in statement of profit and loss.

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

Group as a lessor

At the inception of the lease the Group classifies each of its leases as either an operating lease or a finance lease. The Group 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 Group 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 Group 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

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2021

Group has no obligation, other than the contribution payable to the provident fund. The Group 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 Group recognises related restructuring cost

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

The Group 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 group 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 Group 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 Group 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 profit or loss and are not deferred. The Group 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 Group has the unconditional legal and contractual right to defer the settlement

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2021

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 Group 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 Group 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 Group's or other available fair value indicators.

The Group bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Group'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 Group 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 Group 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.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2021

Financial assets

Initial recognition and measurement

All financial assets (except trade receivable/ contract assets measured at transaction price) are recognised 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 amortised cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) 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 amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables.

Debt instruments at FVTPL

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

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

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

Equity investments

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

If the group 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 Group may transfer the cumulative gain or loss within equity.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2021

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

De-recognition

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

- The rights to receive cash flows from the asset have expired, or
- The Group 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 Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group 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 Group continues to recognise the transferred asset to the extent of the Group continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group 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 Group could be required to repay.

Impairment of financial assets

In accordance with Ind-AS 109, the Group 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 amortised 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 Group follows 'simplified approach' for recognition of impairment loss allowance on:

- Trade receivables or contract revenue receivables or unbilled receivables; and

The application of simplified approach does not require the Group 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 Group 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

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2021

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 Group 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 Group does not reduce impairment allowance from the gross carrying amount. For assessing increase in credit risk and impairment loss. The Group 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.

For assessing increase in credit risk and impairment loss. the Group 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 Group 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 Group's financial liabilities include trade and other payables, loans and borrowings and derivative financial instruments.

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

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2021

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 ElR 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 ElR 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 Group 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 Group 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

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2021

be measured reliably. The Group 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 Group 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 Group measures EBITDA on the face of profit/ (loss) from continuing operations. In the measurement, the Group 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 Group
- 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.

1.1.4. Significant accounting judgements, estimates and assumptions

The preparation of the Group'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 Group, 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

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2021

considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

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

Further details about gratuity obligations are given in Note 37.

The areas involving critical judgement are as below:

Taxes

Uncertainties exist with respect to the interpretation of complex tax regulations, changes in tax laws, and the amount and timing of future taxable income. Given the wide range of business relationships and the long-term nature and complexity of existing contractual agreements, differences arising between the actual results and the assumptions made, or future changes to such assumptions, could necessitate future adjustments to tax income and expense already recorded. The Group 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 deferred taxes are given in Note 34.

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 Discounted Cash Flow (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 44.

Impairment of financial assets

The impairment provisions for financial assets are based on assumptions about risk of default and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Group'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 Group 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 Group 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 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

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2021

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 Group 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 Group 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 Group 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.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2021

2 Property, plant and equipment*

(₹ in Lakhs)

Particulars	Building (Leasehold Improvement)	Furniture and fixtures	IT Equipment	Office Equipment	Plant & Machinery	Studio Equipment	Total
Gross block							
As at April 1, 2019	**660**	**351**	**419**	**307**	**9**	**1,471**	**3,217**
Additions	16	2	-	-	-	241	259
Less: Disposals	241	141	10	20	3	165	580
As at March 31, 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**
Accumulated Depreciation/ Impairment							
As at April 1, 2019	**587**	**333**	**412**	**271**	**6**	**1,286**	**2,895**
Charge for the year	22	2	4	9	-	40	77
Less: Disposals	210	136	10	18	2	157	533
As at March 31, 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**
Net block							
As at March 31, 2021	**14**	**7**	**2**	**11**	**2**	**316**	**352**
As at March 31, 2020	**36**	**13**	**3**	**25**	**2**	**378**	**457**

*Pledged as security by the Company (refer note 15)

2A Intangible assets

(₹ in Lakhs)

Particulars	Licenses	Computer software	Total
Gross block			
As at April 1, 2019	**13,815**	**122**	**13,937**
Additions	-	-	-
Less: Disposals	-	60	60
As at March 31, 2020	**13,815**	**62**	**13,877**
Additions	-	-	-
Less: Disposals	-	-	-
As at March 31, 2021	**13,815**	**62**	**13,877**
Accumulated Amortization/ Impairment			
As at April 1, 2019	**3,685**	**119**	**3,804**
Charges for the year	921	3	924
Impairment (refer note 40)	2,996	-	2,996
Less: Disposals	-	60	60
As at March 31, 2020	**7,602**	**62**	**7,664**
Charges for the year	621	-	621
Less: Disposals	-	-	-
As at March 31, 2021	**8,223**	**62**	**8,285**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
for the year ended March 31, 2021

2A Intangible assets (Contd..)

(₹ in Lakhs)

Particulars	Licenses	Computer software	Total
Net Block			
As at March 31, 2021	**5,592**	**-**	**5,592**
As at March 31, 2020	**6,213**	**-**	**6,213**

3 Investments

(₹ in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Investment at fair value through profit and loss		
Quoted		
Investment in mutual fund	-	57
Total	**-**	**57**
Aggregate book value of unquoted investments	-	-
Aggregate book value of quoted investments	-	57
Market value of quoted investment	-	57
Current	-	57
Non-current	-	-

4 Loans

(₹ in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Unsecured considered good (at amortised cost)		
Security deposits	140	138
Doubtful at amortised cost		
Security deposits	-	13
Less : Allowance for bad and doubtful deposits	-	(13)
Total	**140**	**138**
Current	1	1
Non-current	139	137

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2021

5 Other financial assets

(₹ in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Unsecured considered good		
I . Derivatives at fair value through profit and loss		
Derivative contract	-	246
II . Other financial assets at amortised cost		
Other receivables (refer note 35A)	468	9
Interest accrued on fixed deposits	8	5
Deposits with bank held as margin money	-	43
Total	**476**	**303**
Current	476	178
Non-current	-	125

6 Income tax assets (net)

(₹ in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Income tax assets (net) (refer note 33)	392	485
Total	**392**	**485**
Non - Current	392	485

7 Other non current assets

(₹ in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Unsecured considered good		
Capital advances *	13	-
Prepaid expenses	-	3
Total	**13**	**3**

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

8 Trade receivables

(₹ in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Trade receivables	642	1,458
Receivable from related party (refer note 35A)	30	-
Total	**672**	**1,458**

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

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2021

8 Trade receivables (Contd..)

(₹ in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Secured, considered good		
Unsecured, considered good	672	1,458
Unsecured considered doubtful	892	844
	1,564	**2,302**
Loss allowance for bad and doubtful receivables	(892)	(844)
Total	**672**	**1,458**

9 Cash and cash equivalents

(₹ in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Balances with banks :		
- in current accounts	143	130
Cheques on hand *	23	23
Cash on hand *	-	-
Total	**166**	**153**

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

10 Other bank balances

(₹ in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Bank balances other than (note 9) above		
- Margin money*	88	41
- Deposits with original maturity of more than three months	5	5
Total	**93**	**46**

*Margin money lien for bank guarantee given.

11 Break up of financial assets carried at amortised cost

(₹ in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Loans (Note 4)	140	138
Other current financial assets (note 5)	476	178
Cash and cash equivalents (note 9)	166	153
Trade receivables (note 8)	672	1,458
Other bank balances (note 10)	93	46
Total	**1,547**	**1,973**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
for the year ended March 31, 2021

11 Break up of financial assets carried at amortised cost (Contd..)

11A Break up of financial assets at fair value through profit and loss

(₹ in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Investments (note 3)	-	57
Total	**-**	**57**

12 Other current assets

(₹ in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Advances given	37	17
Prepaid expenses	30	51
Other receivables	-	30
Balance with government authorities	326	167
Total	**393**	**265**

13 Share Capital

a Authorised share capital

Particulars	Number of shares	Amount (₹ in Lakhs)
As at April 1, 2019	**8,00,00,000**	**8,000**
Increase/(decrease) during the year	-	-
At March 31, 2020	**8,00,00,000**	**8,000**
Increase/(decrease) during the year	-	-
At March 31, 2021	**8,00,00,000**	**8,000**

b Terms of equity shares

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

c Issued, subscribed and paid up share capital

Particulars	Number of shares	Amount (₹ in Lakhs)
As at April 1, 2019	**6,68,56,408**	**6,685**
Changes during the year	-	-
Add :Shares held by ESOP Trust	36,500	4
As at March 31, 2020	**6,68,92,908**	**6,689**
Changes during the year	-	-
As at March 31, 2021	**6,68,92,908**	**6,689**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2021

13 Share Capital (Contd..)

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

Particulars	March 31, 2021		March 31, 2020	
	Number of shares	Amount (₹ in Lakhs)	Number of shares	Amount (₹ in Lakhs)
Shares outstanding at the beginning of the year	6,68,92,908	6,689	6,68,56,408	6,685
Sale of shares held by ESOP Trust	-	-	36,500	4
Shares outstanding at the end of year	**6,68,92,908**	**6,689**	**6,68,92,908**	**6,689**

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

Particulars	March 31, 2021		March 31, 2020	
	Number of shares	Amount (₹ in Lakhs)	Number of shares	Amount (₹ in Lakhs)
HT Media Limited, the holding company (w.e.f. April 15, 2019)	3,41,15,386	3,412	-	-

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

Particulars	March 31, 2021		March 31, 2020	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Equity Shares				
HT Media Limited, the holding company	3,41,15,386	51.00%	3,41,15,386	51.00%
Tehzeeb Ansari	43,37,298	6.48%	43,37,298	6.48%
Meridian Holding and Leasing Company Private Limited	37,73,246	5.64%	37,73,246	5.64%
Bennett Coleman and Company Limited	36,49,391	5.46%	36,49,391	5.46%

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.

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

Particulars	2020-21	2019-20	2018-19	2017-18	2016-17
Shares issued under ESOP	-	-	-	66,680	66,660

h Shares reserved for issue under options

There are no outstanding shares under ESOP scheme

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2021

14 Other equity

(₹ in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Securities premium*	8,606	8,606
Retained earning#	(18,756)	(16,607)
Total	**(10,150)**	**(8,001)**

* Securities premium is used to record the premium on issue of shares. It is utilised in accordance with the provisions of the Companies Act, 2013.

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

Securities premium

(₹ in Lakhs)

Particulars	Amount (₹ in Lakhs)
As at April 1, 2019	**8,606**
Add: addition during the year	-
Balance as at March 31, 2020	**8,606**
Add: addition during the year	-
Balance as at March 31, 2021	**8,606**

Retained earning

Particulars	Amount (₹ in Lakhs)
As at April 1, 2019	**(13,893)**
Loss for the year	(2,703)
Add: Items of other comprehensive income (OCI) recognised directly in retained earnings	
- Remeasurement of defined benefit plans, net of tex	(11)
As at March 31, 2020	**(16,607)**
Loss for the year	(2,146)
Add: Items of other comprehensive income (OCI) recognised directly in retained earnings	
- Remeasurement of defined benefit plans, net of tex	(3)
As at March 31, 2021	**(18,756)**

15 Borrowings

(₹ in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Non-current Borrowings		
Secured		
Term loans from banks	-	2,441
Unsecured		
Loan from related party (refer note 35A)*	11,520	6,050
Less: Amount clubbed under "other current financial liabilities" (Current maturities of long term borrowing) (refer note 19)	-	(1,627)
Sub total (a)	**11,520**	**6,864**
Current Borrowings		
Secured		
Cash Credit from banks	-	550

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2021

15 Borrowings (Contd..)

(₹ in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Unsecured		
Loan from related party (refer note 35A)**	-	25
Sub total (b)	**-**	**575**
Total (a+b)	**11,520**	**7,439**

Note:

a Secured borrowings are secured by:

- First exclusive charge on the Company's property, plant and equipment both present and future.
- First exclusive charge on current assets both present and future.

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

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

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

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

* Carries interest rate of 10% p.a. compounded annually and payable within 3 years from the date of each draw down i.e from May 2022 to March 2024.

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

Debt reconciliation for FY 2020-21

Particulars	Current Borrowings (including Current Portion of Long-term Borrowings)	Non Current Borrowings
Opening balance as at April 1, 2020	2,203	6,864
Cash flows:		
Add: Drawdowns	-	5,470
Less: Repayments	(2,203)	(814)
Adjustments:		
Reclasification of long-term borrowing	-	-
Foreign exchange adjustments	-	-
Closing Balance as at March 31, 2021	**-**	**11,520**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
for the year ended March 31, 2021

15 Borrowings (Contd..)

Debt reconciliation for FY 2019-20

(₹ in Lakhs)

Particulars	Current Borrowings (including Current Portion of Long-term Borrowings)	Non Current Borrowings
Opening balance as at April 1, 2019	3,354	2,160
Cash flows:		
Add: Drawdowns	600	6,050
Less: Repayments	(3,378)	-
Adjustments:		
Reclasification of long-term borrowing	1,440	(1,440)
Foreign exchange adjustments	187	94
Closing Balance as at March 31, 2020	**2,203**	**6,864**

16 Lease liabilities

(₹ in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Lease liabilities (refer note 29)	2,075	2,106
Total	**2,075**	**2,106**
Current	315	289
Non-current	1,760	1,817

17 Other financial liabilities at amortised cost - non current

(₹ in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Interest accrued but not due on borrowings (refer note 35A)	389	339
Total	**389**	**339**

18 Trade payables

(₹ in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Trade payables		
- Amount payable to micro and small enterprises	-	-
Sub total (a)	**-**	**-**
- Amount payable to related parties (refer note 35A)	273	230
- Amount payable to other than micro enterprises and small enterprises	499	405
Sub total (b)	**772**	**635**
Total (a + b)	**772**	**635**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2021

19 Other financial liabilities at amortised cost - current

(₹ in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Current maturities of long term debt (refer note 15)	-	1,627
Interest accrued but not due on inter corporate deposits taken from related party (refer note 35A)	-	23
Employee related payable	208	406
Interest accrued but not due on term loan	-	7
Other current liabilities *	-	2
Total	**208**	**2,065**

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

19A Break up of financial liabilities carried at amortised cost

(₹ in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Borrowings (note 15)	11,520	7,439
Lease liabilities (note 16)	2,075	2,106
Trade payables (note 18)	772	635
Other non-current financial liabilities (note 17)	389	339
Other current financial liabilities (note 19)	208	2,065
Total	**14,964**	**12,584**

20 Provisions

(₹ in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Non-current		
Provision for employee benefits		
- Gratuity (refer note 37)	34	86
- Leave encashment (refer note 37)	13	20
Total	**47**	**106**
Current		
Provision for employee benefits		
Gratuity (refer note 37) *	9	-
Leave encashment (refer note 37)	1	1
Total	**10**	**1**

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

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2021

21 Contract liabilities

(₹ in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Unearned revenue	93	61
Total	**93**	**61**

(₹ in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Opening unearned revenue	61	679
Revenue recognised during the year	16	646
Unearned revenue accrued during the year	48	28
Closing Unearned Revenue	**93**	**61**

22 Other current liabilities

(₹ in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Statutory dues	35	85
Advances from customers	120	16
Total	**155**	**101**

23 Revenue from operations

Revenue from contracts with customers

(₹ in Lakhs)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Sale of services		
- Advertisement revenue	1,949	5,189
Total	**1,949**	**5,189**

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

(₹ in Lakhs)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Contract price	1,976	5,241
Adjustments to the contract price	27	52
Revenue recognised	**1,949**	**5,189**

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

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2021

24 Other Income

(₹ in Lakhs)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Interest income on EIR method		
- on bank deposit	6	7
- others	10	18
Dividend income	1	2
Other non - operating income		
Interest on income tax refund	9	18
Profit on sale of assets held for sale	-	180
Rental income (refer note 35A)	31	8
Fair value gain from derivatives at FVTPL	51	245
Other miscellaneous income (Refer Note 35A)	86	-
Liabilities no longer required written back	37	171
Total	**231**	**649**

25 Employee benefits expense

(₹ in Lakhs)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Salaries, wages and bonus	842	1,735
Contribution to provident and other funds (refer note 37)	39	60
Employee stock option expenses (refer note 38)	19	17
Gratuity expense (refer note 37)	16	25
Workmen and staff welfare expenses*	-	11
Total	**916**	**1,848**

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

26 Finance cost

(₹ in Lakhs)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Interest on loan from others	114	424
Interest on inter corporate deposits taken from related parties (refer note 35A)	918	405
Interest on lease liability (refer note 29)	155	165
Interest on TDS	1	1
Exchange differences regarded as adjustment to borrowing cost	-	32
Guarantee commision related to related parties (refer note 35A)	22	38
Bank guarantee	10	9
Bank charges	1	1
Total	**1,221**	**1,075**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
for the year ended March 31, 2021

27 Depreciation and amortization expenses

(₹ in Lakhs)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Depreciation of tangible assets (refer note 2)	88	77
Amortization of intangible assets (refer note 2A)	622	924
Depreciation expense of right-of-use assets (refer note 29)	242	260
Total	**952**	**1,261**

28 Other expenses

(₹ in Lakhs)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Insurance	14	18
Rates and taxes	6	1
Communication charges	14	29
Travelling and conveyance	64	200
Royalty	138	152
Radio programme creation and others	57	68
Repairs and maintenance :		
- Equipments	40	58
- Others	46	102
Power and fuel	149	212
Rent	181	258
Payment to auditors	41	29
Loss allowance for doubtful debts (including write offs)	298	189
Exchange differences (net)	59	248
Loss on property, plant and equipment sold/discarded (Net)	11	38
Advertising and sales promotion	120	318
Legal and professional fees	287	368
Printing and stationery *	-	2
Directors sitting fees (refer note 35A)	53	46
Miscellaneous expenses**	42	73
Total	**1,620**	**2,409**

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

**includes commission expenses to related party ₹ 18 lakhs (Previous year ₹ 10 lakhs) (refer note 35A)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2021

29 Leases

Leases as Lessee

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

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

Particulars	Amount (₹ in Lakhs)
Balance at 1 April 2019	**2,278**
Reclassification from pre-paid rent	120
Depreciation charge for the year	(260)
Balance at 31 March 2020	**2,138**
Reclassification from pre-paid rent	12
Derecognition of right-of-use assets	7
Depreciation charge for the year	(242)
Balance at 31 March 2021	**1,915**

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

Particulars	Amount (₹ in Lakhs)
Balance at 1 April 2019	**2,279**
Accretion of interest	165
Payment of lease liability (Principal)	(173)
Payment of lease liability (Interest)	(165)
Balance at 31 March 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**
Current	315
Non- Current	1,760
Balance at 31 March 2020	**2,106**
Current	289
Non- Current	1,817

The maturity analysis of lease liabilities are disclosed in Note 42.

iii) Amounts recognised in profit or loss:

(₹ in Lakhs)

Particulars	31st March 2021	31st March 2020
Interest on lease liabilities	155	165
Depreciation expense of right-of-use assets	(242)	(260)
Expenses relating to short-term leases	181	258

iv) Amounts recognised in statement of cash flows:

(₹ in Lakhs)

Particulars	31st March 2021	31st March 2020
Total cash outflow for leases	(27)	(173)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2021

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:

(₹ in Lakhs)

Particulars	For the year March 31, 2021	For the year March 31, 2020
Total loss attributable to equity holders (₹ lakhs)	(2,146)	(2,702)
Weighted average number of Equity shares for basic and diluted loss per share	6,68,92,908	6,68,65,608
Loss per share		
Basic (Nominal value of share ₹ 10/-)	(3.21)	(4.04)
Diluted (Nominal value of share ₹ 10/-)	(3.21)	(4.04)

31 Segment reporting

In accordance with Ind AS-108 'Operating Segments', the Group' business 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 Group reviews the operating results, the Group 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, 2021. The geographical revenue is allocated based on the location of the customers. The Group 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 which represents 10% or more of the Group's total revenue with total amounting to ₹ 252 lakhs for the year ended March 31, 2021.

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

32 Commitments and contingencies

(i) Guarantees

(₹ in Lakhs)

Particulars	For the year March 31, 2021	For the year March 31, 2020
Guarantees issued by the Company's bankers	1,381	1,381
Total	**1,381**	**1,381**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2021

32 Commitments and contingencies (Contd..)

(ii) Contingent liabilities

a. In respect of Income tax demand under dispute ₹ 232 lakhs (Previous Year ₹ 232 lakhs) 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 ₹ 25 lakhs (Previous Year ₹ 25 lakhs).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, 2021.

(iii) Commitments

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

33 Taxation

(₹ in Lakhs)

Income tax recognised in profit or loss*	As at March 31, 2021	As at March 31, 2020
Income tax recognised in profit or loss		
- current tax	2	2
- in respect of earlier years	2	2
Total	**4**	**4**

*Income tax expense, pertains to Syngience Broadcast Ahmedabad Limited (Subsidiary Company)

(₹ in Lakhs)

Income tax recognised in profit or loss*	As at March 31, 2021	As at March 31, 2020
At the start of the year	485	532
Refund received	(123)	(162)
Taxes paid during the year (TDS receivable)	30	115
At the end of the year	**392**	**485**

34 Deferred tax*

(₹ in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Deferred tax assets		
- on Carry forwards business loss [(Available for 8 Assessment Years i.e.from FY 2015-16 to FY 2028-29) (for previous year from FY 2014-15 to FY 2027-28)]	1,180	467
- on unabsorbed depreciation (Available for infinite period)	4,224	3,983
- on other temporary difference (Available on payment basis)	14	28
- on other temporary difference (Available on actual write off basis)	232	219
Total deferred tax assets	**5,650**	**4,697**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
for the year ended March 31, 2021

34 Deferred tax* (Contd..)

(₹ in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Deferred tax liabilities		
- on WDV of property, plant and equipment and investment property	729	1,450
Net deferred tax assets	**4,921**	**3,247**

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

35 Related party transactions

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

i) List of related parties and relationships:-

a. Holding Company (w.e.f. April 15, 2019)	HT Media Limited The Hindustan Times Limited # Earthstone Holding (Two) Private Limited## (Ultimate controlling party is the Promoter Group)
b. Fellow subsidiary company (w.e.f. April 15, 2019) (with whom transactions have occurred during the year)	HT Music and Entertainment Limited Hindustan Media Ventures Limited Digicontent Limited
c. Under control of management (with whom transactions have occurred during the year)	Inquilab Offset Printers Limited *
d. Entities which are post employment benefit plans (with whom transactions have occurred during the year)	Next Mediaworks Limited Employees Group Gratuity Trust Radio Midday West India Limited Employees Gratuity Trust

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2021

35 Related party transactions (Contd..)

e. Key Managerial Personnel (with whom transactions have occurred during the year)	Mr. Ajay Relan (Non-Executive independent Director, w.e.f April 18, 2019)
	Ms. Suchitra Rajendra (Non-Executive independent Director, w.e.f April 18, 2019)
	Mr. Sameer Singh (Non-Executive independent Director, w.e.f January 13, 2020)
	Mr. Harshad Jain (Managing Director, resigned w.e.f. November 27, 2020)
	Mr. Dilip Cherian (Non-Executive independent Director)**
	Mr. Tarique Ansari (Managing Director)*
	Mr. Adille Sumariwala (Non-Executive independent Director)*
	Mr. I Venkat (Non-Executive independent Director)*
	Ms.Monisha Shah (Non-Executive independent Director)*
	Mr. Rajbir Singh Bhandal (Non-Executive independent Director)*
	Mr. Sunil Dalal (Non-Executive independent Director)*
	Mr. Chetan Desai (Non-Executive independent Director)*
f. Relatives of Key Managerial Personnel (with whom transactions have occurred during the year)	Mrs. Kamini Jain (Relative of Mr. Harshad Jain)

* Relationship ceased with effect from close of business hours of April 18, 2019.

** Relationship ceased with effect from close of business hours of January 23, 2020

The Hindustan Times Limited (HTL) does not hold any direct investment in the Company. However, HTL's subsidiary HT Media Limited holds shares in the Company.

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

ii) Transactions with related parties

Refer note 35 A

iii) Terms and conditions of transactions with related parties

The transaction with 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 except in case of loans taken (refer note 15) and settlement occurs in cash.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2021

35 Related party transactions (Contd..)

35A Transactions during the year with Related Parties (refer note A):-

(₹ in Lakhs)

SL No	Particulars	Holding Company		Fellow Subsidiary		Under control of Management		Entities which are post employment benefit plans		Key Managerial Personnel (KMP's) / Directors (Refer Note B)		Relatives of KMP		Total	
		For year ended March 31, 2021	For year ended March 31, 2020	For year ended March 31, 2021	For year ended March 31, 2020	For year ended March 31, 2021	For year ended March 31, 2020	For year ended March 31, 2021	For year ended March 31, 2020	For year ended March 31, 2021	For year ended March 31, 2020	For year ended March 31, 2021	For year ended March 31, 2020	March 31, 2021	March 31, 2020
A	REVENUE														
1	Rental Income	31	8	-	-	-	-	-	-	-	-	-	-	31	8
2	Management support charges (Other miscellaneous income)	59	-	2	-	-	-	-	-	-	-	-	-	61	-
3	Share of Revenue received on Joint Sales / Revenue Sharing	18	-	-	-	-	-	-	-	-	-	-	-	18	-
4	Miscellaneous income :- Commission income	7	-	-	-	-	-	-	-	-	-	-	-	7	-
B	EXPENSES														
5	Advertisement expenses	12	13	-	-	-	-	-	-	-	-	-	-	12	13
6	Interest expenses	132	-	786	403	-	2	-	-	-	-	-	-	918	405
7	Rent expense	140	124	15	24	-	1	-	-	-	-	-	-	155	149
8	Guarantee commission	22	38	-	-	-	-	-	-	-	-	-	-	22	38
9	Miscellaneous expenses :- Commission expenses	18	10	-	-	-	-	-	-	-	-	-	-	18	10
10	Remuneration paid to Key managerial personnel	-	-	-	-	-	-	-	-	314	252	-	-	314	252
11	Directors sitting fees	-	-	-	-	-	-	-	-	53	46	-	-	53	46
12	Car hire charges	-	-	-	-	-	-	-	-	-	-	3	8	3	8
13	Share of Advertisement Revenue given on Joint Sales	3	-	-	-	-	-	-	-	-	-	-	-	3	-

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2021

35 Related party transactions (Contd..)

35A Transactions during the year with Related Parties (refer note A):-

(₹ in Lakhs)

SL No	Particulars	Holding Company		Fellow Subsidiary		Under control of Management		Entities which are post employment benefit plans		Key Managerial Personnel (KMP's) / Directors (Refer Note B)		Relatives of KMP		Total	
		For year ended March 31, 2021	For year ended March 31, 2020	For year ended March 31, 2021	For year ended March 31, 2020	For year ended March 31, 2021	For year ended March 31, 2020	For year ended March 31, 2021	For year ended March 31, 2020	For year ended March 31, 2021	For year ended March 31, 2020	For year ended March 31, 2021	For year ended March 31, 2020	March 31, 2021	March 31, 2020
C	**OTHERS**		-	-	-	-	-	-	-	-	-	-	-	-	-
14	Reimbursement of expenses incurred on behalf of the Company by parties	25	37	-	-	-	-	-	-	-	-	-	-	25	37
15	Sale of Fixed Assets by Company	1												1	
16	Loan taken during the year	8,515	-	1,950	6,650	-	-	-	-	-	-	-	-	10,465	6,650
17	loan repaid during the year	-	-	5,020	575	-	600	-	-	-	-	-	-	5,020	1,175
18	Contribution during the year	-	-	-	-	-	-	-	69	-	-	-	-	-	69
D	**BALANCE OUTSTANDING**														
19	Trade and other receivables (including advances given)	449	9	49	-	-	-	-	-	-	-	-	-	498	9
20	Trade Payables *	273	204	-	26	-	-	-	-	-	-	-	-	273	230
21	Inter corporate deposit taken and Interest accrued on it	8,640	-	3,269	6,437	-	-	-	-	-	-	-	-	11,909	6,437

* Amount payable as Trade payable to Key Managerial Personnel (KMP's) / Directors less than 50,000 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 Group are entitled to post employment benefits and other long term employee benefits recognized as per Ind AS 19 - 'Employee Benefits' in the consolidated financial statements. As these employee benefits are lump sum amounts provided on the basis of actuarial valuation, the same is not included above.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2021

35 Related party transactions (Contd..)

35B Additional information as required under Schedule III of the Companies Act, 2013, of the enterprises consolidated as subsidiaries

Particulars	Net assets i.e. total assets minus total liabilities		Share in Profit or (Loss)		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount (₹ Lakhs)	As % of consolidated profit or loss	Amount (₹ Lakhs)	As % of consolidated other comprehensive income	Amount (₹ Lakhs)	As % of total comprehensive income	Amount (₹ Lakhs)
Current Year : As on March 31, 2021								
I. Parent :								
Next Mediaworks Limited	-14.78%	405	6.36 %	(249)	0.00 %	-	6.35 %	(249)
II Subsidiaries :								
a) Indian								
Next Radio Limited	120.47%	(3,301)	93.68 %	(3,663)	100.00 %	(5)	93.69 %	(3,668)
Syngience Broadcast Ahmedabad Limited	-5.69%	156	(0.04)%	2	0.00 %	-	(0.04)%	2
Subtotal	**100.00%**	**(2,740)**	**100.00%**	**(3,910)**	**100.00%**	**(5)**	**100.00%**	**(3,915)**
Adjustment arising out of consolidation		(2,326)		(13)		-		(13)
		(5,066)		**(3,922)**		**(5)**		**(3,928)**
III Non- controlling interest in all subsidiaries		1,603		1,776		2		1,778
Total		**(3,462)**		**(2,146)**		**(3)**		**(2,150)**

*₹ Less than 50,000 rounded off to NIL

Particulars	Net assets i.e. total assets minus total liabilities		Share in Profit or (Loss)		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount (₹ Lakhs)	As % of consolidated profit or loss	Amount (₹ Lakhs)	As % of consolidated other comprehensive income	Amount (₹ Lakhs)	As % of total comprehensive income	Amount (₹ Lakhs)
Previous Year : As on March 31, 2020								
I. Parent :								
Next Mediaworks Limited	21.84%	653	29.37%	(2,095)	-7.10%	2	29.25%	(2,093)
II Subsidiaries :								
a) Indian								
Next Radio Limited	12.27%	367	70.67%	(5,041)	107.10%	(25)	70.80%	(5,066)
Syngience Broadcast Ahmedabad Limited	65.89%	1,970	-0.04%	3	0.00%	-	-0.04%	3
Subtotal	**100.00%**	**2,990**	**100.00%**	**(7,133)**	**100.00%**	**(23)**	**100.01%**	**(7,156)**
Adjustment arising out of consolidation		(4,127)		1,985		-		1,985
		(1,137)		**(5,148)**		**(23)**		**(5,171)**
III Non- controlling interest in all subsidiaries		(175)		2,446		12		2,458
Total		**(1,312)**		**(2,702)**		**(11)**		**(2,713)**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2021

35 Related party transactions (Contd..)

35C Material partly owned subsidiaries

Financial information of subsidiaries that have material non-controlling interests is provided below:

Proportion of equity interest held by non-controlling interests:

in %

Particulars	Country of Incorporation	March 31, 2021	March 31, 2020
Next Radio Limited	India	49	49

Information regarding non-controlling interest

(₹ in Lakhs)

Particulars	March 31, 2021	March 31, 2020
Accumulated balances of material non-controlling interest	(1,603)	175
Profit/(loss) allocated to material non-controlling interest	(1,782)	(2,462)

The summarised financial information of the subsidiary are provided below. This information is based on amounts before inter-Company eliminations.

Summarised statement of profit and loss for the year ended March 31, 2021 and March 31, 2020:

(₹ in Lakhs)

Particulars	March 31, 2021	March 31, 2020
Revenue (including other incomes)	2,318	5,741
Radio licence fees	1,390	1,393
Employee benefits expense	886	1,803
Finance costs	1,237	1,039
Depreciation and amortization expense	951	1,261
Other expenses	1,516	2,290
Loss before exceptional items and tax from operations	**(3,662)**	**(2,045)**
Exceptional items	-	(2,996)
Other Comprehensive Income	(5)	(25)
Total comprehensive income	**(3,667)**	**(5,066)**
Attributable to non-controlling interests	(1,782)	(2,462)

Summarised balance sheet as at March 31, 2021 and March 31, 2020:

(₹ in Lakhs)

Particulars	March 31, 2021	March 31, 2020
Current assets, including cash and cash equivalents	1,799	2,082
Non-current assets	10,339	13,069
Current liabilities, including tax payable	1,724	5,661
Non-current liabilities, including deferred tax liabilities	13,714	9,123
Total equity	**(3,300)**	**367**
Attributable to:		
Equity holders of parent	(1,697)	192
Non-controlling interest	(1,603)	175

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2021

35 Related party transactions (Contd..)

35C Material partly owned subsidiaries (Contd..)

Summarised cash flow statement for the year ended March 31, 2021 and March 31, 2020:

(₹ in Lakhs)

Particulars	March 31, 2021	March 31, 2020
Net cash generated used in operating activities	(1,159)	(2,206)
Net cash used in investing activities	(75)	(810)
Net cash flows generated financing activities	1,272	2,978
Net decrease in Cash and Cash Equivalents	38	(38)

36 Group Information

Subsidiaries considered in the consolidated financial statements

Name of the subsidiary	Country of Incorporation	Ownership Interest / Voting power	Financial Year ends on
Next Radio Limited	India	51.40%	31st March

Step-down Subsidiaries considered in the consolidated financial statements

Name of the subsidiary	Country of Incorporation	Ownership Interest / Voting power	Financial Year ends on
Syngience Broadcast Ahmedabad Limited (Subsidiary of Next Radio Limited)	India	51.4%	31st March

37 Employee Benefits

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

Defined Contribution Plans

Provident Fund

The Group has recognised ₹ 39 lakhs (previous year ₹ 60 lakhs) 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.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2021

37 Employee Benefits (Contd..)

(₹ in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Discount Rate	6.15% pa	6.85% pa
Rate of Increase in compensation levels (pa)	4.00% pa	5.00% 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 - 3% 31 to 44 years - 2% Above 44 years - 1%

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:

a. Change in the present value obligation

(₹ in Lakhs)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Present value of defined benefit obligation as at beginning of the year	98	203
Interest cost	7	16
Current service cost	10	14
Benefits paid	(63)	(158)
Actuarial (gain) / loss on obligation arising from:		
- change in demographic assumptions	2	(3)
- change in financial assumptions	(2)	(1)
- experience variance (i.e. Actual experiencevs assumptions)	2	27
Present value of defined benefit obligation as at end of the year	54	98

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

(₹ in Lakhs)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Present value of plan assets as at beginning of the year	12	96
Interest income	1	5
return on plan asset recognised in OCI	(4)	-
Contributions	-	69
Benefits paid	-	(158)
Fair value of plan assets as at end of the year *	11	12

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

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2021

37 Employee Benefits (Contd..)

c. Amount recognised in the balance sheet

(₹ in Lakhs)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Present Value of defined benefit obligation as at the end of the year	54	98
Fair value of plan assets as at the end of the year	11	12
Liability / asset (net) recognized in the balance sheet	43	86

d. Expenses recognised in statement of profit and loss

(₹ in Lakhs)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Current service cost	10	14
Interest cost	7	16
Interest income	(1)	(5)
Total expenses recognised in the statement of profit and loss	16	25

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

(₹ in Lakhs)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Actuarial (gains)/losses on obligation for the year	1	23
Remeasurement- return on plan assets excluding interest income	4	-
Net (income)/expense for the year recognized in OCI	5	23

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

(₹ in Lakhs)

Projected Benefits Payable in Future Years From the Date of Reporting	As at March 31, 2021	As at March 31, 2020
within one year	18	2
2 to 5 Years	34	9
6 to 10 years	8	70
above 10 years	1	150

g. Sensitivity Analysis

(₹ in Lakhs)

Projected Benefits Payable in Future Years From the Date of Reporting	As at March 31, 2021	As at March 31, 2020
Projected benefit obligation on current assumptions	54	98
Delta effect of +1% change in rate of discounting	1	(11)
Delta effect of -1% change in rate of discounting	(1)	10
Delta effect of +1% change in rate of salary increase	1	10
Delta effect of -1% change in rate of salary increase	(1)	(12)
Delta effect of +1% change in rate of employee turnover *	-	1
Delta effect of -1% change in rate of employee turnover *	-	(1)

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

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2021

37 Employee Benefits (Contd..)

g. Sensitivity Analysis (Contd..)

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.

h. Average duration of the defined benefit plan obligation

(₹ in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Weighted Average duration	2 years	9 years

The expected contribution for next year is ₹ 46 (Previous Year ₹ 103 lakhs)

Leave Encashment (unfunded)

The Group 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:

(₹ in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Liability at the beginning of the year	21	29
Benefits paid during the year	13	25
Provided during the year	6	17
Liability at the end of the year	14	21

38 Share-based payments

In accordance with the Securities and Exchange Board of India (Share Based Employee benefits) Regulations, 2014 and Ind-AS 102 Share-based Payment, the scheme detailed below is managed and administered, compensation benefits in respect of the scheme is assessed and accounted by the Group. 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.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2021

38 Share-based payments (Contd..)

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

Projected Benefits Payable in Future Years From the Date of Reporting	Date of grant	Options granted (nos.)	Fair value on the grant date (₹)	Vesting conditions*	Weighted average remaining contractual life in years as at March 31, 2021 (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	9.34
				75% 12 months from the date of grant	
				25% 24 months from the date of grant	

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

(₹ in Lakhs)

Particulars	As at March 31, 2021		As at March 31, 2020	
	Number of options	Weighted-average exercise price (₹)	Number of options	Weighted-average exercise price (₹)
Outstanding at the beginning of the year	5,00,000	19.80	-	-
Granted during the year	-	-	5,00,000	19.80
Forfeited during the year	1,25,000	19.80	-	-
Exercised during the year	-	-	-	-
Expired during the year	-	-	-	-
Outstanding at the end of the year	3,75,000	19.80	5,00,000	19.80
Weighted average remaining contractual life (in years)	9.34		10.34	
Weighted average fair value of options granted during the year	9.04		9.04	

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

The employee compensation cost (accounting charge for the year) calculated using the fair value of stock options in current year is ₹ 19 lakhs and in previous year ₹ 17 Lakhs.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2021

39 Other comprehensive income

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

During the year ended March 31, 2021

(₹ in Lakhs)

Particulars	Retained earnings	Total
Remeasurement of the defined benefits plan (refer note 37)	(3)	(3)
Total	**(3)**	**(3)**

During the year ended March 31, 2020

(₹ in Lakhs)

Particulars	Retained earnings	Total
Remeasurement of the defined benefits plan (refer note 37)	(11)	(11)
Total	**(11)**	**(11)**

40 Exceptional items

The Group after considering the economic environment has performed an impairment assessment of Intangible Assets. As the recoverable amount of Cash Generating Unit (""CGU') is lower than the carrying amount of assets, the Group has recognised an impairment loss of ₹ 2,996 lakhs towards Intangible Assets as an exceptional item in March 31, 2020. The recoverable amount of CGU is based on its value in use which is ₹ 8,757 lakhs using discount rate of 15% as on March 31, 2020. For this purpose, each Radio license has been considered as a separate CGU.

41 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 ₹ 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 ₹ 1,55,00,000 comprising of 15,50,000 equity shares of ₹ 10 each. The same has also been updated on MCA portal on November 6, 2020.

42 Financial risk management objectives and policies

The Group'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 Group's principal financial assets include other receivables, security deposits given and cash and cash equivalents that derive directly from its operations.

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

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2021

42 Financial risk management objectives and policies (Contd..)

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 Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long-term debt obligations.The Group's long-term debt obligations are fixed rate borrowings carried at amortized cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate on account of a change in market interest rates.

b Foreign currency risk

Foreign currency risk arises due to the fluctuations in foreign currency exchange rates. The Group has taken derivative cover to mitigate exposure against foreign currency risk in relation to foreign currency borrowing which was settled in July 2020. The Group has no exposure against foreign currency risk as at March 31, 2021.

2 Credit risk

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including investments in debt mutual funds and deposits with banks. The Group's maximum exposure to credit risk is limited to the carrying amount of the financial assets recognised as at March 31, 2021.

Customer credit risk is managed by each business unit subject to the Group's established policy, procedures and control relating to customer credit risk management. The Group undertakes a detailed review of the credit worthiness of clients before extending credit. Outstanding customer receivables are regularly monitored. The Group 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 Group uses the expected credit loss model as per IND AS 109 - 'Financial Instruments' to assess the impairment loss or gain. The Group 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 Group's historical experience in respect of customers.

Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Group's treasury department in accordance with the Group'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.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2021

42 Financial risk management objectives and policies (Contd..)

3 Liquidity Risk

Liquidity risk is defined as a risk that the Group will not be able to settle or meet its obligations on time. The Group'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 Group's financial liabilities into relevant maturity groupings based on their contractual maturities for all non-derivative financial liabilities.

(₹ in Lakhs)

Particulars	As at March 31, 2021		As at March 31, 2020	
	Less than 1 year	More than 1 year	Less than 1 year	More than 1 year
Borrowings	-	11,520	575	6,864
Lease liabilities	315	1,760	289	1,817
Trade payables	772	-	635	-
Other financial liabilities	208	389	2,065	339

for mitigating the liquidity risk, refer note no. 47

43 Capital management

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

for mitigating the liquidity risk, refer note no. 47

(₹ in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Borrowings Long Term	11,520	6,864
Borrowings Short Term	-	575
Borrowings Long Term current portion (grouped under other current financial liability)	-	1,627
Interest Accrued but not due (grouped under other financial liability)	389	369
Less: Cash and cash equivalent	166	153
Less : Other Bank balances	93	46
(a) Net debts	**11,650**	**9,237**
(b) Equity attributable to equity holders of parent (as per balance sheet)	**(3,462)**	**(1,312)**
(c) Total capital	**8,188**	**7,925**
(d) Net gearing ratio (a)/(c)	**1.42**	**1.17**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2021

44 Fair value measurement

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

(₹ in Lakhs)

Particulars	Carrying amount		Fair Value		Fair value measurement hierarchy level
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020	
Financial assets measured at amortised cost					
Security deposits given - (note 4)	140	138	140	138	Level 2
Margin money (held as security in form of fixed deposit) (refer note 5)	-	43	-	43	Level 2
Financial assets measured at fair Value through profit & loss (FVTPL)					
Forex derivative contract (not designated as hedge) (note 5)	-	246	-	246	Level 2
Financial liabilities measured at amortised cost					
Long term borrowings (note 15)	11,520	6,864	11,520	6,864	Level 2
Current maturities of long term debt (refer note 19)	-	1,627	-	1,627	Level 2

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

The following methods and assumptions were used to estimate the fair values:

- The fair values of Long term borrowings are determined by discounting future cash flows using rates currently available for items on similar terms, credit risk and remaining maturities.
- The Security deposits given are evaluated by the Group based on parameters such as interest rate, risk factors, risk characteristics and individual credit-worthiness of the counterparty. Based on this evaluation, allowances are taken into account for the expected losses.
- Derivative contracts being valued using valuation techniques, which employs the use of market observable inputs. The Company uses Mark to Market valuation provided by Bank for valuation of these derivative contracts.
- Fixed bank deposits with more than 12 months maturity has been derived basis the interest accrued on fixed deposits upto the balance sheet date.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2021

45 Standards issued but not yet effective

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

46 Management has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amount of Property, Plant and Equipment, Intangible Assets, Receivables, Other Financial and Non-Financial assets of the Company. In developing the assumptions relating to the possible future uncertainties because of this pandemic, the Company, as at the date of adoption of these standalone financial statements has used internal and external sources of information. The Company has performed sensitivity analysis on the assumptions used and based on current factors estimated that the carrying amount of assets as at 31 March 2021 will be recovered. The impact of COVID-19 on the Company's financial statements may differ from that estimated as at the date of adoption of audited financial statements for the year ended 31 March 2021. Such changes, if any, will be prospectively recognized. The Company will continue to closely monitor any material changes to future economic conditions.

47 The Group has incurred losses in the current and previous years which has resulted in complete erosion of its net worth of the Group as at 31 March 2021. The Group has obtained a letter of support from the Holding Company (HT Media Limited) in order to meet the shortfall in its fund requirements over banks and other borrowings, to meet out the operations which are in progress and other liabilities including loans from other group companies, as they become due. The Group has considered the possible impact of COVID-19 pandemic in the financial projections for the next year . Further, the Group 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 Group has received financial assistance from its Holding Company (HT Media Limited) in a form of long term loan.The Company has repaid all external borrowings due to banks / financial institutions. In view of the above, the use of going concern assumption has been considered appropriate in preparation of these consolidated financial statements.

48 Note on Revision of Financials

The Holding Company, received a whistleblower complaint ("WB Complaint") in August 2020 from a named employee of the radio business on his last working day. The WB Complaint alleged anomalies resulting in deficiencies in certain financial reporting processes of the radio business of the Group. 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. The said investigation brought out practices indicating the following deficiencies and lapses during financial years 2019-20 and 2020-21:

a. Practice of pre-billing (i.e. billing and booking revenue for services yet to be consumed/ delivered) resulting in reporting of higher revenue in financial statements. Such billing remained unconsumed/ undelivered.

b. Potential manipulation of debtor ageing by issuance of inappropriate credit notes and additional invoices to avoid higher provisioning for bad debts.

c. Circulating improper balance confirmation requests (by including invoices without delivery/ requests for advertisement) to customers (with such balances either remaining unconfirmed or disputed) resulting in reporting higher revenue.

d. Potentially improper credit approvals including forced/ credit approval under protest at the instructions of senior management of the Radio business.

Further, based on a very detailed investigation performed, the investigating team and the management concluded that the above mentioned findings were confined to a stream of revenue ('Non FCT') of radio business of the Group and were

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2021

48 Note on Revision of Financials (Contd..)

not pervasive across other financial statement captions. The said investigation did not reveal existence of any personal profiteering or siphoning of funds or embezzlement or misappropriation of funds.

The final findings of the investigation were presented to the Audit Committee and Board of Directors of the Company and the Holding Company, including multiple status update briefings in the interim. The Board of Directors considered the investigation report and expressed its concurrence with the follow-up actions recommended by the Audit Committee, which include (i) actions against the Company's personnel identified as responsible for the misdemeanor; (ii) further strengthening internal control framework and centralized revenue assurance function; (iii) strengthening governance and communication around Whistleblower (WB) and Code of Conduct (COC) process; and (iv) redefining values and culture for the organisation and digitize the program. During the current year, the management undertook the following initiatives: (a) strengthening the internal financial controls and processes; and (b) changes in HR policies and practices with emphasis on strict implementation of ethical codes and practices.

As an outcome of the above investigation, management revised the comparative information as disclosed in the consolidated financial statements.

The Group has made an assessment of and believes that it has provided for the financial impact arising from this matter including non-compliances with laws and regulations, to the extent identified and believes that the additional financial impact, if any, arising from adjustments due to instances other than those identified is not expected to be material.

The findings of the investigation have direct (as quantified in the investigation report) and consequential impact on certain other financial statement captions.

The impact of the anomalies recorded in the revised consolidated financial statements for the year ended 31 March 2020 and also affirmed by the aforesaid investigation is as below:

In Statement of Profit and Loss Account

(₹ in Lakhs)

Financial statement caption	Original issued financial statements	Revised financial statements	Consequential impact
	Year ended March 31, 2020		
Revenue from operations	5,621	(442)	5,179

Further, the revised consolidated financial statements for the year ended 31 March 2020 had also recognised the impact of adjusting events occurring after the reporting period (including the period after the date of approval of pre-revised financial result (June 23, 2020) till date of approval of the revised consolidated financial statements i.e. November 27, 2020), which were significantly impacted by economic and market conditions including COVID-19. These revised consolidated financial information for the year ended 31 March 2020 are included as comparative financial information in these consolidated financial statements for the year ended 31 March 2021. These adjustments are as follows:

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2021

48 Note on Revision of Financials (Contd..)

In Statement of Profit and Loss Account

(₹ in Lakhs)

Financial statement caption	Original issued financial statements	Revision on account of investigation as mentioned above	Consequential and other impact	Revised Number
	Year ended March 31, 2020	Year ended March 31, 2020	Year ended March 31, 2020	Year ended March 31, 2020
Total Revenue	6,118	(442)	162	5,838
Total Expenses	8,075	-	(87)	7,988
Exceptional items (loss)	(2,000)	-	(996)	(2,996)
Impact on Loss before tax		**(442)**	**(747)**	
Tax expense	-	-	-	
Impact on Loss after tax		**(442)**	**(747)**	**-**

In Balance Sheet

(₹ in Lakhs)

Financial statement caption	Original issued financial statements	Revision Impact	Revised Number
	Year ended March 31, 2020	Year ended March 31, 2020	Year ended March 31, 2020
Property, plant and equipment	363	94	457
Intangible Assets	7,303	(1,090)	6,213
Trade receivables	2,193	(735)	1,458
Other current assets	185	80	265
Net Impact on Assets	**-**	**(1,651)**	**-**
Other equity	(7,408)	(593)	(8,001)
Minority Interest	771	(596)	175
Trade payable	841	(206)	635
Other current financial liabilities	2,213	(148)	2,065
Contract liabilities	169	(108)	61
Net Impact on Liabilities		**(1,651)**	

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2021

49 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 meetings 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. The Scheme is subject to approval of NCLT and such other statutory authorities as may be required. Pending sanction of the scheme, impact has not been considered in NRL's standalone financials for FY 2020-21.

50 A composite Scheme of Amalgamation u/s 230-232 of the Companies Act, 2013 which provides for merger of Next Mediaworks Limited (NMWL), Digicontent Limited (DCL) and HT Mobile Solutions Limited (HTMSL) with HT Media Limited (HTML) ("Scheme"), has been approved by the respective Board of Directors of companies at their meetings held on February 11, 2021, subject to requisite approval(s). The application under Regulation 37 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 has been filed with both, NSE and BSE and their approval is awaited. Pending sanction of the Scheme, impact thereof has not been considered in NMWL's consolidated financial statements for FY 2020-21.

See accompanying notes to the consolidated financial statements.

In terms of our report of even date attached

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

Rajesh Arora
Partner
Membership No. 076124

Place: Gurugram
Date: June 16, 2021

For and on behalf of the Board of Directors of
Next Mediaworks Limited

Anup Sharma
Chief Financial Officer

Ramesh Menon
Chief Executive Officer

Diksha Singh
Company Secretary
Membership No.: A44999

Praveen Someshwar
Chairman
(DIN: 01802656)

Dinesh Mittal
Director
(DIN: 00105769)

Place: New Delhi
Date: June 16, 2021

FORM AOC-I

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)
Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in ₹)

(₹ in Lakhs)

1. Sl. No	1	2
2. Name of the subsidiary	Next Radio Limited	Syngience Broadcast Ahmedabad Limited
3. Reporting period for the subsidiary concerned, if different from the holding Company's reporting period	Not Applicable	Not Applicable
4. Date since when subsidiary was acquired	14-Oct-99	09-Apr-17
5. Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	Not Applicable	Not Applicable
6. Share capital	7,574	155
7. Reserves and surplus	(10,875)	1
8. Total assets	12,138	195
9. Total Liabilities	15,439	39
10. Investments including investment in subsidiary	155	-
11. Turnover*	2,318	16
12. Profit/ (loss) before taxation	(3,663)	11
13. Provision for taxation	-	4
14. Profit/ (loss) after taxation	(3,663)	6
15. Proposed Dividend (includes Dividend Distribution Tax)	-	-
16. % of shareholding	51.40%	100.00%

*includes other income

1. Names of subsidiaries which are yet to commence operations:- Not Applicable
2. Names of subsidiaries which have been liquidated or sold during the year:- Not Applicable

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures – Not Applicable

For and on behalf of the Board of Directors of
Next Mediaworks Limited

Anup Sharma
Chief Financial Officer

Ramesh Menon
Chief Executive Officer

Diksha Singh
Company Secretary
Membership No.: A44999

Praveen Someshwar
Chairman
(DIN: 01802656)

Dinesh Mittal
Director
(DIN: 00105769)

Place: New Delhi
Date: June 16, 2021

Notes

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INDIA'S ONLY DIFFERENTIATED RADIO NETWORK

INTERNATIONAL

94.3 RADIO ONE INTERNATIONAL

One World Your Station

DELHI, BANGALORE MUMBAI & CHENNAI[@]

COOL RETRO

94.3 RADIO ONE

Phir wahi deewangi

KOLKATA

HYBRID BOLLYWOOD

95 RADIO ONE

Entertainment Ka Baap

AHMEDABAD

94.3 RADIO ONE

Entertainment Ka Baap

PUNE

[@]Chennai FM radio station operated in Tamil format during FY 2020-21

NEXT MEDIAWORKS LIMITED

Unit 701A, 7th Floor, Tower-2, Indiabulls Finance Centre
Senapati Bapat Marg, Elphinstone Road
Mumbai – 400013
E-mail: investor.communication@radioone.in
Website: www.nextmediaworks.com