Independent Auditor's Report

To the Members of Rapidcube Technologies Private Limited

Report on the Audit of the Financial Statements

Opinion

1. We have audited the accompanying financial statements of Rapidcube Technologies Private Limited (the 'Company'), which comprise the Balance Sheet as at 31 March 2021, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the period then ended, and a summary of the significant accounting policies and other explanatory information.

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, of the state of affairs of the Company as at 31 March 2021, and its loss (including other comprehensive income), its cash flows and the changes in equity for the period ended on that date.

Basis for Opinion

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

Information other than the Financial Statements and Auditor's Report thereon

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

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

   In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

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The annual report is not made available to us at the date of this auditor's report. We have nothing to report in this regard.

Responsibilities of Management for the Financial Statements

5. The accompanying financial statements have been approved by the Company's Board of Directors. The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the 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 the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

6. In preparing the financial statements, management is 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

   - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate

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internal financial controls with reference to financial statements in place and the operating effectiveness of such controls;

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;

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

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

9. 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.

Report on Other Legal and Regulatory Requirements

10. Based on our audit, we report that the Company has not paid or provided for any managerial remuneration during the year. Accordingly, reporting under section 197(16) of the Act is not applicable.

11. As required by the Companies (Auditor's Report) Order, 2016 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act, we give in the Annexure I a statement on the matters specified in paragraphs 3 and 4 of the Order.

12. Further to our comments in Annexure I, as required by section 143(3) of the Act, based on our audit, 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 purpose of our audit of the accompanying financial statements;

    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 financial statements dealt with by this report are in agreement with the books of account;

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

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e) on the basis of the written representations received from the directors and 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) we have also audited the internal financial controls with reference to financial statements of the Company as on 31 March 2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date and our report dated 26 June 2021 as per Annexure II expressed unmodified opinion; and

g) with respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:

   i. the Company does not have any pending litigation which would impact its financial position as at 31 March 2021;

   ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2021;

   iii. there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31 March 2021; and

   iv. the disclosure requirements relating to holdings as well as dealings in specified bank notes were applicable for the period from 8 November 2016 to 30 December 2016, which are not relevant to these financial statements. Hence, reporting under this clause is not applicable.

For **S M A M & CO**
Chartered Accountants
Firm's Registration No.: 028845C

Jinesh Sethia

Jinesh Sethia
Partner
Membership No.: 523332
UDIN: 21523332AAAAES2408

S M A M & CO. ★ Chartered Accountants ★

Place: Noida
Date: 26 June 2021

Annexure I

Based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

(i) The Company does not have any fixed assets. Accordingly, the provisions of clause 3(i) of the Order are not applicable.

(ii) The Company does not have any inventory. Accordingly, the provisions of clause 3(ii) of the Order are not applicable.

(iii) The Company has not granted any loan, secured or unsecured to companies, firms, Limited Liability Partnerships (LLPs) or other parties covered in the register maintained under Section 189 of the Act. Accordingly, the provisions of clauses 3(iii)(a), 3(iii)(b) and 3(iii)(c) of the Order are not applicable.

(iv) In our opinion, the Company has not entered into any transaction covered under Sections 185 and 186 of the Act. Accordingly, the provisions of clause 3(iv) of the Order are not applicable.

(v) In our opinion, the Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.

(vi) The Central Government has not specified maintenance of cost records under sub-section (1) of Section 148 of the Act, in respect of Company's services. Accordingly, the provisions of clause 3(vi) of the Order are not applicable.

(vii) (a) The Company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, to the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they become payable.

(b) There are no dues in respect of income-tax, sales-tax, service tax, duty of customs, duty of excise and value added tax that have not been deposited with the appropriate authorities on account of any dispute.

(viii) The Company has no loans or borrowings payable to a financial institution or a bank or government and no dues payable to debenture-holders during the year. Accordingly, the provisions of clause 3(viii) of the Order are not applicable.

(ix) The Company did not raise moneys by way of initial public offer or further public offer (including debt instruments) and did not have any term loans outstanding during the year. Accordingly, the provisions of clause 3(ix) of the Order are not applicable.

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(x) No fraud by the Company or on the company by its officers or employees has been noticed or reported during the period covered by our audit.

(xi) The Company has not paid or provided for any managerial remuneration. Accordingly, the provisions of Clause 3(xi) of the Order are not applicable.

(xii) In our opinion, the Company is not a Nidhi Company. Accordingly, provisions of clause 3(xii) of the Order are not applicable.

(xiii) In our opinion, the company has not entered into any transactions with the related parties. Accordingly, provisions of clause 3(xiii) of the Order are not applicable.

(xiv) During the year, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures.

(xv) In our opinion, the company has not entered into any non-cash transactions with the directors or persons connected with them covered under Section 192 of the Act.

(xvi) The company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For **S M A M & CO**
Chartered Accountants
Firm's Registration No.: 028845C

Jinesh Sethia

Jinesh Sethia
Partner
Membership No.: 523332
UDIN: 21523332AAAAES2408

Place : Noida
Date : 26 June 2021

Annexure II

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

1. In conjunction with our audit of the financial statements of Rapidcube Technologies Private Limited (the 'Company') as at and for the year ended 31 March 2021, we have audited the internal financial controls with reference to financial statements of the Company as at that date.

Responsibilities of Management for Internal Financial Controls

2. The Company's Board of Directors is 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 on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the Company's business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility for the Audit of the Internal Financial Controls with Reference to Financial Statements

3. 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 Standards on Auditing issued by the Institute of Chartered Accountants of India ('ICAI') prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ('the Guidance Note') issued by the ICAI. 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 if such controls operated effectively in all material respects.

4. 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 includes obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

5. 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.

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Meaning of Internal Financial Controls with Reference to Financial Statements

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

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

7. Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such controls were operating effectively as at 31 March 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **S M A M & CO**
Chartered Accountants
Firm's Registration No.: 028845C

Jinesh Sethia

S M A M & CO. ★ Chartered Accountants ★

Jinesh Sethia
Partner
Membership No.: 523332
UDIN: 21523332AAAAES2408

Place : Noida
Date : 26 June 2021

Rapidcube Technologies Private Limited
Balance Sheet as at 31 March 2021
(All amounts in ₹, unless stated otherwise)

	Notes	As at 31 March 2021
ASSETS		
Non-current assets		
a) Deferred tax asset (net)	2	22,989
b) Other financial assets	3	500
Total Non-current assets		23,489
Current assets		
a) Financial assets		
i) Cash and cash equivalents	4	9,18,672
b) Other current assets	5	17,167
Total current assets		**9,35,839**
Total assets		**9,59,329**
EQUITY AND LIABILITIES		
Equity		
a) Equity share capital	6	10,00,000
b) Other equity	7	-68,354
Total equity		**9,31,646**
Liabilities		
Current liabilities		
a) Financial liabilities		
i) Other financial liablities	8	23,933
b) Other current liabilities	9	3,750
Total current liabilities		**27,683**
Total equity and liabilities		**9,59,329**

The summary of significant accounting policies and other explanatory information are an integral part of these financial statements.

This is the Balance Sheet referred to in our report of even date

For **S M A M & CO**
Chartered Accountants
Firm Registration No.: 028845C

Jinesh Sethia

Jinesh Sethia
Partner
Membership No.: 523332
UDIN: 21523332AAAAES2408

Place : Noida
Date : 26 June 2021

For **Rapidcube Technologies Private Limited**

Gaurav Verma
Director
DIN : 08933268

Swetha Gopalan
Director
DIN : 09167355

Place : Noida
Date : 26 June 2021

Rapidcube Technologies Private Limited
Statement of profit and loss for the peirod ended 31 March 2021
(All amounts in ₹, unless stated otherwise)

	Notes	For the period ended 31 March 2021
INCOME		-
EXPENSES		
Other expenses	10	91,344
Total expenses		**91,344**
Loss before tax		**(91,344)**
Tax	11	
Current tax		-
Deferred tax		(22,989)
Total tax expenses		**(22,989)**
Loss after tax		**(68,354)**
Other comprehensive income		-
Total comprehensive loss for the year		**-68,354**
Loss per equity share [nominal value of equity share ₹ 10]		
Basic and diluted	12	-0.68

The summary of significant accounting policies and other explanatory information are an integral part of these financial statements.

This is the Statement of Profit and Loss referred to in our report of even date

For **S M A M & CO**
Chartered Accountants
Firm Registration No.: 028845C

Jinesh Sethia

Jinesh Sethia
Partner
Membership No.: 523332
UDIN: 21523332AAAAES2408

Place : Noida
Date : 26 June 2021

For **Rapidcube Technologies Private Limited**

Gaurav Verma
Director
DIN : 08933268

Swetha Gopalan

Swetha Gopalan
Director
DIN : 09167355

Place : Noida
Date : 26 June 2021

Rapidcube Technologies Private Limited
Statement of cash flow for the peirod ended 31 March 2021
(All amounts in ₹, unless stated otherwise)

	For the period ended 31 March 2021
A. Cash flow from operating activities	
Loss before tax	-91,344
Operating loss before working capital changes	**-91,344**
Adjustments for movement in:	
Changes in loans and other current assets	-17,167
Changes in trade and other payables	27,683
Cash used in operating activities	**-80,828**
Income tax paid	-
Net cash used in operating activities [A]	**-80,828**
B. Cash flow from investing activities	-
C. Cash flow from financing activities	
Proceeds from issue of share capital	10,00,000
Net cash generated from financing activities [C]	**10,00,000**
Net increase in cash and cash equivalents [A+B+C]	**9,19,172**
Cash and cash equivalents at the beginning of the year	-
Closing cash and cash equivalents	**9,19,172**
Cash and cash equivalents include:	
Balances with banks	9,18,672
Cash and bank balances	**9,18,672**

Notes:

1. The above cash flow statement has been prepared under the "Indirect Method" as set out in Indian Accounting Standard 7 (Ind AS-7) on "Statements of Cash Flows".
2. Negative figures have been shown in brackets.

The summary of significant accounting policies and other explanatory information are an integral part of these financial statements.

This is the Cash Flow Statement referred to in our report of even date

For **S M A M & CO**
Chartered Accountants
Firm Registration No.: 028845C

Jinsh Sethia

S M A M & CO. ★ Chartered Accountants ★

Jinesh Sethia
Partner
Membership No.: 523332
UDIN: 21523332AAAAES2408

Place : Noida
Date : 26 June 2021

For **Rapidcube Technologies Private Limited**

RAPIDCUBE TECHNOLOGIES PRIVATE LIMITED ★

SwethaGopalan

Gaurav Verma
Director
DIN : 08933268

Swetha Gopalan
Director
DIN : 09167355

Place : Noida
Date : 26 June 2021

Rapidcube Technologies Private Limited
Statement of changes in equity for the period ended 31 March 2021
(All amounts in ₹, unless stated otherwise)

	As at 31 March 2021
A. Equity share capital	
Balance at the beginning of the year	-
Issued during the period	10,00,000
Balance at the end of the period	**10,00,000**

B. Other equity

Attributable to the equity holders
Retained earnings

Particulars	
Balance at the beginning of the period	-
Loss for the period	-68,354
Balance at the end of the period	**-68,354**

The summary of significant accounting policies and other explanatory information are an integral part of these financial statements.

This is the Statement of Changes in Equity referred to in our report of even date

For **S M A M & CO**
Chartered Accountants
Firm Registration No.: 028845C

Jinesh Sethia

Jinesh Sethia
Partner
Membership No.: 523332
UDIN: 21523332AAAAES2408

Place : Noida
Date : 26 June 2021

For **Rapidcube Technologies Private Limited**

Gaurav Verma
Director
DIN : 08933268

Swetha Gopalan
Director
DIN : 09167355

Place : Noida
Date : 26 June 2021

Rapidcube Technologies Private Limited
Summary of significant accounting policies and other explanatory information for the period ended 31 March 2021

1. **(i) Corporate information**

Rapidcube technologies Private Limited (Company) is a private limited company and incorporated on 29 October 2020 under Companies Act, 2013. The registered office of the company is situated at FC-19, Sector 16A, Gautam Buddha Nagar, Noida- 201301, Uttar Pradesh. Accordingly, these financial statements have been prepared for the period 29 October 2020 to 31 March 2021. The Company is in business of producing, converting, distributing, advertising, selling, content creation and distribution for various products and services and/or distributing related products and/or services on such platform or by using such technology as may be available now or in future, aggregate, produce, create and distribute ancillary internet and mobile-value added services and convergence of technologies thereof including development and operation of interface for real time communication on web portal based on collaborative user interface that incorporate both ways text, audio and video communication forms.

(ii) Basis of preparation and presentation

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) notified under Section 133 of Companies Act, 2013 (the 'Act') and other relevant provisions of the Act.

These financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency. The financial statements have been prepared on the historical cost basis.

(iii) Significant accounting policies

a. Use of estimates and judgements

The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income, expenses and other comprehensive income (OCI) that are reported and disclosed in the financial statements and accompanying notes. Accounting estimates could change from period to period. Actual results may differ from these estimates. These estimates and judgment are based on the management's best knowledge of current events, actions that the Company may undertake in the future and on various other estimates and judgments that are believed to be reasonable under the circumstances. Accounting estimates could change from period to period. Accounting estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the financial statements in the period in which changes are made. In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect of the amounts recognized in the financial statements.

b. Going concern

Going concern basis of accounting used for preparation of the accompanying financial statements is appropriate with no material uncertainty.

c. Current/non-current classification

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of services and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

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RAPIDCUBE TECHNOLOGIES PRIVATE LIMITED

Assets

An asset is classified as current when it satisfies any of the following criteria:
1) It is expected to be realised in, or is intended to be sold or consumed in, the Company's normal operating cycle;
2) It is held primarily for the purpose of being traded;
3) It is expected to be realised within twelve months after the reporting date; or
4) It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.

Current assets include the current portion of non-current financial assets. All other assets are classified as non-current.

Liabilities

A liability is classified as current when it satisfies any of the following criteria:
1) It is expected to be settled in the Company's normal operating cycle;
2) It is held primarily for the purpose of being traded;
3) It is due to be settled within twelve months after the reporting date; or
4) The Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Current liabilities include current portion of non-current financial liabilities. All other liabilities are classified as non-current.

d. Revenue

In case of sale of service performance obligation is satisfied when work is executed, customer approves the work performed and recoverability of amount is probable. Transaction price is same as invoice value excluding taxes. Revenue is recognized as and when performance obligation is satisfied

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the interest rate applicable.

e. Financial instruments

i. Recognition and initial measurement

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability of another entity. All financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument. A financial instrument is measured initially at fair value adjusted for transaction costs, except for those carried at fair value through profit or loss (FVTPL) which are measured initially at fair value.

ii. Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at amortised cost or at FVTPL. Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

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RAPIDCUBE TECHNOLOGIES PRIVATE LIMITED

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All financial assets not classified as measured at amortised cost as described above are measured at FVTPL.

For all other equity instruments, the Company decides to classify the same either as at fair value through other comprehensive income (FVOCI) or fair value through profit and loss (FVTPL). On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets: Business model assessment

The Company makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Company's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Company's continuing recognition of the assets.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

Financial assets: Assessment whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it

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RAPIDCUBE TECHNOLOGIES PRIVATE LIMITED

would not meet this condition. In making this assessment, the Company considers:
- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable interest rate features;
- prepayment and extension features; and
- terms that limit the Company's claim to cash flows from specified assets (e.g. non-recourse features).

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding. Additionally, for a financial asset acquired at a significant discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition. Financial assets at amortised cost are measured at amortised cost using the effective interest method. Interest income recognised in Statement of Profit and Loss.

Subsequent measurement and gains and losses

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in Statement of Profit and Loss
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in Statement of Profit and Loss. Any gain or loss on derecognition is recognised in Statement of Profit and Loss.

Financial liabilities

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held for trading. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in Statement of Profit and Loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in Statement of Profit and Loss. Any gain or loss on de-recognition is also recognised in Statement of Profit and Loss.

iii. De-recognition

Financial assets

The Company de-recognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset. If the Company enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not de-recognised.

Financial liabilities

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled

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or expire. The Company also de-recognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in Statement of Profit and Loss.

iv. 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.

f. Measurement of fair values

In determining the fair value of its financial instruments, the Company uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. All methods of assessing fair value result in general approximation of value, and such value may never actually be realised.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable - inputs)

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

g. Impairment

(i) Impairment of financial assets

The Company recognises loss allowance for expected credit losses on financial assets measured at amortised cost. At each reporting date, the Company assesses whether financial assets carried at amortised cost are credit impaired. A financial asset is 'credit impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit impaired includes the following observable data:

- significant financial difficulty of the issuer or the borrower;
- a breach of contract such as a default in payment within the due date;
- the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider;
- it is probable that the debtor will enter bankruptcy or other financial reorganisation;
- the disappearance of an active market for a security because of financial difficulties;
- the purchase or origination of a financial asset at a deep discount that reflects the incurred credit losses.

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The Company measures loss allowances at an amount equal to lifetime expected credit losses. Loss allowances for trade receivables are always measured at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

In all cases, the maximum period considered when estimating expected credit losses is the maximum contractual period over which the Company is exposed to credit risk.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward looking information. The Company considers a financial asset to be in default when the debtor is unlikely to pay its credit obligations to the Company in full, without recourse by the Company to actions such as realising security (if any) is held.

Measurement of expected credit losses

Expected credit losses are a probability weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Company in accordance with the contract and the cash flows that the Company expects to receive).

Presentation of allowance for expected credit losses in the balance sheet

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

(ii) Impairment of non-financial assets

The Company's non-financial assets, other than deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, 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 CGU (or the asset).

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable

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amount. Impairment losses are recognised in the Statement of Profit and Loss. Impairment loss recognised in respect of a CGU is allocated to reduce the carrying amounts of the assets of the CGU (or group of CGUs) on a pro rata basis.

In respect of assets for which impairment loss has been recognised in prior periods, the Company reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

h. Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks, deposits with original maturity less than 3 months, cheques on hand and cash on hand, which are not subject to risk of changes in value. Also, for the purpose of the statement of cash flows, cash and cash equivalents consist of cash at banks, cheques on hand and cash on hand.

i. Earnings per share

Basic earning per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

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

Potential ordinary shares shall be treated as dilutive when, and only when, their conversion to ordinary shares would decrease earnings per share or increase loss per share from continuing operations.

j. Provisions, contingent liabilities and contingent assets

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future obligation at pre-tax rate that reflects current market assessments of the time value of money risks specific to liability. They are not discounted where they are assessed as current in nature. Provisions are not made for future operating losses.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly with in the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or reliable estimate of the amount cannot be made. Therefore, in order to determine the amount to be recognised as a liability or to be disclosed as a contingent liability, in each case, is inherently subjective, and needs careful evaluation and judgement to be applied by the management. In case of provision for litigations, the judgements involved are with respect to the potential exposure of each litigation and the likelihood and/or timing of cash outflows from the Company, and requires interpretation of laws and past legal rulings.

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k. Taxation

Income tax comprises current and deferred tax. It is recognised in Statement of Profit and Loss except to the extent that it relates to a business combination or to an item recognised directly in equity or in other comprehensive income.

i. Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

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RAPIDCUBE TECHNOLOGIES PRIVATE LIMITED

Rapidcube Technologies Private Limited

Summary of significant accounting policies and other explanatory information for the period ended 31 March 2021

(All amounts in ₹, unless stated otherwise)

	As at 31 March 2021
2. Deferred tax asset (net)	
a) Deferred tax asset arising on account of:	
Disallowance under section 35 D of the Income Tax, 1961	7,464
Business losses	15,525
	22,989
3. Other financial assets	500
	23,489
4. Cash and cash equivalents	
Balances with banks	9,18,672
	9,18,672
5. Other current assets	
Prepaid expenses	10,417
Balances with government authorities	6,750
	17,167
6. Equity share capital	
Authorised	
100,000 equity shares of ₹ 10 each	10,00,000
	10,00,000
Issued, subscribed and fully paid up	
1,00,000 equity shares of ₹ 10 each fully paid up	10,00,000
	10,00,000

Notes:

i) Reconciliation of equity shares outstanding at the beginning and at the end of the year

	As at 31 March 2021	
	Number of shares	**Amount**
Balance at the beginning of the period	-	-
Add: Issued during the period	1,00,000	10,00,000
Balance at the end of the period	**1,00,000**	**10,00,000**

ii) The Company has only one class of equity shares having a par value of ₹ 10 each. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, holders of equity shares will be entitled to receive any of 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 the shareholders.

iii) Shares in the Company held by each shareholder holding more than 5% and shares held by holding Company are as under:

	As at 31 March 2021	
Zee Media Corporation Limited	99,994	99.99%
	99,994	**99.99%**

iv) The Company has not issued any share pursuant to a contract without payment being received in cash in the current year. The Company has not issued any bonus shares nor has there been any buy-back of shares in the current year.

7. Other equity	
a. Retained earnings	
Balance at the beginning of the year	-
Add : loss during the year	-68,354
Other comprehensive income for the year	-68,354
Balance at the end of the year	**-68,354**
Total other equity	**-68,354**

Nature of reserves

Retained earnings refer to the net profit/(loss) retained by the Company for its core business activities.

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RAPIDCUBE TECHNOLOGIES PRIVATE LIMITED ★

Rapidcube Technologies Private Limited

Summary of significant accounting policies and other explanatory information for the period ended 31 March 2021

(All amounts in ₹, unless stated otherwise)

	As at 31 March 2021
8. Other financial liabilities	
Other payables	23,933
	23,933
9. Other current liabilities	
Statutory dues payable	3,750
	3,750

	For the period ended 31 March 2021
10. Other expenses	
Legal and professional charges	39,155
Payment to auditors	50,000
Miscellaneous expenses	2,189
	91,344
* Includes payment to auditors	
As auditor:	
Audit fee	25,000
Limited review	25,000
	50,000

11. Tax expense

Income tax expense recognised in statement of profit and loss	
Current tax	-
Deferred tax	(22,989)
	(22,989)

The major components of income tax expense and the reconciliation of expected tax expense based on the domestic effective tax rate of the Company at 22.88% and the reported tax expense in profit or loss are as follows:

Loss before tax	(91,344)
Income tax using the Company's domestic tax rate*	25.168%
Expected tax expense (A)	-
Tax effect of adjustment to reconcile expected income tax expense to reported income tax expense	
Tax effect on non-deductible expenses	(22,989)
Income tax expense	**(22,989)**

*Domestic tax rate applicable to the Company has been computed as follows:

Base tax rate	22%
Surchase (% of tax)	10%
Cess (% of tax+surcharge)	4%
Applicable rate	25.168%

12. Loss per share

Loss attributable to the equity shareholders (A)	-68,354
Number of equity shares at the beginning of the year	-
Total number of shares outstanding at the end of the year (B)	1,00,000
Loss per share (₹) (A/B) - Basic and Diluted	-0.68
Nominal value of equity share (₹)	10.00

13. Financial instruments - accounting classifications and fair value measurements
The fair values of the financial assets and financial liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sales.

The following methods and assumptions were used to estimate the fair values:
1. Fair value of cash and cash equivalents, bank balances, short-term receivables and other current liabilities approximated their carrying amounts largely due to the short-term maturities of these instruments.
2. The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique.

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period.
Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.
Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in level 3.

A. Accounting classifications and fair values
The following tables shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy.

As at 31 March 2021
Financial instruments by category

	Level 1	Level 2	Level 3	Total
Financial assets at amortised costs				
Cash and cash equivalents	-	-	9,18,672	**9,18,672**
Other financial assets	-	-	500	**500**
Total	-	-	**9,19,172**	**9,19,172**
Financial liabilities at amortised cost				
Other financial liability	-	-	23,933	**23,933**
Total	-	-	**23,933**	**23,933**

B. Measurement of fair values
Assets and liabilities are to be measured based on the following valuation techniques:
Market approach – Prices and other relevant information generated by market transactions involving identical or comparable assets or liabilities.
Income approach – Converting the future amounts based on market expectations to its present value using the discounting methodology.
Cost approach – Replacement cost method.

Quoted market prices in active markets are available for investments in securities and, as such, these investments are classified within Level 1.
Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments which are traded in stock exchanges and valued using closing price at the reporting date.
The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. The Company uses its judgement to select a variety of methods and make assumptions that are mainly based on the conditions existing at the end of each reporting period.
The following table shows the valuation techniques used in measuring Level 2 and Level 3 fair values for financial instruments measured at fair value in the balance sheet, as well as the significant unobservable inputs used.

None of the asset is carried at fair value.

C. Financial risk management
The Company has exposure to the liquidity risks arising from financial instruments:

(i) Risk management framework
The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework.
The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

(ii) Liquidity risk
Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The Company uses activity-based costing to cost its products, which assists it in monitoring cash flow requirements and optimising its cash return on investments.
The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include contractual interest payments :

As at 31 March 2021	Not more than 1 year	Later than 1 year	Total
Other financial liability	23,933	-	23,933
Total	**23,933**	-	**23,933**

D. Capital management
The Company's capital includes issued share capital and all other distributable reserves. The primary objective of the Company's capital management is to maximise shareholder value and to maintain an optimal capital structure to reduce the cost of capital. The company does not have any long-term borrowings and short-term borrowings.

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RAPIDCUBE TECHNOLOGIES PRIVATE LIMITED

Rapidcube Technologies Private Limited
Summary of significant accounting policies and other explanatory information for the period ended 31 March 2021
(All amounts in ₹, unless stated otherwise)

14. Related party disclosure

a) Disclosure of related parties and relationship between the parties

Nature of relationship	Name of related party
i) Key managerial personnel	
ii) Holding Company	Zee Media Corporation Limited
The following transctions were carried out with the related parties during the year:	
1. Share capital issued during the year	
Zee Media Corporation Limited	99,994

14. There are no contingent liabiliites and capital commitments as at year end.

15. Subsequent to year end, a business transfer agreement dated 12 April 2021 (effective from 1 April 2021) has been entered between Zee Media Corporation Limited ("the Seller") and Rapidcube Technologies Private Limited ("the Company"). As per the agreement, the seller has agreed to transfer the Digital Publishing Business Division to the Company as a going concern together with the benefit of intellectual property rights, use of domains, rights and benefits in respect of and as incidental thereto, if any, hereinafter mentioned by means of a slump sale as defined in Section 2(42C) of the Income Tax Act, 1961 for a lump sum consideration and subject to such other terms and conditions specified in this Agreement. As per the agreement, all assets and Liabilities of the Digital Publishing Business Division shall, without any further act or deed, shall become the assets and liabilities of the Company. As a purchase consideration the Company agrees to issue and allot 233,216,754 fully paid equity shares of Rs. 10 each to the Seller.

The same has been done for segregation of the Digital Publishing Business Division from Zee Media Corporation Limited which will leverage the growth opportunities in the evolving digital space and transferring this division to Rapidcube will help to explore its potential with specific management focus and attract investors and partners for the growth of the business.

In lieu of the transaction, the Company has received net assets having book value of Rs. 157,118,088 which comprise of tangible and intangible assets, trade receivables, trade payables and other assets.

15. The Company has been incorporated on 29 October 2020 and is presenting financial statements for the first time. Accordingly, requirement for presenting comparative financial numbers for the year ended 31 March 2020 is not applicable.

16. The financial statements were approved for issue by the board of directors on 26 June 2021.

This is the summary of significant accounting policies and other explanatory information referred to in our report of even date

For **S M A M & CO**
Chartered Accountants
Firm Registration No.: 028845C

Jinesh Sethia

Jinesh Sethia
Partner
Membership No.: 523332
UDIN: 21523332AAAAES2408

Place : Noida
Date : 26 June 2021

For **Rapidcube Technologies Private Limited**

Gaurav Verma
Director
DIN : 08933268

Swetha Gopalan
Director
DIN : 09167355

Place : Noida
Date : 26 June 2021

FORD RHODES PARKS & CO LLP
CHARTERED ACCOUNTANTS
(Formerly Ford, Rhodes, Parks & Co.)

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Independent Auditor's Report on Financial Statements

To the Members of
Zee Akaash News Private Limited

1. **Opinion**
We have audited the accompanying financial statements of **Zee Akaash News Private Limited** ('the Company'), which comprise the balance sheet as at 31 March 2021, the statement of profit and loss (including other comprehensive income), the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements including a summary of the significant accounting policies and other explanatory information (herein after referred to as "financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, of the state of affairs of the Company as at 31 March 2021, and its profit, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

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

A Partnership Firm with Registration. No: BA61078 converted into a Limited Liability Partnership (LLP) namely FORD RHODES PARKS & CO LLP w.e.f August 4, 2015 - LLP Identification No. AAE4990
Also at: **BENGALURU - CHENNAI – KOLKATA – HYDERABAD**

3. **Other information**

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Directors Report along with annexures, but does not include the financial statements and our auditor's report thereon. The other information is expected to be made available to us after the date of this auditor's report.

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

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the other information, if we conclude that there is a material misstatement therein, we will communicate the matter to those charges with governance.

4. **Management's responsibility for the financial statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Ind AS prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

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

In preparing the financial statements, management is 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

5. **Auditor's responsibility for the audit of the financial statements**

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

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

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

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

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

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

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

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

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

6. **Other matter**

The financial statements of the Company for the previous year ended 31 March 2020 were audited by another firm of chartered accountants who have expressed an unmodified opinion on those statements vide their report dated 25 June 2020.

7. **Report on other Legal and Regulatory requirements**

I. As required by the Companies (Auditor's Report) Order, 2016 issued by the Central Government of India in terms of Section 143(11) of the Act ("the Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the "Annexure A", a statement on the matters specified in the paragraph 3 and 4 of the Order.

II. As required by Section143(3) of the Act, we report that:

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

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

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

d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

e) On the basis of written representations received from the directors of the Company as on 31 March 2021 and 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 over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended:

To the best of our information and according to the explanations given to us, the Company has not paid any remuneration to its directors during the year.

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements;

ii. The Company did not have any long-term contracts including derivative contracts having any material foreseeable losses; and

iii. There are no amounts required to be transferred, to the Investor Education and Protection Fund by the Company during the year.

For **Ford Rhodes Parks & Co. LLP**
Chartered Accountants
Firm Registration Number: 102860W/W-100089

Nitin Jain
Partner
Membership Number: 215336
UDIN: 21215336AAAADF7278

Place: Mumbai
Date: 25 June 2021

Annexure - A to the Independent Auditor's Report

Annexure referred to in paragraph 7(I) under "Report on other Legal and Regulatory requirements" of our report of even date to the members of the Company on the financial statements for the year ended 31 March 2021

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

(b) All the fixed assets of the Company have been physically verified by the management during the year. As informed to us, no discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and on the basis of our examination of the records, the Company does not have any immovable property.

ii. The Company does not have any inventory and accordingly the provisions of Clause 3(ii) of the Order are not applicable.

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 Act. Accordingly the provisions of Clause 3(iii) of the Order are not applicable.

iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Act, in respect of loans granted and investment made. The Company has not given any guarantees.

v. The Company has not accepted any deposits from the public within the meaning of Sections 73 to 76 of the Act.

vi. We have broadly reviewed the cost records maintained by the Company prescribed by the Central Government under Section 148(1) of the Act and are of the opinion that prima facie the prescribed accounts and records have been made and maintained. We have however not made a detailed examination of such records with a view to determine whether they are accurate or complete.

vii. According to the records of the Company examined by us and information and explanations given to us:

a) Undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, goods and services tax, cess and others as applicable have generally been regularly deposited with the appropriate authorities except slight delay in few cases. There are no undisputed amounts payable in respect of aforesaid dues outstanding as at 31 March 2021 for a period of more than six months from the date they became payable.

b) There are no dues of sales tax, service tax, duty of customs, duty of excise and value added tax and goods and service tax which have not been deposited on account of any dispute. Disputed dues of income tax which have not been deposited are as under:

Name of statute	Nature of dues	Amount (Rs in Lakhs)	Period to which the amount relates	Forum where dispute is pending
The Income Tax Act, 1961	Income Tax and interest	417.47	Assessment year 2017-18	The Commissioner of Income Tax (Appeals), Mumbai

viii. According to the records of the Company examined by us, the Company does not have any loans or borrowings from financial institutions, banks, government or debentures holders hence provisions of paragraph 3(viii) of the Order are not applicable to the Company.

ix. In our opinion and according to the information and explanations given to us, the Company has not raised money by way of public issue (including debt instruments) or term loan during the year.

x. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have been informed of any such case by the Management.

xi. According to the records of the Company examined by us, the Company has not paid any managerial remuneration during the year hence provisions of paragraph 3(xi) of the Order are not applicable to the Company.

xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company and hence provisions of paragraph 3(xii) are not applicable to the Company.

xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with related parties are in compliance with Section 188 of the Act, and details of such transactions have been disclosed in the financial statements as required by the applicable Indian Accounting Standards. Further as informed to us, the Company is not required to constitute audit committee under section 177 of the Act.

xiv. According to the records of the Company examined by us, and information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year hence paragraph 3(xiv) are not applicable to the Company.

xv. According to the records of the Company examined by us, and information and explanations given to us, the Company has not entered into non-cash transactions with directors or persons connected with them hence provisions of paragraph 3(xv) are not applicable to the Company.

FORD RHODES PARKS & CO LLP C.A. FRN No.: 102860W/W100089

xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934 hence paragraph 3(xvi) are not applicable to the Company.

For **Ford Rhodes Parks & Co. LLP**
Chartered Accountants
Firm Registration Number: 102860W/W-100089

Nitin Jain
Partner
Membership Number: 215336
UDIN: 21215336AAAADF7278

Place: Mumbai
Date: 25 June 2021

Annexure - B to the Independent Auditor's Report

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act") as referred to in paragraph 7(II)(f) under "Report on other Legal and Regulatory requirements" of our report of even date to the members of the Company on the financial statements for the year ended 31 March 2021

In conjunction with our audit of the financial statements of the Company for the year ended on 31 March 2021, we have audited the internal financial controls over financial reporting of **Zee Akaash News Private Limited** ("the Company") as of that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India (ICAI). 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 Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on "Audit of Internal Financial Controls over Financial Reporting" (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

FORD RHODES PARKS & CO. LLP * C.A. * ICAI FRN No.: 102860W/W100089

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the Institute of Chartered Accountants of India.

For **Ford Rhodes Parks & Co. LLP**
Chartered Accountants
Firm Registration Number: 102860W/W-100089

Nitin Jain
Partner
Membership Number: 215336
UDIN: 21215336AAAADF7278

Place: Mumbai
Date: 25 June 2021

ZEE AKAASH NEWS PRIVATE LIMITED

(CIN : U92132MH2005PTC157148)

Financial Statement
2020-2021

ZEE AKAASH NEWS PRIVATE LIMITED

Balance Sheet as at 31 March, 2021

(Rupees in lacs)

	Note	31 March 2021	31 March 2020
ASSETS			
Non-current assets			
(a) Property, plant and equipment	5	3,455.66	4,549.27
(b) Right-of-use asset	6(a)	259.62	33.70
(c) Intangible assets	6(b)	396.87	200.96
(d) Financial assets			
(i) Investment	7	0.00	0.00
(ii) Other financial assets	8 (b)	95.63	-
(e) Non - Current tax assets (net)	9	104.53	123.50
(f) Deferred tax assets (net)	10	269.29	186.49
(g) Other non-current assets	11	253.88	3.26
Total non-current assets		**4,835.48**	**5,097.18**
Current assets			
(a) Financial assets			
(i) Trade receivables	12	2,308.17	1,737.20
(ii) Cash and cash equivalents	13	2,666.50	3,338.55
(iii) Loan given	8 (a)	-	-
(iv) Other financial assets	8 (b)	3,760.45	1,502.19
(b) Other current assets	11	361.48	116.13
Total current assets		**9,096.60**	**6,694.07**
Total assets		**13,932.08**	**11,791.25**
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	14(a)	400.00	400.00
(b) Other equity	14(b)	10,754.43	9,108.86
Total equity		**11,154.43**	**9,508.86**
Liabilities			
Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	15	1,000.00	1,000.00
(ii) Other financial liabilities	17(b)	167.99	-
(b) Provisions	16	185.85	289.60
Total non-current liabilities		**1,353.84**	**1,289.60**
Current liabilities			
(a) Financial liabilities			
(i) Trade payables	17(a)		
Dues of micro enterprises and small enterprises		2.72	-
Dues of creditors other than micro enterprises and small enterprises		78.29	43.04
(ii) Other financial liabilities	17(b)		
Dues of micro enterprises and small enterprises		8.39	3.54
Dues of creditors other than micro enterprises and small enterprises		563.43	625.27
(b) Other current liabilities	18	727.65	238.86
(c) Provisions	16	10.48	17.53
(d) Current tax liabilities (net)	19	32.85	64.55
Total current liabilities		**1,423.81**	**992.79**
Total Liabilities		**2,777.65**	**2,282.39**
Total equity and liabilities		**13,932.08**	**11,791.25**

Notes forming part of the financial statements 1-47

As per our attached report of even date

For **Ford Rhodes Parks & Co. LLP**
Chartered Accountants
Firm Registration Number - 102860W/W100089

Nitin Jain
Partner
Membership Number - 215336

Place: Mumbai
Date: 25 June 2021

For and on behalf of the Board

Dinesh Garg
Director
DIN - 02048097

Place: Noida
Date: 25 June 2021

Mukesh Jindal
Director
DIN - 02589636

Place: Noida
Date: 25 June 2021

ZEE AKAASH NEWS PVT. LTD. NOIDA

ZEE AKAASH NEWS PRIVATE LIMITED

Statement of Profit and Loss for the year ended 31 March, 2021

(Rupees in lacs)

	Note	31 March 2021	31 March 2020
Revenue			
Revenue from operations	20	7,674.46	7,314.06
Other income	21	158.76	68.42
Total		7,833.22	7,382.48
Expenses			
Operational cost	22	732.68	866.45
Employee benefits expense	23	1,045.84	1,033.09
Finance costs	24	129.11	122.18
Depreciation and amortisation expense	25	1,572.53	1,614.04
Other expenses	26	2,162.31	1,638.07
Total		5,642.47	5,273.83
Profit before Tax		2,190.75	2,108.65
Less: Tax expense	31		
Current tax		639.17	735.23
Deferred tax		(85.62)	(104.75)
Profit for the year	A	1,637.20	1,478.17
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurement gain / (loss) on defined benefits obligation plans	28	11.18	(18.88)
Income tax effect on above	31	(2.81)	4.75
Other comprehensive income / (loss) for the year	B	8.37	(14.13)
Total comprehensive income for the year	(A+B)	1,645.57	1,464.04
Earnings per equity share (face value of Rs. 10 each fully paid up)	35		
Basic and diluted (Rupees)		40.93	36.95

Notes forming part of the financial statements 1-47

As per our attached report of even date

For **Ford Rhodes Parks & Co. LLP**
Chartered Accountants
Firm Registration Number - 102860W/W100089

Nitin Jain
Partner
Membership Number - 215336

Place: Mumbai
Date: 25 June 2021

For and on behalf of the Board

Dinesh Garg
Director
DIN - 02048097

Place: Noida
Date: 25 June 2021

Mukesh Jindal
Director
DIN - 02589636

Place: Noida
Date: 25 June 2021

ZEE AKAASH NEWS PVT. LTD.
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ZEE AKAASH NEWS PRIVATE LIMITED

Statement of cash flows for the year ended 31 March 2021

(Rupees in lacs)

		31 March 2021	31 March 2020
A. Cash flow from operating activities			
Profit before tax		2,190.75	2,108.65
Adjustments for :			
Depreciation and amortization expense		1,572.53	1,614.04
Net loss/ (profit) on sale / discard of property, plant and equipment / Intangible assets		(0.13)	13.42
Liabilities and provisions written back		(94.08)	(27.22)
Re-measurement gains / (losses) of defined benefit obligation		11.18	(18.88)
Interest expense		116.60	115.50
Interest on lease liabilities		12.37	6.54
Interest income		(52.70)	(32.15)
Unwinding of discount on deposit given		(8.71)	(8.96)
Unrealized loss(gain) on exchange adjustment (Net)		-	1.89
Allowances/(reversal) for doudbtful debts, loans and other advances		13.43	393.07
Operating profit before working capital changes		**3,761.24**	**4,165.90**
Adjustments For :			
(Increase) / Decrease in trade and other receivables		(3,425.57)	1,043.07
Increase / (Decrease) in trade and other payables		408.19	(588.87)
Cash generated from operations		**743.86**	**4,620.10**
Direct taxes paid (Net of refunds)		(651.90)	(774.86)
Net cash flow from/(used in) operating activities	(A)	91.96	3,845.24
B. Cash flow from investing activities			
Purchase of property, plant and equipment, intangible assets and capital work in progress		(610.64)	(1,507.01)
Sale of property, plant and equipment and intangible assets		0.16	0.57
Interest received		52.71	31.21
Net cash flow from/ (used in) investing activities	(B)	(557.77)	(1,475.23)
C. Cash flow from financing activities			
Principal payment of lease liabilities		(77.27)	(72.14)
Interest paid		(116.60)	(115.50)
Interest payment of lease liabilities		(12.37)	(6.54)
Net cash flow from/ (used in) financing activities	(C)	(206.24)	(194.18)
Net Change in cash and cash equivalents	(A+B+C)	(672.05)	2,175.83
Cash and cash equivalents at the beginning of the year		3,338.55	1,162.72
Cash and cash equivalents at the end of the year		2,666.50	3,338.55

Notes:

1. As required by Ind AS 7 "Statement of cash flows" a reconcilliation between opening and closing balance in the balance sheet for the liabilities arising from financing activities is given in Note 44 of the Financial Statements.

2. Previous year figures are regrouped / rearranged whereever necessary.

As per our attached report of even date

For **Ford Rhodes Parks & Co. LLP**
Chartered Accountants
Firm Registration Number - 102860W/W100089

Nitin Jain
Partner
Membership Number - 215336

Place: Mumbai
Date: 25 June 2021

For and on behalf of the Board

Dinesh Garg
Director
DIN - 02048097

Place: Noida
Date: 25 June 2021

Mukesh Jindal
Director
DIN - 02589636

Place: Noida
Date: 25 June 2021

ZEE AKAASH NEWS PVT. LTD. NOIDA

ZEE AKAASH NEWS PRIVATE LIMITED
Notes forming part of the financial statements

1 **Corporate Information**

Zee Akaash News Private Limited ("ZANPL" or "the Company") is incorporated in the State of Maharashtra. The registered office of the Company is situated at 14th Floor, 'A' Wing, Marathon Futurex, N M Joshi Marg, Lower Parel, Mumbai - 400013, Maharashtra, India. The Company is mainly engaged in the business of broadcasting of satellite television channel namely ZEE 24GHANTA in Bengali Language.

The separate financial statements (hereinafter referred to as "Financial Statements") of the Company for the year ended 31 March 2021 were authorized for issue by the Board of Directors at their meeting held on 25 June 2021.

2 **Basis of preparation and other significant accounting policies**

2.1 **Basis of preparation of financial statements**

a The financial statements have been prepared to comply in all material respects with the Indian Accounting Standards (Ind AS) as notified under Section 133 of the Companies Act, 2013 ('Act') read with Companies (Indian Accounting Standards) Rules, 2015 (as amended) and other relevant provisions of the Act and rules framed thereunder. The financial statements have been prepared under the historical cost convention and on the accrual basis, except for certain financial assets and liabilities and defined benefit plan assets and liabilities being measured at fair value.

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, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or a liability at the measurement date.

b **Rounding of amounts**

The financial statements are presented in Indian Rupees ('INR') with amounts rounded off to the nearest Lakhs (00,000) with two decimals thereof, unless otherwise indicated. Zero '0.00' denotes amount less than Rs 500.

c **Current and non-current classification**

Assets and liabilities are classified as current if expected to realize or settle within twelve months after the balance sheet date. Deferred tax assets and liabilities are classified as non-current assets and liabilities.

2.2 **Summary of significant accounting policies**

a **Property, plant and equipment**

(i) Property, plant and equipment are stated at original cost of acquisition / installation (net of goods and service tax / cenvat credit availed), less accumulated depreciation and impairment loss, if any. The cost comprises purchase price, borrowing costs if capitalization criteria is met and directly attributable cost of bringing the asset to its working condition for the intended use and estimated cost for decommissioning of an asset. Integrated Receiver Decoders (IRD) boxes are capitalized, when available for deployment.

(ii) Capital work-in-progress comprises cost of property, plant and equipment and related expenses that are not yet ready for their intended use at the reporting date.

(iii) Right-of-use (ROU) assets are stated at cost, less accumulated depreciation and impairment loss, if any. The carrying amount of ROU assets is adjusted for remeasurement of lease liability, if any, in future. Cost of ROU assets comprises the amount of initial measurement of lease liability, lease payments made before the commencement date (net of incentives received), initial direct costs and present value of estimated costs of dimantling and restoration.

b **Intangible assets**

(i) Intangible assets acquired or developed are measured on initial recognition at cost and stated at cost less accumulated amortization and impairment loss, if any.

(ii) Intangible assets under development comprises cost of intangible assets and related expenses that are not yet ready for their intended use at the reporting date.

ZEE AKAASH NEWS PVT. LTD. NOIDA

ZEE AKAASH NEWS PRIVATE LIMITED
Notes forming part of the financial statements

c Depreciation / amortization on property, plant and equipment / intangible assets

Depreciable / amortizable amount for property, plant and equipment / intangible assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value.

(i) Depreciation on property, plant and equipment is provided on straight-line method over the useful life of asset as specified in Part-C of Schedule II to the Companies Act, 2013 except in respect of the following categories of assets, where the life of the assets has been assessed lower than the life prescribed in Schedule II, based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement etc.

Assets	Management's estimate of useful life
Plant and machinery	
(i) Studio equipment - Linear	10 years
(ii) Studio equipment - Non-linear	5 years
(iii) Integrated receiver / decoder (IRD) boxes	1 year
Vehicles	5 years

(ii) Leasehold building and leasehold improvements are amortized over the period of lease or useful life of assets, whichever is lower.

(iii) Right to use (ROU) assets are depreciated on straight line basis over the commencement date to the end of useful life of asset or lease term whichever is earlier.

(iv) Intangible assets (computer softwate) are amortised on straight line basis over useful life of three years as estimated by the management or licence period of the computer software whichever is lower.

d Impairment of property, plant & equipment and intangible assets

The carrying amounts of property, plant & equipment and intangible assets are reviewed at each balance sheet date if there is any indication of impairment based on internal / external factors. An asset is treated as impaired when the carrying amount exceeds its recoverable value. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to the present value using a pre-tax discount rate that reflects current market assessment of the time value of money and risks specific to the assets. An impairment loss is charged to the statement of profit and loss in the year in which an asset is identified as impaired. After impairment, depreciation / amortisation is provided on the revised carrying amount of the asset over its remaining useful life. The impairment loss recognised in prior accounting periods is reversed by crediting the statement of profit and loss if there has been a change in the estimate of recoverable amount.

e Derecognition of property, plant and equipment / intangible assets

The carrying amount of an item of property, plant and equipment / intangible assets is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the derecognition of an item of property, plant and equipment / intangible assets is measured as the difference between the net disposal in proceeds and the carrying amount of the item and is recognised in the statement of profit and loss when the item is derecognized.

f Lease Liability

Lease liability associated with assets taken on lease (except short-term and low value assets) is measured at the present value of lease payments to be made. Lease payments are discounted using the interest rate implicit in the lease. Lease payments comprise fixed payments in relation to the lease (less lease incentives receivable), variable lease payments, if any and other amounts (residual value guarantees, penalties, etc.) to be payable in future in relation to the lease arrangement. Lease liability is subsequently measured by increasing the carrying amount to refect interest on the lease liability, reducing the carrying amount to reflect the lease payment made and remeasuring the carrying amount to reflect any reassessment or modification, if any.

g Cash and cash equivalents

(i) Cash and cash equivalents 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.

(ii) For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above.

ZEE AKAASH NEWS PVT. LTD.
NOIDA

h **Inventories**

(i) Television programs (completed, under production, available for sale) are stated at lower of cost / unamortized cost or realizable value. Cost comprises acquisition / direct production cost and other allocated production overheads. Where the realizable value on the basis of its estimated useful economic life is less than its carrying amount, the difference is expensed as impairment. Programs are expensed / amortized as under:

1 Programs - news / current affairs / chat shows / events etc. are fully expensed on telecast.

2 Programs (other than (1) above) are amortized over three financial years starting from the year of first telecast, as per management estimate of future revenue potential.

i **Financial Instruments**

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

Initial recognition of financial assets and liabilities

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in the statement of profit and loss.

I **Financial assets**

A **Subsequent measurement**

Financial assets are classified into the specified categories i.e. amortized cost, fair value through profit or loss (FVTPL) and fair value through other comprehensive income (FVTOCI). The classification depends on the Company's business model for managing the financial assets and the contractual terms of cash flows.

(i) **Debt instruments**

Amortized cost:

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cashflows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Fair value through other comprehensive income (FVTOCI):

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

(a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets.

(b) The asset's contractual cash flows represent solely payments of principal and interest.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses and reversals and foreign exchange gain or loss in the statement of profit and loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to the statement of profit and loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the effective interest rate (EIR) method.

Fair value through profit or loss (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 FVTPL.

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 considered 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.

(ii) **Investments in equity instruments**

The Company subsequently measures all equity instruments at fair value. Where the Company's management has elected to present fair value gains and losses on equity instruments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to the statement of profit and loss. Dividends from such instruments are recognised in the statement of profit and loss as other income when the company's right to receive payment is established.

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B Derecognition of financial assets

A financial asset is derecognized only when

(a) The Company has transferred the rights to receive cash flows from the financial asset or the rights have expired or

(b) The Company retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients in an arrangement.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognized. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognized.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

C Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

II Financial liabilities and equity instruments

Debt or equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument. An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax.

A Subsequent measurement

Financial liabilities measured at amortized cost:

Financial liabilities are subsequently measured at amortized cost using the effective interest rate (EIR). Gains and losses are recognized in the statement of profit and loss when the liabilities are derecognized as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fee or costs that are an integral part of the EIR. The EIR amortization is included in finance costs in the statement of profit and loss.

Financial liabilities measured at fair value through profit or loss (FVTPL):

Financial liabilities at FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as FVTPL. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Derivatives, including separated embedded derivatives are classified as held for trading unless they are designated as effective hedging instruments. Financial liabilities at fair value through profit or loss are carried in the financial statements at fair value with changes in fair value recognized in other income or finance costs in the statement of profit and loss.

B Derecognition of financial liabilities

A financial liability is derecognized 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 derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit and loss.

j Borrowings and borrowing costs

Borrowings are initially recognised net of transaction costs incurred and subsequently measured at amortized cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the statement of profit and loss over the period of the borrowings using the effective interest rate (EIR) method.

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Borrowing costs that are attributable to the acquisition or construction of qualifying assets till the time such assets are ready for intended use are capitalized as part of cost of the assets. All other borrowing costs are expensed in the period they occur.

k **Provisions, contingent liabilities and contingent assets**

The Company recognizes provisions when a present obligation (legal or constructive) as a result of a past event exists and it is probable that an outflow of resources embodying economic benefits will be required to settle such obligation and the amount of such obligation can be reliably estimated. Provisions are not recognised for future operating losses.

If the effect of 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 recognized as a finance cost.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources embodying economic benefits or the amount of such obligation cannot be measured reliably. When there is a possible obligation or a present obligation in respect of which likelihood of outflow of resources embodying economic benefits is remote, no provision or disclosure is made.

Contingent assets are not recognised in the financial statements, however they are disclosed where the inflow of economic benefits is probable. When the realization of income is virtually certain, then the related asset is no longer a contingent asset and is recognised as an asset.

l **Revenue recognition**

(i) **Revenue from contract with customers**

Revenue from contract with customers is recognised when control of the goods or services is transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.

Revenue from advertisement

Revenue from advertisement is recognized over time based on the contract terms. The advertising benefits are transferred to the customer when each advertisement is aired as per the contract terms.

Revenue is recognized at the fair value of the consideration received or receivable, net of shortfalls, discounts, and goods and services tax.

Revenue from subscription

Revenue from subscription is recognized over time on performance of television broadcasting service to subscribers or as per the terms of the contract.

Variable consideration

If the consideration promised in a contract includes a variable amount, the Company estimates the amount of consideration to which the Company will be entitled in exchange for transferring the promised goods or services to the customer. Where customers are provided with discounts, rebates etc., such discounts and rebates will give rise to variable consideration. The Company follows the 'most likely amount' method in estimating the amount of variable consideration.

Contract balances

Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised. Contract liabilities are recognised as revenue when the Company performs under the contract.

Trade receivables

A receivable represents the Company's right to an amount of consideration under the contract with a customer that is unconditional and realizable on the due date.

Arrangements with Multiple Performance Obligations

The Company's contracts with customers may include multiple performance obligations. For such arrangements, the Company allocates revenue to each performance obligation based on its relative standalone selling price, which is generally determined based on the price charged to customers.

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(ii) Interest income is recognized using the effective interest rate (EIR) method, which is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial assets.

m Retirement and other employee benefits

(i) The Company operates both defined benefit and defined contribution schemes for its employees.
For defined contribution schemes the amount charged as expense is equal to the contributions paid or payable when employees have rendered services entitling them to the contributions.
For defined benefit plans, actuarial valuations are carried out at each balance sheet date using the Projected Unit Credit Method. All such plans are unfunded.
All expenses represented by current service cost, past service cost, if any, and net interest on the defined benefit liability/ (asset) are recognized in the statement of profit and loss. Remeasurements of the net defined benefit liability/ (asset) comprising actuarial gains and losses (excluding interest on the net defined benefit liability/asset)) are recognised in Other Comprehensive Income (OCI). Such remeasurements are not reclassified to the statement of profit and loss, in the subsequent periods.

(ii) Other long-term employee benefits. The Company has a policy on compensated absences which are both accumulated and non-accumulated. The expected cost of accumulated compensated absences is determined by actuarial valuation performed by an independent actuary at each balance sheet date using projected unit credit method on the additional amount expected to be paid/availed as a result of the unused entitlement that has accumulated at the balance sheet date. Expense on non-accumulated compensated absences is recognized in the period in which the absences occur.
The Company presents the leave as a current liability in the balance sheet, to the extent it does not have an unconditional right to defer its settlement for twelve months after the reporting date. Where Company has the unconditional legal and contractual right to defer the settlement for a period beyond twelve months, the same is presented as non-current liability.

(iii) Short-term employee benefits: All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits and they are recognized in the period in which the employee renders the related service. The Company recognizes the undiscounted amount of short-term employee benefits expected to be paid in exchange for services rendered as a liability.

n Transactions in foreign currency

The functional currency of the Company is Indian Rupee (Rs.) which is also the presentation currency. All other currencies are accounted as foreign currency.

(i) Foreign currency transactions are accounted at the exchange rates prevalent on the date of such transactions.

(ii) Foreign currency monetary items are translated using the exchange rate prevalent at the reporting date. Exchange differences arising on settlement of monetary items or on reporting such monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements are recognised as income or as expense in the period in which they arise.

(iii) Non-monetary foreign currency items are carried at historical cost and translated at the exchange rate prevalent at the date of transaction.

o Income taxes

Tax expense comprises of current and deferred tax.

(i) **Current tax**
Current tax is the amount of income taxes payable in respect of taxable profit for a period. Current tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. 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.

(ii) **Deferred tax**
Deferred tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements except when the deferred tax arises from the initial recognition of an asset or liability that effects neither accounting nor taxable profit or loss at the time of transition.

Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

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Deferred tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

(iii) **Presentation of current and deferred tax**

Current and deferred tax is recognised in the statement of profit and loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

p **Earnings per share**

Basic earnings per share is calculated by dividing the net profit or loss (excluding other comprehensive income) for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for events such as bonus issue, bonus element in a right issue, shares split and reserve share splits (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit or loss (excluding other comprehensive income) for the year attributable to equity share holders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

q **Dividend**

Provision is made for the amount of any dividend declared on or before the end of the reporting period but remaining undistributed at the end of the reporting period, where the same has been appropriately authorized and is no longer at the discretion of the entity.

r **Exceptional items**

Certain occasions, the size, type, or incidences of the item of income or expenses pertaining to the ordinary activities of the Company is such that its disclosure improves the understanding of the performance of the Company, such income or expenses is classified as an exceptional item and accordingly, disclosed in the financial statements.

3 **Accounting pronouncements issued**

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as amended from time to time. There are no such recently issued standards or amendments to the existing standards for which the impact on these financial statements is required to be disclosed.

4 **Critical accounting judgment and estimates**

The preparation of financial statements in conformity with Ind AS requires the management to make estimates, assumptions and exercise judgement in applying the accounting policies that affect the reported amount of assets, liabilities and disclosure of contingent liabilities at the date of financial statements and the reported amounts of income and expenses during the year.

The Management believes that these estimates are prudent and reasonable and are based on the Management's best knowledge of current events and actions. Actual results could differ from these estimates and differences between actual results and estimates are recognised in the periods in which the results are known or materialized.

This note provides an overview of the areas that involves a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed.

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a **Contingencies**

In the normal course of business, contingent liabilities may arise from litigation and other claims against the Company. Potential liabilities that have a low probability of crystallizing or are very difficult to quantify reliably, are treated as contingent liabilities. Such liabilities are disclosed in the notes but are not recognized.

b **Useful lives and residual values**

The Company reviews the useful lives and residual values of property, plant and equipment and intangible assets at each financial year end.

c **Impairment testing**

(i) **Impairment of financial assets**

The impairment provisions for financial assets disclosed 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 the Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

(ii) **Impairment of non-financial assets**

Impairment exists when the carrying value of an asset or cash generating unit (CGU) exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a DCF model. The cash flows are derived from the budget for the future years and do not include restructuring activities that the Company is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate.

d **Income taxes**

(i) The Company's tax charge is the sum of the total current and deferred tax charges. The calculation of the Company's total tax charge necessarily involves a degree of estimation and judgment in respect of certain items whose tax treatment cannot be finally determined until resolution has been reached with the relevant tax authority or, as appropriate, through a formal legal process.

(ii) Accruals for tax contingencies require management to make judgments and estimates in relation to tax related issues and exposures.

(iii) The recognition of deferred tax assets is based upon whether it is more likely than not that sufficient and suitable taxable profits will be available in the future against which the reversal of temporary differences can be deducted. Where the temporary differences are related to losses, the availability of the losses to offset against forecast taxable profits is also considered. Recognition therefore involves judgment regarding the future financial performance of the particular legal entity or tax Company in which the deferred tax asset has been recognized.

e **Fair value of financial instruments**

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. In applying the valuation techniques, management makes maximum use of market inputs and uses estimates and assumptions that are, as far as possible, consistent with observable data that market participants would use in pricing the instrument. Where applicable data is not observable, management uses its best estimate about the assumptions that market participants would make. These estimates may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date. For details of the key assumptions used and the impact of changes to these assumptions, refer note 30 of the financial statement.

f **Defined benefit obligation**

The cost of post-employment and other long term benefits is determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include determination of discount rates, expected rate of return on assets, 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 assumptions used are disclosed in note 28 of the financial statement.

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g **Leases**

Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to the Company's operations and the availability of suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances.

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Notes forming part of the Financial Statements

(Rupees in lacs)

Description of assets	Leasehold Improvements	Plant and Machinery	Furniture and Fittings	Vehicles	Equipment	Computers	Total
5. Property, plant and equipment							
I. Cost							
As at 01 April 2019	656.17	3,196.13	223.53	68.46	202.63	1,933.83	6,280.75
Additions	-	1,289.27	0.13	-	199.06	25.09	1,513.55
Disposal	-	(550.96)	(3.15)	-	(4.51)	(31.93)	(590.55)
As at 31 March 2020	**656.17**	**3,934.44**	**220.51**	**68.46**	**397.18**	**1,926.99**	**7,203.75**
Additions	-	41.71	-	-	0.91	202.19	244.81
Disposal	-	(26.88)	(0.07)	-	(8.56)	(29.55)	(65.06)
As at 31 March 2021	**656.17**	**3,949.27**	**220.44**	**68.46**	**389.53**	**2,099.63**	**7,383.50**
II. Depreciation							
Upto 31 March 2019	91.58	1,037.09	32.93	32.66	45.29	588.83	1,828.38
Depreciation charge for the year	369.72	364.61	43.76	12.14	37.80	574.63	1,402.66
Disposal	-	(536.98)	(3.14)	-	(4.51)	(31.93)	(576.56)
Upto 31 March 2020	**461.30**	**864.72**	**73.55**	**44.80**	**78.58**	**1,131.53**	**2,654.48**
Depreciation charge for the year	182.85	465.62	43.67	6.65	75.58	564.03	1,338.40
Disposal	-	(26.85)	(0.07)	-	(8.57)	(29.55)	(65.04)
Upto 31 March 2021	**644.15**	**1,303.49**	**117.15**	**51.45**	**145.59**	**1,666.01**	**3,927.84**
III. Net book value							
As at 31 March 2021	12.02	2,645.78	103.29	17.01	243.94	433.62	3,455.66
As at 31 March 2020	194.87	3,069.72	146.96	23.66	318.60	795.46	4,549.27

Net book value	31 March 2021	31 March 2020
Property, plant and equipment	3,455.66	4,549.27

Contractual obligation

Refer note 41 for disclosure of contractual commitments for the acquisition of property, plant and equipment

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Notes forming part of the Financial Statements

6 (a) **Right-of-use asset**

(Rupees in lacs)

Description of assets	Leasehold premises	Total
I. Cost		
As at 01 April 2019	-	-
Additions	107.24	107.24
Disposal	-	-
Balance as at 31 March 2020	**107.24**	**107.24**
Additions	305.95	305.95
Disposal	(107.24)	(107.24)
Balance as at 31 March 2021	**305.95**	**305.95**
II. Amortisation		
Upto 31 March 2019	-	-
Amortisation expense for the year	73.54	73.54
Disposal	-	-
Upto 31 March 2020	**73.54**	**73.54**
Amortisation expense for the year	80.03	80.03
Disposal	(107.24)	(107.24)
Upto 31 March 2021	**46.33**	**46.33**
III. Net book value		
As at 31 March 2021	259.62	259.62
As at 31 March 2020	33.70	33.70

6 (b) **Intangible assets**

(Rupees in lacs)

Description of assets	Computer Software	Total
I. Cost		
As at 01 April 2019	507.11	507.11
Additions	-	-
Disposal	(33.75)	(33.75)
Balance as at 31 March 2020	**473.36**	**473.36**
Additions	350.00	350.00
Disposal	(0.09)	(0.09)
Balance as at 31 March 2021	**823.27**	**823.27**
II. Amortisation		
Upto 31 March 2019	168.31	168.31
Amortisation expense for the year	137.84	137.84
Disposal	(33.75)	(33.75)
Upto 31 March 2020	**272.40**	**272.40**
Amortisation expense for the year	154.10	154.10
Disposal	(0.10)	(0.10)
Upto 31 March 2021	**426.40**	**426.40**
III. Net book value		
As at 31 March 2021	396.87	396.87
As at 31 March 2020	200.96	200.96

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Notes forming part of the Financial Statements

(Rupees in lacs)

		31 March 2021	31 March 2020
7	**Non-current investments**		
	Investments carried at fair value through other comprehensive income		
	Investments in Equity instrument (Un-quoted)		
	1 (2020: 1) equity share of Rs.10 each fully paid of Dr Subhash Chandra Foundation*	0.00	0.00
	Total	0.00	0.00

Aggregate value of un-quoted share*	0.00	0.00
Aggregate impairment in value of investments	-	-

* Value 0.00, (2020: 0.00) represents Rs.10

(Rupees in lacs)

		Non current		Current	
		31 March 2021	31 March 2020	31 March 2021	31 March 2020
8	**a) Loan given**				
	Loan given - (Unsecured; considered doubtful)				
	To related parties	-	-	200.00	200.00
	To others	-	-	130.00	130.00
		-	-	330.00	330.00
	Less: Allowances for bad and doubtful loans	-	-	330.00	330.00
	Total (a)	-	-	-	-
	b) Other financial assets				
	Security deposits (unsecured, considered good)	95.63		3,710.80	1,498.82
	Interest accrued on loans given (Unsecured, considered doubtful)				
	- Related parties			8.42	8.42
	- Others	-	-	0.94	0.94
		-	-	9.36	9.36
	Less: Allowances for bad and doubtful interest	-	-	9.36	9.36
		-	-	-	-
	Other receivables (Unsecured)				
	- Related parties	-	-	49.65	3.37
	Total (b)	95.63	-	3,760.45	1,502.19
	Total (a+b)	95.63	-	3,760.45	1,502.19

Refer Note 29 for transaction relating to related party receivable.

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Notes forming part of the Financial Statements

(Rupees in lacs)

		31 March 2021	31 March 2020
9	Non - curent tax assets (net)		
	Balance with government authorities - Direct tax (net of provisions)	104.53	123.50
	Total	104.53	123.50

(Rupees in lacs)

		31 March 2021	31 March 2020
10	Deferred tax assets (net)		
	The component of deferred tax balances as at 31 March, 2021 are as under		
	Deferred tax assets		
	Employee retirement benefits obligation	49.41	77.30
	Depreciation and amortization on property, plant, equipment and intangible assets	181.15	70.12
	Fiscal disallowances	16.32	20.04
	Allowances for bad and doubtful debts/advances	22.41	19.03
	Total	269.29	186.49

(Rupees in lacs)

		Non current		Current	
		31 March 2021	31 March 2020	31 March 2021	31 March 2020
11	Other assets				
	(Unsecured; considered good)				
	Other advances*		-	45.15	66.24
	Prepaid expenses	13.72	3.26	42.11	27.15
	Balance with government authorities-indirect taxes**	240.16	-	274.22	22.74
	Total	253.88	3.26	361.48	116.13

* Includes advance to related parties Rs.2.08 lacs (2020: Nil) - refer note 29

** Refer note 40

(Rupees in lacs)

		31 March 2021	31 March 2020
12	Trade receivables (Unsecured)		
	-Considered good - Related Party (Refer note 29)	162.13	110.40
	-Considered good - Others	2,146.04	1,626.80
	-Considered doubtful - Others	79.69	66.26
		2,387.86	1,803.46
	Less: Allowances for bad and doubtful debts	79.69	66.26
	Total	2,308.17	1,737.20

(Rupees in lacs)

		31 March 2021	31 March 2020
13	Cash and cash equivalents		
	Balances with banks - In current accounts	2,665.51	3,026.12
	Cheques on hand	-	311.20
	Cash on hand	0.99	1.23
	Total	2,666.50	3,338.55

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Notes forming part of the Financial Statements

(Rupees in lacs)

	31 March 2021	31 March 2020
14 (a) Equity share capital		
Authorised 4,000,000 (2020 : 4,000,000) equity shares of Rs. 10 each	400.00	400.00
	400.00	400.00
Issued , subscribed and fully paid up 4,000,000 (2020 : 4,000,000) equity shares of Rs. 10 each fully paid-up	400.00	400.00
	400.00	400.00

(i) Reconciliation of number of equity shares and share capital

	31 March 2021		31 March 2020	
	No. of Equity Shares	Amount (Rs. in lacs)	No. of Equity Shares	Amount (Rs. in lacs)
At the beginning of the year	40,00,000	400.00	40,00,000	400.00
Add: Changes during the year	-	-	-	-
At the end of the year	40,00,000	400.00	40,00,000	400.00

(ii) Terms / rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs.10 each. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian Rupees. The final dividend proposed by the Board of Directors is subject to the approval of the shareholders in the Annual General Meeting.

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

(iii) Details of equity shares held by the holding company:

(Rupees in lacs)

	31 March 2021	31 March 2020
Zee Media Corporation Limited, the holding Company and its nominees 4,000,000 (2020 - 4,000,000) Equity shares of Rs. 10 each fully paid up	400.00	400.00

(iv) Details of Shareholders holding more than 5 percent of aggregate shares in the Company

Name of Shareholders	31 March 2021		31 March 2020	
	No. of Equity Shares	% Shareholding	No. of Equity Shares	% Shareholding
Zee Media Corporation Limited	40,00,000	100%	40,00,000	100%

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

(v) The Company has not issued any bonus shares nor any shares for consideration other than cash or bought back any shares during five years preceding 31 March, 2021

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ZEE AKAASH NEWS PRIVATE LIMITED

Statement of Changes in Equity for the year ended on 31 March, 2021

A) Equity Share Capital

(Rupees in lacs)

Particulars	Note	Amount
As at 01 April, 2019		400.00
Change in equity share capital	14 (a)	-
As at 31 March, 2020		400.00
Change in equity share capital	14 (a)	-
As at 31 March, 2021		400.00

B) Other Equity

(Rupees in lacs)

	Securities Premium Reserve	General Reserve	Retained Earnings	Total other equity
Balance as at 01 April 2019	988.00	227.21	6,429.61	7,644.82
Profit for the year	-	-	1,478.17	1,478.17
Other comprehensive income/(loss) for the year	-	-	(14.13)	(14.13)
Total comprehensive income for the year	-	-	1,464.04	1,464.04
Balance as at 31 March 2020	988.00	227.21	7,893.65	9,108.86
Profit for the year	-	-	1,637.20	1,637.20
Other comprehensive income/(loss) for the year	-	-	8.37	8.37
Total comprehensive income for the year	-	-	1,645.57	1,645.57
Balance as at 31 March 2021	988.00	227.21	9,539.22	10,754.43

Notes forming part of the financial statements 1-47

As per our attached report of even date

For Ford Rhodes Parks & Co. LLP
Chartered Accountants
Firm Registration Number - 102860W/W100089

Nitin Jain
Partner
Membership Number - 215336

Place: Mumbai
Date: 25 June 2021

For and on behalf of the Board

Dinesh Garg
Director
DIN - 02048097

Place: Noida
Date: 25 June 2021

ZEE AKAASH NEWS PVT. LTD. NOIDA

Mukesh Jindal
Director
DIN - 02589636

Place: Noida
Date: 25 June 2021

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ZEE AKAASH NEWS PRIVATE LIMITED

Notes forming part of the financial statements

(Rupees in lacs)

	31 March 2021	31 March 2020
14 (b) Other equity		
Securities premium reserve		
As per last balance sheet	988.00	988.00
	988.00	**988.00**
General reserve		
As per last balance sheet	227.21	227.21
	227.21	**227.21**
Retained earnings		
As per last balance sheet	7,893.65	6,429.61
Add / (less):		
Profit for the year	1,637.20	1,478.17
Remeasurement gains / (losses) on defined benefit plans	11.18	(18.88)
Income tax impact on above	(2.81)	4.75
	9,539.22	**7,893.65**
Total	**10,754.43**	**9,108.86**

i) Securities premium reserve represents the premium on equity shares issued. The reserve is utilised in accordance with the provision of the Companies Act, 2013.

ii) The General reserve is distributable reserve maintained by the Company out of the transfers made from annual profit.

iii) Retained earnings represent the accumulated earnings net of losses, if any, made by the Company over the years.

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ZEE AKAASH NEWS PRIVATE LIMITED

Notes forming part of the Financial Statements

(Rupees in lacs)

	Non current		Current	
	31 March 2021	31 March 2020	31 March 2021	31 March 2020
15 Borrowings				
(Unsecured)				
Long term borrowings				
From holding company	1,000.00	1,000.00	-	-
Total	1,000.00	1,000.00	-	-

Note: The loan is repayble at any time within five years i.e. on or before 31 March 2024 and carries interest @ 10% p.a. payable monthly.

(Rupees in lacs)

	Non current		Current	
	31 March 2021	31 March 2020	31 March 2021	31 March 2020
16 Provisions				
Provision for employee benefits				
- Gratuity	130.27	205.27	6.95	12.26
- Leave benefits	55.58	84.33	3.53	5.27
Total	185.85	289.60	10.48	17.53

(Rupees in lacs)

	Non current		Current	
	31 March 2021	31 March 2020	31 March 2021	31 March 2020
17 Financial liabilities				
a Trade payables				
Dues of micro and small enterprises (Refer note 37)	-	-	2.72	-
Other trade payable	-	-	78.29	43.04
	-	-	81.01	43.04
b Other financial liabilities				
Dues of micro and small enterprises (Refer note 37)	-	-	8.39	3.54
Creditors for capital expenditure	-	-	1.38	17.21
Lease liabilities	167.99	-	95.79	35.10
Other payables	-	-	466.26	572.96
	167.99	-	563.43	625.27
	167.99	-	571.82	628.81
Total	167.99	-	652.83	671.85

Trade and other payables are non-interest bearing and credit term for same is generally in the range of 0 to 90 days.

(Rupees in lacs)

	31 March 2021	31 March 2020
18 Other current liabilities		
Contract liabilities (Refer note 33)		
-Unearned revenue	327.96	150.84
-Advances received from customers	231.50	53.22
Statutory dues payable	168.19	34.80
Total	727.65	238.86

(Rupees in lacs)

	31 March 2021	31 March 2020
19 Current tax liabilities (net)		
Provision for direct tax payable (net of advances)	32.85	64.55
Total	32.85	64.55

ZEE AKAASH NEWS PVT. LTD. NOIDA

ZEE AKAASH NEWS PRIVATE LIMITED

Notes forming part of the Financial Statements

(Rupees in lacs)

	31 March 2021	31 March 2020
20 Revenue from operations		
Services (broadcasting revenue)		
Advertisement revenue	7,603.66	7,240.79
Subscription revenue	70.80	73.27
Total	7,674.46	7,314.06

(Rupees in lacs)

	31 March 2021	31 March 2020
21 Other Income		
Interest received on financial assets carried at amortised cost		
• Bank deposits	44.05	22.07
• Interest income on loans	-	10.08
Interest income others	8.65	-
Unwinding of discount on deposit given	8.71	8.96
Profit on sale of property, plant and equipment and intangible assets (net)	0.13	-
Liabilities / excess provision written back	94.08	27.22
Miscellaneous income	3.14	0.09
Total	158.76	68.42

(Rupees in lacs)

	31 March 2021	31 March 2020
22 Operational cost		
Television programs (production/ acquisition cost)		
Programme purchased	-	300.00
Consultancy and professional charges	283.39	185.84
News subscription fees	1.28	2.68
Vehicle running, maintenance and hire charges	128.55	98.22
Travelling and conveyance expenses	18.87	27.57
Lease-line and v-sat expenses	108.53	107.32
Hire charges	37.09	45.58
Other production expenses	86.35	43.11
	664.06	810.32
Telecast cost - inclusive of playout charges	68.62	56.13
Total	732.68	866.45

(Rupees in lacs)

	31 March 2021	31 March 2020
23 Employee benefits expense		
Salaries and allowances	970.63	967.20
Contribution to provident and other funds	55.80	56.84
Staff welfare expenses	19.41	9.05
Total	1,045.84	1,033.09

ZEE AKAASH NEWS PVT. LTD. NOIDA

ZEE AKAASH NEWS PRIVATE LIMITED
Notes forming part of the Financial Statements

(Rupees in lacs)

	31 March 2021	31 March 2020
24 Finance costs		
Interest - on loan	100.00	100.27
Interest - on lease liabilities	12.37	6.54
Interest - on defined benefits	16.50	14.46
Interest - on others	0.10	0.77
Other financial charges	0.14	0.14
Total	129.11	122.18

(Rupees in lacs)

	31 March 2021	31 March 2020
25 Depreciation and amortisation expense		
Depreciation on property, plant and equipment	1,338.40	1,402.66
Amortisation of right of use assets	80.03	73.54
Amortisation of intangible assets	154.10	137.84
Total	1,572.53	1,614.04

(Rupees in lacs)

	31 March 2021	31 March 2020
26 Other Expenses		
Rent	9.07	10.66
Rates and taxes	10.42	7.70
Repairs and maintenance		
-Plant and machinery	91.45	44.41
-Others	70.30	84.98
Insurance	6.59	3.19
Electricity and water charges	69.77	83.95
Communication expenses	35.68	35.40
Printing and stationary expenses	13.17	2.08
Hire and service charges	59.67	55.71
Travelling and conveyance expenses	80.21	73.29
Legal and professional charges	182.97	155.32
Payment to auditors (Refer Note 27)	8.32	11.48
Corporate Social Responsibility expenses (Refer Note 38)	15.00	-
Donation	50.00	-
Business promotion expenses	69.29	107.34
Advertisement and publicity expenses	1,121.36	63.73
Commission/ discount expenses	217.39	460.65
Bad debts and advances written off	12.11	12.93
Allowances/(reversal) for doubtful debts, loans and other advances	13.43	393.07
Loss on sale / discard of property, plant and equipment and intangible assets (net)	-	13.42
Foreign exchange loss (net)	0.16	0.90
Miscellaneous expenses	25.95	17.86
Total	2,162.31	1,638.07

27 Payment to auditors

(Rupees in lacs)

	31 March 2021	31 March 2020
Audit Fee	5.00	4.00
Tax Audit Fee	-	1.20
Certification and quarterly limited review	3.00	2.55
Tax matters and other services	0.18	3.40
Reimbursement of expenses	0.14	0.33
Total	8.32	11.48

ZEE AKAASH NEWS PVT. LTD. NOIDA

ZEE AKAASH NEWS PRIVATE LIMITED
Notes forming part of the Financial Statements

28 Employee benefits

The Disclosures of employee benefits as defined in the Ind AS 19 - Employee Benefits are as follows:

A Defined contribution plan:

"Contribution to provident and other funds" is recognized as an expense in note 23 "Employee benefits expense" of the statement of profit and loss.

B Defined benefit plans

i) The present value of gratuity obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation for gratuity is non funded.

Details of post retirement gratuity plan are as follows:-

(Rupees in lacs)

	31 March 2021	31 March 2020
	Gratuity (Non funded)	
I. Expenses recognized during the year in statement of profit and loss		
1 Current service cost	13.25	18.19
2 Interest cost	16.50	14.46
3 Past service cost	-	-
Total Expenses	**29.75**	**32.65**
II. Amount recognized in other comprehensive income (OCI)		
Expenses recognised during the year due to		
Changes in financial assumptions	1.44	19.23
Changes in demographic assumptions	-	(0.02)
Experience adjustments	(12.62)	(0.33)
Net expenses/(gain) recognized in OCI	**(11.18)**	**18.88**
III. Net liability recognized in the Balance Sheet		
1. Present value of defined benefit obligation (DBO)	137.22	217.53
2 Net liability	137.22	217.53
IV. Reconciliation of net liability recognized in the Balance Sheet		
1 Net Liability at the beginning of year	217.53	187.43
2 Defined benefit cost included in statement of profit and loss	29.76	32.65
3 Amount recognised in other comprehensive income	(11.18)	18.88
4 Benefit paid	(124.20)	(21.43)
5 Adjustment for employees acquisition	25.31	
6 Net liability at the end of the year	137.22	217.53
V. Acturial assumptions:	**31 March 2021**	**31 March 2020**
1 Discount rate (per annum)	6.70%	6.80%
2 Expected rate of salary increase	6.50%	6.50%
3 Mortality	IALM (2012-14)	IALM (2012-14)
4 Attrition rate	12% up to age 30, 7% from age 31 to 44 and 3% above 44 years	12% up to age 30, 7% from age 31 to 44 and 3% above 44 years
VI. The following payments are expected for defined benefit plan in future years (valued on undiscounted basis)	(Rupees in lacs)	
1 Expected benefits for year 1	6.95	12.26
2 Expected benefits for year 2 to year 5	29.86	55.20
3 Expected benefits for year 6 to year 10	54.79	81.96
4 Expected benefits beyond year 10	218.74	349.14

VII. Sensitivity Analysis

The key actuarial assumptions to which the benefit obligation results are particularly sensitive to are discount rate and future salary escalation rate. The following table summarizes the impact in percentage terms on the reported defined benefit obligation at the end of the reporting period arising on account of an increase or decrease in the reported assumption of discount rate and future escalation rate.

(Rupees in lacs)

	Discount Rate	Salary Escalation rate	Attrition Rate	Mortality rate
Increase / decrease in assumption	100 basis point	100 basis point	50%	10%
Impact of increase in assumption as above	123.79	152.67	137.16	137.23
Impact of decrease in assumption as above	152.79	123.65	137.18	137.20

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Notes:

(a) Amount recognized as an expense and included in the note 23 "Employee benefits expense" are gratuity Rs. 13.25 lcas (2020 : Rs. 18.19 lacs) and leave encashment Rs. 20.24 lacs (2020 : Rs. 35.42 lacs). Net interest cost on defined benefit obligation recognised in note 24 under "Finance cost" is Rs. 16.50 lacs (2020 : Rs. 14.46 lacs).

(b) The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market.

(c) Significant actuarial assumptions for the determination of the defined obligation are discount rate, expected salary increase and mortality. The sensitivity analysis above has 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.

VIII. The Company is exposed to various actuarial risks which are as follows:

(a) Interest rate risk - The plan exposes the Company to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the defined benefit and will thus result in an increase in the value of the liability.

(b) Liquidity risk - This is the risk that the Company is not able to meet the short-term benefit payouts. This may arise due to non availability of enough cash / cash equivalent to meet the liabilities or holding of illiquid assets not being sold in time.

(c) Salary escalation risk - The present value of the defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

(d) Regulatory risk - Gratuity benefit is paid in accordance with the requirements of the Payment of Gratuity Act, 1972 (as amended from time to time). There is a risk of change in regulations requiring higher gratuity payouts.

(e) Demographic risk - The Company has used certain mortality and attrition assumptions in valuation of the liability. The Company is exposed to the risk of actual experience turning out to be worse as compared to the assumptions.

C Other long term benefits

The obligation for leave benefits (non funded) is also recognised using the projected unit credit method and accordingly the long term paid absences have been valued. The leave encashment expense is included in the note 23 "Employee benefits expense".

D Contribution to provident and other funds

"Contribution to provident and other funds" which is a defined contribution plan is recognised as an expense in note 23 of the financial statements.

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ZEE AKAASH NEWS PRIVATE LIMITED
Notes forming part of the Financial Statements

29 Related Party Transactions

(i) **Holding Company:**

Zee Media Corporation Limited (Extent to holding 100%)

Fellow subsidiary :

Rapidcube Tehnologies Private Limited (w.e.f. 29 Octocber 2020)

(ii) **Other Related Parties with whom transactions have taken place during the year and balance outstanding as on the last day of the year:**

Zee Entertainment Enterprise Limited
Dish TV India Limited (Upto 30 September 2020)
Essel Infraprojects Limited
Zee Learn Limited
Subhash Chandra Foundation
Essel Corporate LLP
Ez-Mall Online Limited
Digital Subscriber Management And Consultancy Services Private Limited
Asia Tv USA Limited
Liberium Global Resources Private Limited

Key Management Personnel

Directors

Shri Mukesh Jindal
Shri Dinesh Garg (from 16 July, 2019)
Shri Purushottam Vaishnava (from 05 November, 2019)
Shri Raj Kumar Gupta (from 20 March, 2021)
Shri Sumit Kapoor (upto 05 November, 2019)
Shri Ashok Venkatramani (upto 10 July, 2019)

(iii) Transactions with Related Parties: (Rupees in lacs)

	31 March 2021	31 March 2020
(A) Transactions :		
(i) With Holding Company		
-Zee Media Corporation Limited		
Advertisement income received	291.43	85.17
Subscription income received	70.80	73.27
Amount collected on behalf of the Company	11.44	65.13
Other production expenses	43.00	-
Transmission charges paid	34.50	43.13
Interest paid on loan	100.00	100.27
(ii) With other related parties		
· Advertisement Income	82.44	160.01
Zee Entertainment Enterprises Limited	63.68	55.64
Dish TV India Limited	18.76	104.37
· Interest income	-	10.08
Essel Infraprojects Limited	-	10.08
· Telecast cost	21.12	6.00
Dish TV India Limited	6.00	6.00
Zee Entertainment Enterprises Limited	15.12	-
· Production travelling and conveyance expenses	4.96	-
Asia Tv USA Limited	4.96	-
· Production hire charges	12.94	-
Liberium Global Resources Private Limited	12.94	-
· Hire and service charges	13.25	23.82
Liberium Global Resources Private Limited	13.25	23.82
· Repairs and maintenance - others	1.60	3.00
Zee Entertainment Enterprises Limited	1.60	3.00
· Repairs and maintenance - plant and machinery	0.97	1.57
Digital Subscriber Management And Consultancy Services Private Limited	0.97	1.57
· Leaseline and V-sat expenses	51.09	102.18
Dish TV India Limited	51.09	102.18
· Legal and professional charges	172.36	150.00
Essel Corporate LLP	172.36	150.00

ZEE AKAASH NEWS PVT. LTD. NOIDA

ZEE AKAASH NEWS PRIVATE LIMITED
Notes forming part of the Financial Statements

(Rupees in lacs)

	31 March 2021	31 March 2020
· Commission paid	78.65	343.15
Zee Entertainment Enterprises Limited	78.65	343.15
· Advertisement expenses	231.60	10.02
Zee Entertainment Enterprises Limited	-	10.02
Ez-Mall Online Limited	231.60	-
· Miscellaneous expenses	0.50	-
Ez-Mall Online Limited	0.50	-
· Employee benefit received on transfer of employees	57.81	-
Zee Entertainment Enterprises Limited	57.81	-
· Expense provision write back	-	4.49
Zee Entertainment Enterprises Limited	-	4.49
· Provision for doubtful loans and advances	-	200.00
Essel Infraprojects Limited	-	200.00
· Provision for doubtful interest receivable	-	8.42
Essel Infraprojects Limited	-	8.42
· Corporate Social Responsibility contribution	15.00	-
Subhash Chandra Foundation	15.00	-

(B) Balances at the end of the year:	31 March 2021	31 March 2020
(i) With Holding Company		
- Zee Media Corporation Limited		
Trade receivable	121.37	58.22
Other receivable	2.48	0.65
Trade payable/ Other payable		11.64
Loan	1,000.00	1,000.00
(ii) Other Related Parties		
· Trade payables / Other payables	71.91	177.22
Zee Entertainment Enterprises Limited	16.70	175.08
Essel Corporate LLP	49.92	-
Liberium Global Resources Pvt. Ltd	3.39	2.14
Digital Subscriber Management And Consultancy Services Private Limited	1.90	-
· Trade receivables	40.76	52.18
Dish TV India Limited	-	37.92
Zee Entertainment Enterprises Limited	37.62	11.12
Zee Learn Limited	3.14	3.14
· Other receivables	47.17	2.72
Zee Entertainment Enterprises Limited	47.17	2.72
· Other advances	2.08	-
Ez-Mall Online Limited	1.73	-
Digital Subscriber Management And Consultancy Services Private Limited	0.35	-
· Loans and advances given	200.00	200.00
Essel Infraprojects Limited	200.00	200.00
· Interest receivable	8.42	8.42
Essel Infraprojects Limited	8.42	8.42
· Provision for doubtful loans and advances	200.00	200.00
Essel Infraprojects Limited	200,00	200.00
· Provision for doubtful interest receivable	8.42	8.42
Essel Infraprojects Limited	8.42	8.42
· Investments		
Subhash Chandra Foundation*	0.00	0.00

* Value 0.00, (2020: 0.00) represents Rs.10

Notes :

i) All transactions with related parties are made on arm's length basis in the ordinary course of business. The outstanding balances at year end are unsecured and due to be settled for consideration in cash.

ii) The above disclosures are excluding Ind AS adjustment.

ZEE AKAASH NEWS PVT. LTD.
NOIDA

ZEE AKAASH NEWS PRIVATE LIMITED

Notes forming part of the Financial Statements

30 **Financial Instruments**

i) **Financial risk management objective and policies**

The Company's principal financial liabilities comprise of borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include investments, loan, trade and other receivables and cash and bank balance that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management provides guidance for overall risk-management, as well as policies covering specific areas such as credit risk, liquidity risk and investment of excess liquidity.

a) **Market risk**

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. The sensitivity analysis excludes the impact of movements in market variables on the carrying value of post-employment benefit obligations provisions and on the non-financial assets and liabilities. The sensitivity of the relevant profit and loss item is the effect of the assumed changes in respective market risks. Financial instruments affected by market risk includes borrowings, deposits and other financial instruments.

1) **Interest rate risk**

This refers to risk to Company's cash flow and profits on account of movement in market interest rates.

For the Company the interest risk arises mainly from interest bearing borrowings which are at variable interest rates. To mitigate interest rate risk, the Company closely monitors market interest and as appropriate makes use of optimised borrowing mix / composition etc. However the Company is not having any variable rate borrowings outstanding at balance sheet date.

Interest risk exposure

(Rupees in lacs)

	31 March 2021	31 March 2020
Fixed rate borrowings	1,000.00	1,000.00
Total borrowings	1,000.00	1,000.00

2) **Foreign Currency risk**

Currency risk is the risk that the fair value or future cash flows fluctuate because of changes in market prices. The Company is exposed to foreign exchange risk on their receivables and payables which are mainly held in the United State Dollar ("USD"). Consequently, the Company is exposed primarily to the risk that the exchange rate of the Indian Rupees ("INR") relative to the USD may change in a manner that has an effect on the reported values of the Company's assets and liabilities that are denominated in these foreign currencies. Exchange rate exposures are not hedged considering the insignificant impact and period involved on such exposure.

The following table sets forth information relating to unhedged foreign currency exposure at the end of reporting period :

(Rupees in lacs)

Currency	Assets as at		Liabilities as at	
	31 March 2021	31 March 2020	31 March 2021	31 March 2020
United States Dollar (USD)	-		-	26.31

Sensitivity to foreign currency risk

The following table demonstrates the sensitivity to a 10% increase / decrease in foreign currencies with all other variable held constant. The below impact on the Company's profit before tax is based on changes in the fair value of unhedged foreign currency monetary assets and liabilities at balance sheet date.

(Rupees in lacs)

Currency	Sensitivity analysis			
	31 March 2021		31 March 2020	
	Rs. Depreciated by 10%	Rs. appreciated by 10%	Rs. Depreciated by 10%	Rs. appreciated by 10%
United States Dollar (USD)			2.63	(2.63)

b) **Credit risk**

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers, deposits and loans given, investments and balances at bank. The Company measures the expected credit loss of trade receivables based on financial conditions / market practices, credit track record in the market, analysis of historical bad debts and past dealings for extension of credit to customers. Individual credit limits are set accordingly. The Company monitors the payment track record of the customers and ageing of receivables. Outstanding customer receivables are regularly monitored. The Company considers the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets. The Company has also taken advances from some of its customers, which mitigate the credit risk to an extent.

Ageing analysis of trade receivables

(Rupees in lacs)

	As at 31 March 2021	As at 31 March 2020
Trade Receivables (Unsecured)		
Over six months	180.30	102.18
Less than six months	2,207.56	1,701.28
Total	2,387.86	1,803.46

Provision for doubt debt, loans and advances -trade receivables and other financial assets:

As at 31 March 2021

(Rupees in lacs)

	Estimated gross carrying amount	Considered doubtful	Carrying amount net of provision
Trade Receivables	2,387.86	79.69	2,308.17
Other financial assets	4,195.43	339.36	3,856.08
Total	6,583.29	419.05	6,164.25

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ZEE AKAASH NEWS PRIVATE LIMITED

Notes forming part of the Financial Statements

As at 31 March 2020 (Rupees in lacs)

	Estimated gross carrying amount	Considered doubtful	Carrying amount net of provision
Trade Receivables	1,803.46	66.26	1,737.20
Other financial assets	1,841.55	339.36	1,502.19
Total	3,645.01	405.62	3,239.39

Reconciliation of provision for doubtfl debts, loans and advances – Trade receivables and other financial assets (Rupees in lacs)

Particulars	As at 31 March 2021	As at 31 March 2020
Balance at 1 April	405.62	12.54
Add: Provided during the year	13.43	393.08
Less: Reversed during the year	-	-
balance at 31 March	419.05	405.62

Credit risk on cash and cash equivalents is limited as the Company generally invest in deposits with banks and financial institutions with high credit ratings assigned by credit rating agencies. Security deposits against leasing of premises are refundable upon closure of the lease and credit risk associated with such depsoits is relatively low.

The following table gives details in respect of percentage of revenues generated from top 10 customers

	31 March 2021	31 March 2020
Revenues generated from top 10 customers	44.11%	49.04%

c) **Liquidity risk**

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at a reasonable price. For the Company, liquidity risk arises from obligations on account of financial liabilities – borrowings, trade payables and other financial liabilities. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The Company manages liquidity risk by maintaining adequate reserves, by continuously monitoring forecast and actual cash flows and matching the maturity profiles of the financial assets and liabilities. It maintains adequate sources of financing including loans. It also enjoys strong access to domestic capital markets across various debt instruments.

Exposure to liquidity risk

The table below provides details regarding the contractual maturities of financial liabilities (including interest accrued) at the reporting date. The contractual cashflow amounts are gross and undiscounted.

As at 31 March 2021 (Rupees in lacs)

	Less than 1 year	Between 2 to 5 year	Beyon 6 to 10 year
Financial Liabilities			
Long term borrowings	-	1,000.00	-
Other non current financial liability - lease liabilities		182.14	-
Trade payables	81.01		-
Other current financial liability -lease liabilities	117.86		
Other current financial liabilities-others	476.03	-	-
Total	674.90	1,182.14	-

As at 31 March 2020

	Due in 1 year	Due in 2 to 5 year	Due in 5 to 10 year
Financial Liabilities			
Long term borrowings	-	1,000.00	-
Trade payables	43.04	-	-
Other current financial liability -lease liabilities	36.06	-	-
Other current financial liabilities-others	593.71	-	-
Total	672.81	1,000.00	-

ii) **Capital Management**

Risk Management

The Company manages its capital structure and necessary adjustment in light of change in economic conditions and the requirement of financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders, issue new share capital or raise / retire debts. The prime objective of the Company's capital management is to maximize the shareholder's value.

For the purpose of the Companies capital management, equity includes issued capital, security premium and other reserves. Net debt includes loans less cash and bank balances. The Commpany manages capital by monitoring gearing ratio which is net debt divided by equity plus net debt.

(Rupees in lacs)

The capital composition is as follows:	31 March 2021	31 March 2020
Gross debts	1,000.00	1,000.00
Less: cash and bank balances	(2,666.50)	(3,338.55)
Net debts	(1,666.50)	(2,338.55)
Total equity	11,154.43	9,508.86
Total capital	9,487.93	7,170.31
Geaing ratio	-17.56%	-32.61%

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iii) **Fair value measurements**

(i) **Categories of financial instruments**

(Rupees in lacs)

Particulars	31 March 2021		31 March 2020	
	Carrying amount	Fair value	Carrying amount	Fair value
A) Financial assets				
i) Measured at amortised cost				
Non-current assets				
Other financial assets	95.63	95.63	-	-
Current assets				
Loan given	330.00	-	330.00	-
Trade receivables	2,308.17	2,308.17	1,737.20	1,737.20
Cash and cash equivalents	2,666.50	2,666.50	3,338.55	3,338.55
Other financial assets	3,760.45	3,760.45	1,502.19	1,502.19
Total financial assets measured at amortised cost	9,160.75	9,160.75	6,907.94	6,907.94
ii) Measured at fair value through other comprehensive income				
Non current assets				
Investment*	0.00	0.00	0.00	0.00
Total financial assets measured at fair value through OCI	0.00	0.00	0.00	0.00
B) Financial liabilities				
i) Measured at amortised cost				
Non-current liabilities				
Borrowings	1,000.00	1,000.00	1,000.00	1,000.00
Other current liabilities	167.99	167.99	-	-
Current liabilities				
Trade payables	81.01	81.01	43.04	43.04
Other financial liabilities	571.82	571.82	628.81	628.81
Total financial liabilities measured at amortised cost	1,820.82	1,820.82	1,671.85	1,671.85

* Value 0.00, (2020: 0.00) represents Rs.10

The management assessed that cash and cash equivalents and bank balances, trade receivables, other financial assets, trade payables and other current liabilities approximate their fair value largely due to the short-term maturities of these instruments. Difference between carrying amount and fair value of other financial assets and other financial liabilities subsequently measured at amortised cost is not significant in each of the year presented.

(ii) **Fair value hierarchy**

The fair values of the financial assets and liabilities are the amount 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

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into three levels prescribed under the Indian Accounting Standards. An explanation for each level is given below.

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2. Instruments in the level 2 category for the Company include foreign exchange forward contracts.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in this level.

(iii) Financial assets measured at fair value through other comprehensive income at each reporting date

(Rupees in lacs)

	31 March 2021		31 March 2020	
	Level 3	Carrying amount	Level 3	Carrying amount
Non-current financial assets				
Investments*	0.00	0.00	0.00	0.00

* Value 0.00, (0.00) represents Rs 10

(iv) Non-current financial assets and financial liabilities measured at amortised cost at each reporting date

(Rupees in lacs)

	31 March 2021		31 March 2020	
	Level 3	Carrying amount	Level 3	Carrying amount
Non-current financial assets				
Other financial assets	95.63	95.63	-	-
Non-current financial liabilities				
Borrowings	1,000.00	1,000.00	1,000.00	1,000.00
Other financial liabilities	167.99	167.99		-

(a) The fair values for other non-current financial assets, non current financial liabilities and long term borrowing are based on discounted cash flows using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy due to the use of unobservable inputs.

(b) The carrying amounts of trade receivables, cash and bank balances, trade payables and other current financial liabilities are considered to be approximately equal to the fair value due to the short-term maturities of these financial assets/liabilities.

(c) There have been no transfers between level 1, level 2 and level 3 for the years ended 31 March 2021 and 31 March 2020

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31 Taxes expenses

(a) The major components of income tax for the year end 31 March 2021 are as under:

(i) Income Tax related to items recognised directly in the statement of profit and loss during the year :

(Rupees in lacs)

	31 March 2021	31 March 2020
Current tax - current year	638.02	732.10
adjustment for current tax of prior periods	1.15	3.13
Total curent tax expenses	639.17	735.23
Deferred tax charge	(85.62)	(104.75)
Total tax expense reported in the statement of profit and loss	553.55	630.48
Effective tax rate	25.27%	29.90%

(ii) Deferred tax related to items recognized in other comprehensive income (OCI) during the year

(Rupees in lacs)

	31 March 2021	31 March 2020
Deferred tax charge / (credit) on measurement of defined benefit plan	2.81	(4.75)
Total deferred tax charge / (credit) recognised in OCI	2.81	(4.75)

(b) Reconciliation of tax expense and the accounting profit multiplied by tax rate

(Rupees in lacs)

	31 March 2021	31 March 2020
Accounting profit before tax	2,190.75	2,108.65
Statutory income tax @ of 25.168% (Previous year : 25.168%)	551.37	530.70
Tax effect on non-deductible expenses/credit loss	1.03	86.20
Impact of change in tax rate on deferred tax assets	-	10.45
Adjustments in respect of current income tax of previous years	1.15	3.13
Tax expense recognised in the statement of profit and loss	553.55	630.48

The statutory tax rate is the standard effective corporate income tax rate in India. The tax rate for deferred tax assets for the year ended 31 March 2021 is 25.168% (Previous year : 25.168%). Deferred tax assets and liabilities are offset where the Company has a legally enforceable right to do so.

(c) Deferred tax relates to the following:

(Rupees in lacs)

	Balance sheet		Recongnised in statement of profit and loss		Recognised in OCI	
	31 March 2021	31 March 2020	31 March 2021	31 March 2020	31 March 2021	31 March 2020
(a) Deductible temporary differences						
Employee retirement benefit/expenses	49.41	77.30	25.07	4.25	2.81	(4.75)
Depreciation and amortization on property, plant, equipment and intangible assets	181.15	70.12	(111.02)	(108.40)	-	-
Other allowances for doubtful debts and advances	22.41	19.03	(3.38)	(15.38)	-	
Other deductible temporary differences	16.32	20.04	3.71	14.78	-	
Total (a)	269.29	186.49	(85.62)	(104.75)	2.81	(4.75)
(b) Taxable temporary differences	-	-	-	-	-	-
Net deferred tax assets / (liabilities) (a-b)	269.29	186.49	-	-		
Deferred tax charge / (credit) (a-b)			(85.62)	(104.75)	2.81	(4.75)

(d) Reconciliation of deferred tax assets / (liabilities) (net)

(Rupees in lacs)

Reconciliation of deferred tax assets / (liabilities)	31 March 2021	31 March 2020
Opening balance	186.49	76.99
Deferred tax (charge)/credit recognised in		
- Statement of profit and loss	85.62	104.75
- Recognised in other comprehensive income	(2.81)	4.75
Total	269.29	186.49

(e) The Company does not have any unutilized tax losses.

(f) The Company during the previous year had opted the lower rate of income tax under section 115BAA of the Income Tax Act, 1961 made effective from assessment year i.e. 2020-21

32 Disclosures pertaining to Ind AS 116 " Leases"

The effects of adoption of Ind AS 116 is as follows :

(a) i) The Company during the previous year had recognised Right- of- use assets (ROU) and lease liability of Rs 107.24 lacs as at 1 April 2019 i.e. Transition date.

ii)Expense relating to the short term leases and leases of low value of assets amounted to Rs 43.13 lacs (2020: Rs 44.64 lacs).

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(b) Carrying value Right- of- use- assets (ROU) :

(Rupees in lacs)

	31 March 2021	31 March 2020
Gross carrying amount:		
As at 1 April	107.24	-
Addition during the year	305.95	107.24
Less : Disposal during the year	(107.24)	-
As at 31 March	305.95	107.24
Accumulated depreciation / Amortisation:		
As at 1 April	73.54	-
Depreciation for the year	80.03	73.54
Less : Disposal during the year	(107.24)	
Upto 31 March	46.33	73.54
Net Book Value:		
As at 31 March	259.62	33.70

(c) The details of the lease liability of the Company is as follows:

(Rupees in lacs)

	31 March 2021	31 March 2020
As at 1st April	35.10	-
Additions for year ended on	305.95	107.24
Add: Accretion of interest	12.37	6.54
Less: Payments	89.64	78.68
Net carrying amount as at 31 March	263.78	35.10
Lease liability shown under Other Current Financial Liabilities	95.79	35.10
Lease liability shown under Other Non-Current Financial Liabilities	167.99	
Net carrying amount as at 31 March	263.78	35.10

(d) The following are the amounts recognised in statement of profit and loss:

(Rupees in lacs)

	31 March 2021	31 March 2020
Depreciation expense of right-of-use assets	80.03	73.54
Interest expense on lease liabilities	12.37	6.54
Total amount recognised in statement of profit and loss	92.40	80.08

(e) The following is the summary of practical expedients elected on intitial aplication of Ind AS in previous year
Applied the exemption not to recognize right-of-use assets and liabilities for lease with less than twelve months of lease term on date of initial application.
Excluded the initial direct costs from the measurement of the right- of - use asset at the date of initial application.

(f) Maturity analysis of lease liabilities is given note 30(i)(c).

(g) Future Lease rental obligation payable (under non-cancellable lease)

(Rupees in lacs)

	31 March 2021	31 March 2020
Future Lease rental obligation payable (under non-cancellable lease)		
Not later than one year	-	-
Later than one year but not later than five years	-	-

33 Disclosures pertaining to Ind AS 115 " Revenue from Contracts with Customers"

(a) The Company believes that the information provided under note 20 -'Revenue from operations' is sufficient to meet the disclosure objectives with respect to disaggregation of revenue under Ind AS 115, Revenue from Contracts with Customers."

(b) Reconciliation of revenue recognised in the statement of profit and loss with the contracted price:

(Rupees in lacs)

	31 March 2021	31 March 2020
Revenue which should have been recognised as per the contracted price	7,738.33	7,329.03
Less:		
Credits / discount given	63.87	14.97
Revenue recognised in the statement of profit and loss	7,674.46	7,314.06

(c) Contract liabilities

(Rupees in lacs)

	31 March 2021	31 March 2020
Advances received from customers	231.50	53.22
Unearned revenue	327.96	150.84
	559.46	204.06

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(d) Reconciliation of contract liabilities at the beginning and at the end of the year

(Rupees in lacs)

	31 March 2021	31 March 2020
Opening balance of contract liabilities	204.06	210.99
Add: Contract liabilities recognised during the year	521.19	193.25
Less: Contract liabilities against which revenue recognised	164.75	189.54
Less: Contract liabilities written back	-	10.64
Less: Amount refunded	1.04	-
Closing balance of contract liabilities	**559.46**	**204.06**

(e) No revenue has been recognised during the year on account of change in transaction price from performance obligations partly / fully satisfied in the previous period.

34 Information required under Section 186 (4) of the Companies Act, 2013

(i) Loan given

(Rupees in lacs)

Name of the party	31 March 2020	Given	Repaid	31 March 2021
Unsecured short term loan (considered doubtful)				
India Center Foundation *	130.00			130.00
Essel Infraprojects Limited **	200.00	-	-	200.00

* Loan given to India Center Foundation was short term in nature given for general purpose, and carried interest @ 9% p.a.

** Loan given to Essel Infraprojects Limited was short term in nature given for general purpose, and carried interest @ 10% p.a.

(ii) Investments made

There are no investments made during the year except those mentioned in Note 7.

(iii) Guarantees and Security given

There are no guarantees and security given during the year.

35 Earnings per share:

(Rupees in lacs)

	31 March 2021	31 March 2020
a) Profit after tax for EPS (Rupees in lacs)	1,637.20	1,478.17
b) Weighted average number of equity shares for Basic and Diluted EPS	40,00,000.00	40,00,000.00
Nominal value of equity shares (In Rupees)	10.00	10.00
c) Basic and Diluted EPS (in Rupees)	40.93	36.95

36 Foreign exchange

(Rupees in lacs)

	31 March 2021	31 March 2020
Payable	-	26.31
Receivable	-	-

37 Micro, small and medium enterprises

Disclosure required under the Micro, Small and Medium Enterprises Development Act, 2006 ("The Act") are given as follows:

(Rupees in lacs)

	31 March 2021	31 March 2020
i) Principal amount payable to suppliers under the Act		
- For capital goods	-	-
- For others	11.11	3.54
ii) Principal amount due to suppliers under the Act	-	-
iii) Interest accrued and due to suppliers under the Act, on the above amount	-	-
iv) Payment made to suppliers (Other than interest) beyond the appointed day, during the year	-	-
v) Interest paid to suppliers under the Act	-	-
vi) Interest due and payable to suppliers under the Act, for payments already made	-	-
vii) Interest accrued and remaining unpaid at the end of the year under the Act	-	-

Note: The information has been given in respect of such vendors to the extent they could be identified as "Micro and Small" enterprises on the basis of information available with the Company

38 Corparate Social Responsibility (CSR)

In accordance with the provisions of Section 135 of the Companies Act, 2013, the Board of Directors of the Company had constituted a Corporate Social Responsibility ('CSR') Committee. In terms with the provisions of the said Act, amount to be spend and amount actually spent by the Company is as under:

(Rupees in lacs)

	31 March 2021	31 March 2020
Unspent amount as at 1 April	97.55	42.33
Amount to spend for the year	62.00	55.22
Amount spent during the year	15.00	-
Unspent amount as at 31 March	144.55	97.55
Deposited in Unspent CSR account with bank (Deposited in April-21)	144.55	-

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39 Contingent liabilities (Rupees in lacs)

	31 March 2021	31 March 2020
Disputed direct taxes #	522.46	530.09
Legal cases against the Company *		
-Defermation (No. of pending cases 2 (2))	1,000.00	1,000.00
-Others (No. of pending cases 1 (1))	25.00	25.00

Income tax demands mainly include appeals filed by the Company before various appellate authorities against the disallowance of expenses / claims. Tax demand includes demand related to non-deduction / short deduction of tax at source etc. The management is of the opinion that its tax cases will be decided in its favour and hence no provision is considered necessary at this stage. The Company is in the process of rectifying demands related to short deduction/ non deduction of tax at source hence no provision is required at this stage.

* The Company has received legal notices of claims / law suits filed against it relating to infringment of copyrights, defamation suits etc. in relation to programs telecasted / other matters. The claim amount is based on best possible estimate arrived at on the basis of available information. The Company has engaged reputed advocates to protect its interest and has been advised that it has strong legal position against such disputes. In the opinion of the management, no material liability is likely to arise on account of such claims / law suits.

40 The Company out of abundant caution has deposited indirect tax of Rs 240.16 lakhs under protest against alleged incorrect availment of input tax credit (ITC). The Management believes that the amount paid under protest is fully refundable / adjustable and hence no provision is required to be made in the books of account as at 31 March 2021.

41 **Capital and other commitment**

(Rupees in lacs)

	31 March 2021	31 March 2020
Estimated amount of contract executed on capital account (net of advances)	2,754.67	2,600.00
Estimated amount of contract executed on other account (net of advances)	2,360.00	-

42 **Segment reporting**

The Company is engaged in the business of "Production and Broadcasting of Television channel" which in the context of IND AS 108 "Operating Segment " is considered as the only reportable operating segment.

43 **Dividend Paid**

No dividend was paid during the current year as well as in preceeding financial year. Further no dividend is proposed for the current financial year.

44 Reconciliation between opening and closing balances in the balance sheet for liabilities arising from financing activities as required by Ind AS 7 "Statement of Cash Flows" is as under:

(Rupees in lacs)

	As at 1 April 2020	Cash inflows	Cash outflows	Non-cash changes		As at 31 March 2021
				Interest accrued	Other changes*	
Equity share capital	400.00		-	-	-	400.00
Securities premium	988.00	-	-	-	-	988.00
Long term borrowings	1,000.00	-	-	-	-	1,000.00
Lease liabilities (including current maturities)	35.10	-	77.27	-	305.95	263.78

* Recognised as per Ind AS 116 " Leases" (Refer note 32)

(Rupees in lacs)

	As at 1 April 2019	Cash inflows	Cash outflows	Non-cash changes		As at 31 March 2020
				Interest accrued	Other changes	
Equity share capital	400.00	-	-	-	-	400.00
Securities premium	988.00	-	-	-	-	988.00
Long term borrowings	1,000.00	-	-	-	-	1,000.00
Lease liabilities (including current maturities)	107.24	-	72.14	-	-	35.10

45 **Estimation of uncertainties relating to the global health pandemic from COVID-19:**

COVID-19 Pandemic has caused unprecedented economic disruption globally and in India. However, television news channel broadcasting, being essential services, were/are allowed to continue its operations during the period of lockdown in the first wave in March 2020 as well as in the recent second wave from March 2021. The Company has not observed any major adverse impact on operation as well as in the economic conditions of the Company in the first wave as well as in the second wave so far. However the extent of the impact of the COVID -19 on the Company's operational and financial performance due to the second wave will depend on certain developments, including the duration and spread of the outbreak, spending of industries and trade on marketing/promotional activities and governments spending on promotion for public welfare and information. The Company is continuously monitoring the developments and is taking necessary measures to mitigate the impact on the Company, if any.

46 The Code on Social Security, 2020 ('The Code') relating to employee benefits during employment and post-employment benefits received Presidential Assent in September 2020. The effective date from which the changes are applicable is yet to be notified and the final rules are yet to be framed. The Company will carry out an evaluation of the impact and record the same in the financial statements in the period in which the Code becomes effective and the related rules are published.

47 **Previous year comparatives**

Previous year's figures have been regrouped, rearranged or recast wherever necessary to conform to current year's classification. Figures in brackets pertain to previous year.

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