B S R & Associates LLP
Chartered Accountants

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INDEPENDENT AUDITORS' REPORT

To the Members of NDTV Convergence Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of NDTV Convergence Limited ("the Company"), which comprise the Balance Sheet as at 31 March 2020, and the Statement of Profit and Loss (including other comprehensive loss), Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information (together referred to as "the 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 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2020, and profit and other comprehensive loss, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Other Information

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

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

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

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

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

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

Report on Other Legal and Regulatory Requirements

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

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

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

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

   c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive loss), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.

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

   e) On the basis of the written representations received from the directors as on 31 March 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2020 from being appointed as a director in terms of Section 164(2) of the Act.

   f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

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

   i. The Company does not have any pending litigation as on 31 March 2020 which could impact its financial position;

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

   iii. The Company does not have any dues on account of Investor Education and Protection Fund; and

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

(C) With respect to the matter to be included in the Auditors' Report under section 197(16):

According to the information and explanation given to us, the Company has not paid any managerial remuneration during the current year and accordingly the requirement as stipulated by the provisions of Section 197(16) of the act are not applicable to the Company.

For **B S R & Associates LLP**
Chartered Accountants
ICAI Firm's Registration No.: 116231W/W-100024

RAKESH DEWAN
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Date: 2020.06.22 18:51:20 +05'30'

Rakesh Dewan
Partner
Membership No. 092212
UDIN: 20092212AAAACD4917

Place: Gurugram
Date: 22 June 2020

Annexure A referred to in our Independent Auditor's Report of even date to the members of NDTV Convergence Limited on the financial statements for the year ended 31 March 2020.

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

(b) The Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner over a period of three years. In accordance with this program, certain fixed assets were verified during the year. As informed to us, no discrepancies were noticed on such physical verification of fixed assets. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.

(c) According to the information and explanations given to us, the Company does not hold any immovable property in its name. Accordingly, paragraph 3(i)(c) of the Order is not applicable to the Company.

(ii) According to the information and explanations given to us, the Company does not hold any physical inventory. Accordingly, paragraph 3(ii) of the Order is 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 Companies Act, 2013. Accordingly, the provisions of paragraph 3 (iii) of the Order are not applicable to the Company.

(iv) According to the information and explanations given to us, the Company has not given any loans to any parties specified under section 185 and 186 of the Companies Act, 2013. Further, the investments made by the Company are in compliance with section 186 of the Companies Act, 2013.

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

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

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

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

(b) According to the information and explanations given to us, except as stated below, there are no dues of income tax and goods and services tax which have not been deposited with the appropriate authorities on account of any dispute:

(Amount in INR million)

Name of the statue	Nature of the Dues	Amount	Year to which amount relates	Forum where dispute is pending
Income-tax Act, 1961	Income tax	* 33.43	AY 2013-14	Commissioner of Income Tax (Appeals)
Income-tax Act, 1961	Income tax	**12.53	AY 2014-15	Commissioner of Income Tax (Appeals)
Income-tax Act, 1961	Income tax	0.1	AY 2014-15	Commissioner of Income Tax (Appeals)
Income-tax Act, 1961	Income tax	1.52	AY 2014-15	Commissioner of Income Tax (Appeals)
Income-tax Act, 1961	Income tax	0.30	AY 2017-18	Asst. Commissioner of Income Tax (Appeals)

*Tax deducted at source, including interest amounting to Rs. 19.84 million for the Assessment year 2013-14 has been adjusted against the demand

**Tax deducted at source, including interest amounting to Rs. 13.90 million for the Assessment year 2011 – 2012 and Assessment Year 2012-13 has been adjusted against the demand.

(viii) According to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings to banks and financial institutions. The Company did not have any outstanding dues to any government or debenture holders during the year.

(ix) According to the information and explanation given to us and on the basis of our examination of the records of the Company, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. Further, as explained to us, the term loan raised in the earlier years has been utilised for the purpose it was raised.

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

(xi) According to information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not paid any managerial remuneration as stipulated under the provisions of Section 197 of the Companies Act, 2013. Accordingly, paragraph 3(xi) of the Order is not applicable.

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

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

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

(xv) According to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him covered by Section 192 of the Act. Accordingly, paragraph 3(xv) of the Order is not applicable.

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

For **B S R & Associates LLP**
Chartered Accountants
ICAI Firm's Registration No.: 116231W/W-100024

RAKESH DEWAN
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Date: 2020.06.22 18:51:53 +05'30'

Rakesh Dewan
Partner
Membership No. 092212
UDIN: 20092212AAAACD4917

Place: Gurugram
Date: 22 June 2020

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

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

(Referred to in paragraph 2(A)(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

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

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2020, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's Responsibility for Internal Financial Controls

The Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (hereinafter referred to as "the Act").

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and whether such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial controls with Reference to Financial Statements

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

Inherent Limitations of Internal Financial controls with Reference to Financial Statements

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

For **B S R & Associates LLP**
Chartered Accountants
ICAI Firm's Registration No.: 116231W/W-100024

RAKESH DEWAN
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Date: 2020.06.22 18:52:22 +05'30'

Rakesh Dewan
Partner
Membership No. 092212
UDIN: 20092212AAAACD4917

Place: Gurugram
Date: 22 June 2020

NDTV Convergence Limited
Balance Sheet as at 31 March 2020

(All amounts in INR millions, unless otherwise stated)

	Note	As at 31 March 2020	As at 31 March 2019
Assets			
Non-current assets			
Property, plant and equipment	3	29.38	37.35
Right-of-use asset	37	0.33	-
Intangible assets	4	13.23	18.28
Financial assets			
Investments	5	38.99	178.35
Loans	6(a)	181.71	162.00
Other financial assets	12(a)	-	136.27
Income tax assets (net)	7(a)	90.97	58.39
Deferred tax assets (net)	40	29.84	24.69
Other non-current assets	8	274.15	308.69
Total non-current assets		**658.60**	**924.02**
Current assets			
Financial assets			
Trade receivables	9	610.05	468.70
Cash and cash equivalents	10	137.03	79.25
Bank balances other than cash and cash equivalents mentioned above	11	25.54	231.43
Loans	6(b)	0.30	0.52
Other financial assets	12(b)	32.20	23.99
Income tax assets (net)	7(b)	25.17	33.81
Other current assets	13	232.71	162.63
Total current assets		**1,063.00**	**1,000.33**
Total assets		**1,721.60**	**1,924.35**
Equity and liabilities			
Equity			
Equity share capital	14	0.67	0.67
Other equity	15	1,077.12	885.84
Total equity		**1,077.79**	**886.51**
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	16(a)	76.17	373.73
Provisions	21(a)	34.56	27.84
Other non-current liabilities	20(a)	10.36	62.14
Total non-current liabilities		**121.09**	**463.71**
Current liabilities			
Financial liabilities			
Borrowings	16(b)	23.00	23.00
Lease Liabilities	18	0.35	-
Trade payables			
(a) total outstanding dues of micro and small enterprises	19	0.51	0.72
(b) total outstanding dues of creditors other than micro and small enterprises	19	185.19	245.61
Other financial liabilities	17	123.38	106.35
Provisions	21(b)	1.40	1.21
Other current liabilities	20(b)	188.89	197.24
Total current liabilities		**522.72**	**574.13**
Total liabilities		**643.81**	**1,037.84**
Total equity and liabilities		**1,721.60**	**1,924.35**

The accompanying notes are an integral part of these financial statements 2

As per our report of even date attached

For **B S R & Associates LLP**
Chartered Accountants
Firm registration number: 116231W /W-100024

RAKESH DEWAN Digitally signed by RAKESH DEWAN Date: 2020.06.22 18:54:20 +05'30'

Rakesh Dewan
Partner
Membership Number: 092212

For and on behalf of the Board of Directors of
NDTV Convergence Limited

Richa Nagpal

Richa Nagpal
Director
DIN No:08210335
Place: New Delhi
Date: 16 June 2020

KAUSHIK DUTTA

Kaushik Dutta
Independent Director
DIN No: 03328890
Place: New Delhi
Date: 16 June 2020

RAJNEESH GUPTA

Rajneesh Gupta
CFO, NDTV Group
Place: Gurugram
Date: 16 June 2020

Place: Gurugram
Date: 22 June 2020

NDTV Convergence Limited
Statement of Profit and Loss for the year ended 31 March 2020

(All amounts in INR millions, unless otherwise stated)

	Note	For the year ended 31 March 2020	For the year ended 31 March 2019
Income			
Revenue from operations	22	1,556.91	1,529.54
Other income	23	105.90	63.14
Total income		**1,662.81**	**1,592.68**
Expenses			
Production expenses and cost of services	24	590.00	546.74
Employee benefits expense	25	408.49	372.67
Finance costs	26	70.31	86.15
Depreciation and amortisation	27	16.68	15.44
Operations and administration	28	207.53	181.37
Marketing, distribution and promotion	29	101.09	100.67
Total expenses		**1,394.10**	**1,303.04**
Profit before tax		**268.71**	**289.64**
Income tax expense			
Current tax		78.56	92.72
Deferred tax credit		(4.57)	(1.14)
Total tax expenses	40	**73.99**	**91.58**
Profit for the year		**194.72**	**198.06**
Other comprehensive income / (loss)			
Items that will not be reclassified subsequently to profit or loss			
Remeasurement of defined benefit obligations, net of taxes	`	(4.02)	(2.53)
Income tax relating to these items		0.71	0.46
Other comprehensive loss for the year		**(3.31)**	**(2.07)**
Total comprehensive income for the year		**191.41**	**195.99**
Earnings per share			
Basic earnings per share (INR)	33	2,920.55	2,970.72
Diluted earnings per share (INR)	33	2,920.55	2,970.72
The accompanying notes are an integral part of these financial statements	2		

As per our report of even date attached

For **B S R & Associates LLP**
Chartered Accountants
Firm registration number: 116231W /W-100024

RAKESH DEWAN Digitally signed by RAKESH DEWAN Date: 2020.06.22 18:56:00 +05'30'

Rakesh Dewan
Partner
Membership Number: 092212

For and on behalf of the Board of Directors of
NDTV Convergence Limited

Richa Nagpal

Richa Nagpal
Director
DIN No:08210335
Place: New Delhi
Date: 16 June 2020

KAUSHIK DUTTA

Kaushik Dutta
Independent Director
DIN No: 03328890
Place: New Delhi
Date: 16 June 2020

RAJNEESH GUPTA

Rajneesh Gupta
CFO, NDTV Group
Place: Gurugram
Date: 16 June 2020

Place: Gurugram
Date: 22 June 2020

NDTV Convergence Limited
Statement of Cash Flows for the year ended 31 March 2020

(All amounts in INR millions, unless otherwise stated)

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Cash flow from operating activities		
Profit before tax	268.71	289.64
Adjustments to reconcile profit before tax to net cash flows:		
Depreciation and amortisation	16.68	15.44
Finance costs	69.93	85.63
Gain on sale of property, plant and equipment	(0.02)	(0.19)
Loss allowance on trade receivable	15.20	17.71
Loss allowance on doubtful advances	-	0.05
Interest income	(55.43)	(40.62)
Share based payments expense	-	1.29
Unrealised foreign exchange loss	(1.05)	(0.03)
Gain on sale of long term investment	(36.43)	(1.76)
Liabilities no longer required written back	(3.80)	(3.65)
Trade receivables written off	8.31	0.84
Provision for diminution in value of investment	0.21	0.79
Change in fair value of investments	(8.36)	(11.00)
Cash generated from operations before working capital changes	**273.95**	**354.14**
Working capital adjustments		
Change in trade receivables	(163.69)	(27.31)
Change in loans	(19.49)	0.30
Change in other financial assets	(4.69)	(0.83)
Change in other assets	(71.51)	304.81
Change in other non-current assets	34.66	(307.87)
Change in trade payables	(56.95)	59.52
Change in other financial liabilities	1.91	9.21
Change in other liabilities	(85.12)	65.45
Change in provisions	2.89	2.72
Cash (used in) / generated from operating activities	**(88.04)**	**460.14**
Income taxes paid (net)	(102.51)	(107.05)
Net cash (used in) / generated from operating activities (A)	**(190.55)**	**353.09**
Cash flows from investing activities		
Purchase of property, plant and equipment	(3.12)	(33.20)
Purchase of intangible assets	-	(14.56)
Purchase of investments	(127.40)	(61.49)
Proceeds from sale of investment	339.51	2.50
Change in investment in deposits with banks	341.37	(337.08)
Proceeds from sale of property, plant and equipment	0.23	0.23
Interest received	57.26	21.75
Net cash generated from / (used in) investing activities (B)	**607.85**	**(421.85)**
Cash flows from financing activities		
Repayment of long term borrowings	(288.85)	(31.25)
Payment of lease liability	(1.09)	-
Finance cost paid	(69.58)	(71.80)
Net cash (used in) / generated from financing activities (C)	**(359.52)**	**(103.05)**
Net increase / (decrease) in cash and cash equivalents (A+B+C)	57.78	(171.81)
Cash and cash equivalents at the beginning of the year (refer note 10)	79.25	251.06
Cash and cash equivalents at the end of the year (refer note 10)	**137.03**	**79.25**
Notes to the statement of cash flows:		
Components of cash and cash equivalents:-		
Cash on hand	0.11	0.16
Balance with banks:		
- in current accounts	65.70	26.44
Deposits with banks having maturity of less than 3 months	71.22	52.65
Balances per statement of cash flows	**137.03**	**79.25**

NDTV Convergence Limited
Statement of Cash Flows for the year ended 31 March 2020

(All amounts in INR millions, unless otherwise stated)

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
(b) Movement in financial liabilities*		
Opening balance (including current maturities of long term debt)	454.03	480.12
Repayment of borrowings	(288.85)	(31.25)
Processing fees	22.62	5.16
Interest expense on borrowings	42.01	71.18
Finance cost paid	(69.58)	(71.18)
Closing balance	**160.23**	**454.03**

*Amendment to Ind AS 7: Effective 1 April 2017, the Company adopted the amendment to Ind AS 7, which require the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the Balance Sheet for liabilities arising from financing activities, to meet the disclosure requirement.

(c) The above Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in Ind AS 7, 'Statement of Cash Flows'.

The accompanying notes are an integral part of these financial statements 2

As per our report of even date attached

For **B S R & Associates LLP**
Chartered Accountants
Firm registration number: 116231W /W-100024

RAKESH DEWAN Digitally signed by RAKESH DEWAN Date: 2020.06.22 18:57:46 +05'30'

Rakesh Dewan
Partner
Membership Number: 092212

Place: Gurugram
Date: 22 June 2020

For and on behalf of the Board of Directors of
NDTV Convergence Limited

Richa Nagpal

Richa Nagpal
Director
DIN No:08210335
Place: New Delhi
Date: 16 June 2020

KAUSHI K DUTTA

Kaushik Dutta
Independent Director
DIN No: 03328890
Place: New Delhi
Date: 16 June 2020

RAJNEES H GUPTA

Rajneesh Gupta
CFO, NDTV Group
Place: Gurugram
Date: 16 June 2020

NDTV Convergence Limited
Statement of Changes in Equity for the year ended 31 March , 2020
(All amounts in INR millions, unless otherwise stated)

I) Equity Share Capital

Particulars	Amounts
Balance as at 1 April 2018	0.67
Changes in equity share capital during the year	-
Balance at 31 March 2019	**0.67**
Changes in equity share capital during the year	-
Balance at 31 March 2020	**0.67**

II) Other equity

Particulars	Reserves and Surplus			Items of OCI	Total
	Securities premium reserve	Share based payment reserve	Retained earnings	Remeasurements of defined benefit obligations	
Balance as at 1 April 2018	236.35	44.25	411.31	(3.35)	688.56
Total comprehensive income / (loss) for the year					
Profit for the year	-	-	198.06	-	198.06
Other comprehensive income / (loss) , net of tax	-	-	-	(2.07)	(2.07)
Total comprehensive income / (loss) for the year	**-**	**-**	**198.06**	**(2.07)**	**195.99**
Contributions by owners					
Share-based payment	-	1.29	-	-	1.29
Total contributions by owners	**-**	**1.29**	**-**	**-**	**1.29**
Balance as at 31 March 2019	**236.35**	**45.54**	**609.37**	**(5.42)**	**885.84**
Adjustment on transition to new tax rate			(0.13)		(0.13)
Adjusted Balance as at 1 April 2019	**236.35**	**45.54**	**609.24**	**(5.42)**	**885.71**
Total comprehensive income / (loss) for the year					
Profit for the year	-	-	194.72	-	194.72
Other comprehensive income / (loss) , net of tax	-	-	-	(3.31)	(3.31)
Total comprehensive income / (loss) for the year	**-**	**-**	**194.72**	**(3.31)**	**191.41**
Balance as at 31 March 2020	**236.35**	**45.54**	**803.96**	**(8.73)**	**1,077.12**

The accompanying notes are an integral part of these financial statements

As per our report of even date attached

For **B S R & Associates LLP**
Chartered Accountants
Firm registration number: 116231W /W-100024

RAKESH DEWAN Digitally signed by RAKESH DEWAN Date: 2020.06.22 18:59:29 +05'30'

Rakesh Dewan
Partner
Membership Number: 092212

Place: Gurugram
Date: 22 June 2020

For and on behalf of the Board of Directors of
NDTV Convergence Limited

Richa Nagpal

Richa Nagpal
Director
DIN No:08210335
Place: New Delhi
Date: 16 June 2020

KAUSHIK DUTTA

Kaushik Dutta
Independent Director
DIN No: 03328890
Place: New Delhi
Date: 16 June 2020

RAJNEESH GUPTA

Rajneesh Gupta
CFO, NDTV Group
Place: Gurugram
Date: 16 June 2020

Reporting entity

NDTV Convergence Limited is a public limited Company incorporated in India under the provisions of the Companies Act, 1956 with its registered office situated in New Delhi. It commenced operations on 1 January 2007 with the purchase of existing website from New Delhi Television Limited, its ultimate parent Company. The Company maintains and operates ndtv.com and other websites. The Company is also a content provider to Mobile VAS operators.

Note 1 : Basis of preparation

a. Statement of compliance

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as notified by Ministry of Corporate Affairs Pursuant to section 133 of the Companies Act, 2013 ("Act") read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act.

The financial statements were authorised for issue by the Company's Board of Directors on 16 June 2020.

b. Functional and presentation currency

The financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency. All amounts have been rounded-off to the nearest million, unless otherwise indicated.

c. Basis of measurement

The financial statements have been prepared on the historical cost basis except for the following items:

Items	Measurement basis
Certain financial assets	Fair value

d. Use of estimates and judgements

In preparing the financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

i. *Judgements*

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management exercises judgement in applying the Company's accounting policies.

This note provides an overview of the areas that involved 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. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

ii. *Assumptions and estimation uncertainties*

The areas involving critical estimates are:

· Recognition and measurement of provisions and contingencies;
· Estimation of defined benefit obligation;
· Estimated useful life of intangible assets;
· Fair value of barter transaction;
· Impairment test of non-financial assets; and
· Impairment of trade receivables and other financial assets.

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

e. Current versus non-current classification

The Company presents assets and liabilities in the Balance Sheet based on the current/non current classification.

An asset is treated as current when:

· It is expected to be realised or intended to be sold or consumed in normal operating cycle;
· It is held primarily for the purpose of trading;
· It is expected to be realised within twelve months after the reporting period; or
· It is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for atleast twelve months after the reporting period.

Current assets include the current portion of non-current financial assets. The Company classifies all other assets as non-current.

A liability is treated as current when:

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

Current liabilities include current portion of non-current financial liabilities. The Company classify all other liabilities as non-current.

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

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle for the purpose of current / non-current classification of assets and liabilities.

f. Measurement of fair values

A number of accounting policies and disclosures require the measurement of fair value for both financial and non-financial assets and liabilities.

The Company has an established control framework with respect to the measurement of fair values. This includes a finance team that has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values, and reports directly to the Chief Financial Officer.

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

Further the information about the assumptions made in measuring fair values is included in the note for financial instruments.

Note 2 : Significant accounting policies

This note provides a list of the significant accounting policies adopted in the preparation of financial statements. The accounting policies adopted are consistent with those of the previous financial year, except if mentioned otherwise

a. Foreign currency

Foreign currency transactions

Transactions in foreign currencies are translated into the functional currency of Company at the exchange rate at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Exchange differences are recognised in profit or loss.

b. Financial instruments

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

i. *Recognition and initial measurement*

Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

ii. *Classification and subsequent measurement*

Financial assets

On initial recognition, a financial asset is classified as measured at:

- amortised cost;
- fair value through other comprehensive income (FVOCI) – debt investment;
- FVOCI – equity investment; or
- 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.

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.

A debt investment is measured at FVOCI 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 achieved by both collecting contractual cash flows and selling financial assets; 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.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI – equity investment). This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortised cost or fair value through other comprehensive income (FVOCI) as described above are measured at FVTPL. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets: 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 profit or 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, if any. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.
Debt investments at FVOCI	These assets are subsequently measured at fair value. Interest income under the effective interest method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.
Equity investments at FVOCI	These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are not reclassified to profit or loss.

Financial liabilities: Classification, subsequent measurement and gains and losses
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, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or 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 profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

iii. *Derecognition:*
Financial assets
The Company derecognises 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 derecognised.

Financial liabilities
The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

The Company also derecognises 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 profit or loss.

iv. *Offsetting*
Financial assets and financial liabilities are offset and the net amount presented in the Balance Sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

c. Property, plant and equipment

i. *Recognition and measurement:*

Items of property, plant and equipment are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labor, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

ii. *Subsequent expenditure:*

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

iii. *Depreciation:*
Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values over their estimated useful lives using the straight-line method, and is generally recognised in the Statement of Profit and Loss.

The useful lives as estimated for tangible assets are in accordance with the useful lives as indicated in Schedule II of the Companies Act, 2013 except for the following classes of assets where difference useful lives have been used:

Asset Class	Useful life (in years)
Computers	3-6

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate. Based on technical evaluation and consequent advice, the management believes that its estimates of useful lives as given above best represent the period over which management expects to use these assets.

Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from (upto) the date on which asset is ready for use (disposed of).

d. Intangible assets

i. *Recognition and measurement:*
Intangible assets including those acquired by the Company in a business combination are initially measured at cost. Such intangible assets are subsequently measured at cost less accumulated amortisation and any accumulated impairment losses.

ii. *Subsequent expenditure:*
Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on is recognised in profit or loss as incurred.

iii. *Amortisation:*
Amortisation is calculated to write off the cost of intangible assets less their estimated residual values over their estimated useful lives using the straight-line method, and is included in depreciation and amortisation in Statement of Profit and Loss.

The estimated useful lives are as follows:

Asset Class	Useful life (In years)
Website	6
Computer Software	6

Amortisation method, useful lives and residual values are reviewed at the end of each financial year and adjusted if appropriate.

e. Impairment

i. *Impairment of financial instruments*

The Company recognises loss allowances for expected credit losses on:

-financial assets measured at amortised cost; and
-financial assets measured at FVOCI.

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 borrower or issuer;
- a breach of contract such as a default or being past due for 180 days or more;
- the restructuring of a loan or advance by the Company on terms that the company would not consider otherwise;
- it is probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

The Company measures loss allowances at an amount equal to lifetime expected credit losses, except for the following, which are measured as 12 month expected credit losses:
- debt securities that are determined to have low credit risk at the reporting date; and
- other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade receivables are measured at an amount atleast equal to the 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.

12-month expected credit losses are the portion of expected credit losses that result from default events that are possible within 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

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.

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 subject to the write-off. 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 income tax assets and 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).

The Company's corporate assets (e.g., central office building for providing support to various CGUs) do not generate independent cash inflows. To determine impairment of a corporate asset, recoverable amount is determined for the CGUs to which the corporate asset belongs.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the statement of profit and loss. Impairment loss recognised in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets of the CGU (or Company 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.

f. Employee benefits:

i. *Short-term employee benefits:*
Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid e.g., under short-term cash bonus, if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

ii. *Defined contribution plan*
A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. The Company makes specified monthly contributions towards Government administered provident fund scheme. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in profit or loss in the periods during which the related services are rendered by employees.

iii. *Defined benefit plan*
A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount.

The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, are recognised in OCI. The Company determines the net interest expense on the defined benefit liability for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period, taking into account any changes in the defined benefit liability during the period as a result of benefit payments. Net interest expense and other expenses related to defined benefit plan is recognised in profit or loss. When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognised immediately in profit or loss. The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

iv. *Termination benefits*
Termination benefits are expensed at the earlier of when the Company can no longer withdraw the offer of those benefits and when the Company recognises costs for a restructuring. If benefits are not expected to be settled wholly within 12 months of the reporting date, then they are discounted.

v. *Employee share based payments*

The fair value of options granted under the Employee Stock Option Plan is recognised as an employee benefits expense with a corresponding increase in equity.

The total expenses is recognised over the vesting period, which is the period over which specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the service conditions. It recognises the impact of revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity.

g. Provisions:

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 cash flows (representing the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost. Expected future operating losses are not provided for.

h. Revenue:

The Company has adopted Ind AS 115 “Revenue from Contracts with Customers” from 1 April 2018 which resulted in changes in accounting policies. Ind AS 115 replaces Ind AS 18- "Revenue" and Ind AS-11 "Construction Contracts". The standard is applied retrospectively only to contracts that are not completed as at the date of initial application. In accordance with the transition provisions in Ind AS 115, the Company has adopted modified retrospective approach.

The Company earns revenue primarily from advertisement, license income, and sale of content.

Revenue is recognised upon transfer of control of promised services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those services.

- Advertisement revenue - The Company recognises revenue when the advertising spots delivered on digital platforms as impressions. An “impression” is delivered when an advertisement appears in pages viewed by users.

The Company recognizes revenue from the display of text based links to the websites of its advertisers (“search advertising”) which are placed on the website. Search advertising revenue is recognized as “click through” occur. A “click-through” occurs when a user clicks on an advertiser’s listing. The Company uses the output method and apply the practical expedient to recognize advertising revenue in the amount to which the Company have a right to invoice.

- License income - Fee from license with no future obligation is recognised over the period of the license as per terms of the contract.

- Revenues from content - Revenue from content provided to Mobile VAS operators is recognized when services are rendered.

- Consultancy services - Revenue from consultancy services are recognised as the services are rendered.

- Export incentive - Revenue from export incentive is recognised when the right to receive is established.

-Revenue from shared services is recognised in accordance with the terms of agreement as the services are rendered to the customers.

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

Contract assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

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Contract liabilities primarily relate to the consideration received from customers in advance for the Company's performance obligations which is classified as advance from customers and deferred revenue which is recognised when there is billings in excess of revenues.

Significant judgements

The Company exercises judgement in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Company considers indicators such as how customer consumes benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such service, transfer of significant risks and rewards to the customer, acceptance of delivery by the customer, etc.

i. Barter transactions

Barter transactions are recognised at the transaction price/fair value. In the normal course of business, the Company enters into a transaction in which it purchases an asset or a service for business purposes and/or makes an investment in a customer and at the same time negotiates a contract for sale of advertising to the seller of the asset or service, as the case may be. Arrangements though negotiated contemporaneously, may be documented in one or more contracts. The Company's policy for accounting for each transaction negotiated simultaneously is to record each element of the transaction based on the respective standalone price/fair value. Assets which are acquired in the form of investments are recorded as investments and accounted for accordingly.

j. Lease:

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. An arrangement is, or contains, a lease if the arrangement conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether an arrangement conveys the right to control the use of an identified asset, the Company assesses whether: (i) the arrangement involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease.

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

Identification of a lease requires significant judgment. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

Transition to Ind AS 116

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

The Company has adopted Ind AS 116, effective annual reporting period beginning 1 April 2019 and has applied the standard to its leases by using the modified retrospective approach on the date of initial application (1 April 2019). Accordingly, the Company has not restated comparative information for earlier periods, instead, using the option available under the modified retrospective approach, the Company has recorded the Lease liability and Right of Use ("ROU") on the date of initial application without any adjustment to opening retained earnings.

For transition, the Company has elected not to apply the requirements of Ind AS 116 to leases which are expiring within 12 months from the date of transition and leases for which the underlying asset is of low value on a lease-by-lease basis. The Company has also used the practical expedient provided by the standard when applying Ind AS 116 to leases previously classified as operating leases under Ind AS 17 and therefore, has not reassessed whether a contract, is or contains a lease, at the date of initial application, relied on its assessment of whether leases are onerous, applying Ind AS 37 immediately before the date of initial application as an alternative to performing an impairment review, excluded initial direct costs from measuring the right of use asset at the date of initial application and used hindsight when determining the lease term if the contract contains options to extend or terminate the lease. The Company has used a single discount rate to a portfolio of leases with similar characteristics.

On transition, the Company recognised a lease liability measured at the present value of the remaining lease payments. The right-of-use asset is recognised at its carrying amount as if the standard had been applied since the commencement of the lease, but discounted using the lessee's incremental borrowing rate as at 1 April 2019. Accordingly, a right-of-use asset of INR 1.32 million and a corresponding lease liability of INR 1.32 million has been recognized. The principal portion of the lease payments have been disclosed under cash flow from financing activities. The lease payments for operating leases as per Ind AS 17 - Leases, were earlier reported under cash flow from operating activities. The weighted average incremental borrowing rate of 14% has been applied to lease liabilities recognised in the balance sheet at the date of initial application.

On application of Ind AS 116, the nature of expenses has changed from lease rent in previous periods to depreciation cost for the right-to-use asset, and finance cost for interest accrued on lease liability

k. Recognition of dividend income, interest income or expense

Interest income or expense is recognised using the effective interest method.

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:
- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

l. Income tax

Income tax comprises current and deferred tax. It is recognised in profit or 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.

ii *Deferred tax*

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits. Deferred tax is not recognised for:

- temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction;
- temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the Company recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised. Deferred tax assets – unrecognised or recognised, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

m. Borrowing costs

Borrowing costs are interest and other costs incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

n. Cash and cash equivalent:

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the Balance Sheet.

o. Earnings per share

i. *Basic earnings per share*

Basic earnings per share is calculated by dividing:
· the profit attributable to owners of the Company
· by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year.

ii. *Diluted earnings per share*

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:
· the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
· the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

p. Contingent liabilities and contingent assets

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 within 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 a reliable estimate of the amount cannot be made.

Contingent assets are not recognised however are disclosed in the financial statements where an inflow of economic benefit is probable. Contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognised in the period in which the change occurs.

q. Recent accounting pronouncements

Ministry of Corporate Affairs (“MCA”) notifies new standards or amendments to existing standards. There is no such notification which would have been applicable to the company effective 1 April 2020.

NDTV Convergence Limited
Notes to the financial statements for the year ended 31 March 2020
(All amounts in INR millions, unless otherwise stated)

Note 3 : Property, plant and equipment

Particulars	Plant and machinery	Computers	Office equipment	Furniture and fixtures	Vehicles	Total
Balance as at 1 April 2018	7.31	14.15	2.43	0.09	0.40	24.38
Additions	23.06	4.77	1.00	2.80	-	31.63
Disposals	-	(0.02)	-	-	(0.69)	(0.71)
Balance as at 31 March 2019	**30.37**	**18.90**	**3.43**	**2.89**	**(0.29)**	**55.30**
Additions	0.36	2.00	0.52	-	-	2.88
Disposals / Adjustment	-	(0.18)	(0.17)	-	-	(0.35)
Balance as at 31 March 2020	**30.73**	**20.72**	**3.78**	**2.89**	**(0.29)**	**57.83**
Accumulated depreciation						
Balance as at 1 April 2018	2.37	5.87	1.23	0.06	0.26	9.79
Depreciation for the year	4.08	3.44	0.99	0.20	0.12	8.83
Deletion / Adjustments	-	-	-	-	(0.67)	(0.67)
Balance as at 31 March 2019	**6.45**	**9.31**	**2.22**	**0.26**	**(0.29)**	**17.95**
Depreciation for the year	5.90	3.70	0.69	0.35	-	10.64
Deletion / Adjustments	-	(0.05)	(0.09)	-	-	(0.14)
Balance as at 31 March 2020	**12.35**	**12.96**	**2.82**	**0.61**	**(0.29)**	**28.45**
Carrying amount (net)						
Balance as at 31 March 2019	23.92	9.59	1.21	2.63	-	37.35
Balance as at 31 March 2020	18.38	7.76	0.96	2.28	-	29.38

Notes:

As at 31 March 2020, property, plant and equipment with a carrying amount of INR 29.38 million (31 March 2019: INR 37.35 million) are subject to first charge against loan availed from financial institution (refer note 16 and 39)

(All amounts in INR millions, unless otherwise stated)

Note 4. Intangible assets

Reconciliation of carrying amount

Particulars	Computer Software	Website	Total
Balance as at 1 April 2018	**13.69**	**11.16**	**24.85**
Additions	4.77	9.79	14.56
Balance as at 31 March 2019	**18.46**	**20.95**	**39.41**
Balance as at 31 March 2020	**18.46**	**20.95**	**39.41**
Accumulated amortisation			
Balance as at 1 April 2018	**8.69**	**5.83**	**14.52**
Amortisation for the year	2.98	3.63	6.61
Balance as at 31 March 2019	**11.67**	**9.46**	**21.13**
Amortisation for the year	2.12	2.93	5.05
Balance as at 31 March 2020	**13.79**	**12.39**	**26.18**
Balance as at 31 March 2019	6.79	11.49	18.28
Balance as at 31 March 2020	4.67	8.56	13.23

Notes:

As at 31 March 2020, assets with a carrying amount of INR 13.23 million (31 March 2019: INR 18.28 million) are subject to first charge against loan availed from financial institution (refer note 16 and 39).

NDTV Convergence Limited
Notes to the financial statements for the year ended 31 March 2020
(All amounts in INR millions, unless otherwise stated)

Note 5 : Non-current investments

Particulars	As at 31 March 2020	As at 31 March 2019
Unquoted		
A) Investment in equity instruments - associates / group companies (At cost)		
45,700 (31 March 2019: 45,700) equity shares of Indianroots Shopping Limited @ INR 2,846.37 per share, fully paid-up, net of impairment. #	-	-
Nil (31 March 2019: 21,000) equity shares of Fifth Gear Ventures Limited of INR 10 each, fully paid-up*	-	0.21
25,000 (31 March 2019: 25,000) equity shares of On Demand Transportation Limited of INR 10 each, fully paid-up, net of impairment in the value of investment of INR 0.25 million (31 March 2019: INR 0.25 million). #	-	-
20,000 (31 March 2019: 20,000) equity shares of Brick Buy Brick Project Limited of INR 10 each, fully paid-up , net of impairment in the value of investment of INR 0.20 million (31 March 2019: INR 0.16 million).** #	-	0.04
25,000 (31 March 2019: 25,000) equity shares of Redster Digital Limited of INR 10 each, fully paid-up, net of impairment in the value of investment of INR 0.25 million (31 March 2019: INR 0.20 million).** #	-	0.05
21,250 (31 March 2019: 21,250) equity shares of OnArt Quest Limited of INR 10 each, fully paid-up	0.21	0.21
B) Investment in equity instruments - subsidiaries (At cost)		
30,000 (31 March 2019: 30,000) equity shares of Red Pixels Ventures Limited of INR 10 each , fully paid-up	0.30	0.30
30,000 (31 March 2019: 30,000) equity shares of SmartCooky Internet Limited of INR 10 each , fully paid-up, net of impairment in the value of investment of INR 0.30 million (31 March 2019: INR 0.18 million).** #	-	0.12
C) Investment in equity instruments - others (At cost)		
1,00,100 (31 March 2019: 1,00,100) equity shares of Digital News Publishers Association of INR 10 each , fully paid-up	1.00	1.00
Quoted		
A) Investment in mutual funds - (At fair value through profit and loss)		
93,501.900 (31 March 2019: 433,795.765) mutual fund units in Aditya Birla Sun Life Asset Management Company Limited at cost price of INR 36.54 million (31 March 2019: INR 152.5 million) (refer note 39 for investments pledged as securities)	37.48	171.42
Advance for mutual fund units in Aditya Birla Sun Life Asset Management Company Limited (refer note 39 for investments pledged as securities)***	-	5.00
Total non-current investments	**38.99**	**178.35**
Total non-current investments		
Aggregate book value and market value of quoted investments	37.48	176.42
Aggregate book value of unquoted investments	1.51	1.93
# Aggregate amount of impairment in the value of investments	131.08	130.87

* Note : During the current year, the Company sold 21,000 equity shares of Fifth Gear Ventures Limited for a consideration of INR 69.37 million out of which INR 4.56 million is outstanding as on 31 March 2020 {refer note 12 (b)}.The sale consideration is subject to working capital adjustment as provided in the share purchase agreement. Consequently, Fifth Gear Ventures Limited has ceased to be associate of the Company w.e.f 31 January 2020.

** Note : During the year, the Company has recorded impairment in value of investment in these companies of INR 0.21 million (previous year INR Nil), these companies are under voluntary liquidation as at 31 March 2020. The amount of provision for impairment is as below :-
-Brick Buy Brick Projects Limited INR 0.04 million (31 March 2019: INR Nil)
-Redster Digital Limited INR 0.05 (31 March 2019: INR Nil)
-SmartCooky Internet Limited INR 0.12 million (31 March 2019: INR Nil)

*** Note : Company made an advance of INR.Nil (previous year INR 5 million on 29 March 2019 to purchase units of mutual funds in Aditya Birla Sun Life Asset Management Company Limited. The Aditya Birla Sun Life Asset Management Company Limited allotted 13,431.004 units to the Company on 2 April 2019 of INR.372.273 per unit.)

Note 6 (a): Loans
Non-current
(Unsecured, considered good unless otherwise stated)

Particulars	As at 31 March 2020	As at 31 March 2019
Security deposits		
Considered good	181.71	162.00
Considered doubtful	0.74	0.74
	182.45	162.74
Less: Loss allowance	(0.74)	(0.74)
	181.71	**162.00**

Refer note 32

Note 6 (b): Loans
Current
(Unsecured, considered good unless otherwise stated)

Particulars	As at 31 March 2020	As at 31 March 2019
Security deposits	0.30	0.52
	0.30	**0.52**

Refer note 32

Note 7 (a): Income tax assets (net)
Non current

Particulars	As at 31 March 2020	As at 31 March 2019
Income tax assets {net of provision of income tax INR 416.20 million (31 March 2019: INR 319.14 million)}	90.97	58.39
Total non current tax assets	**90.97**	**58.39**

(All amounts in INR millions, unless otherwise stated)

Note 7 (b): Income tax assets (net)
Current

Particulars	As at 31 March 2020	As at 31 March 2019
Income tax assets {net of provision of income tax INR 92.72 million (31 March 2019: INR 111.22 million)}	25.17	33.81
Total current tax assets	**25.17**	**33.81**

Note 8: Other non-current assets
(Unsecured, considered good unless otherwise stated)

Particulars	As at 31 March 2020	As at 31 March 2019
Capital advances		
- Considered good	0.12	-
	0.12	-
Prepaid expenses	273.21	307.87
Advance recoverable in cash	0.82	0.82
	274.15	**308.69**

Note 9: Trade receivables
(Unsecured and considered good, unless stated otherwise)

Particulars	As at 31 March 2020	As at 31 March 2019
Considered good	610.05	468.70
Considered doubtful	82.28	71.94
	692.33	**540.64**
Loss allowance for trade receivable	(82.28)	(71.94)
Net trade receivables	**610.05**	**468.70**

Of the above, trade receivables from related parties are as below:

Particulars	As at 31 March 2020	As at 31 March 2019
New Delhi Television Limited	417.44	232.90
OnArt Quest Limited	0.58	0.58
NDTV Worldwide Private Limited	2.66	2.66
NDTV Networks Limited	0.09	-
Fifth Gear Ventures Limited (ceased to be related party w.e.f 31 January 2020)	-	18.79
Special Occasions Limited (ceased to be a related party w.e.f 14 November 2018)	-	0.07
Red Pixels Ventures Limited	2.55	2.27
NDTV Media Limited	-	0.08
	423.32	**257.35**

Note 10: Cash and cash equivalents

Particulars	As at 31 March 2020	As at 31 March 2019
Cash on hand	0.11	0.16
Balances with banks		
- In current accounts	65.70	26.44
Deposits with banks having maturity of less than 3 months	71.22	52.65
Cash and cash equivalents in balance sheet	**137.03**	**79.25**
Cash and cash equivalents in the statement of cash flows	**137.03**	**79.25**

Note 11: Bank balances other than cash and cash equivalents

Particulars	As at 31 March 2020	As at 31 March 2019
Deposits with banks due to mature within 12 months of the reporting date	25.54	231.43
	25.54	**231.43**

Note 12(a): Non-current - other financial assets
(Unsecured, considered good unless otherwise stated)

Particulars	As at 31 March 2020	As at 31 March 2019
Deposits with banks due to mature after 12 months of the reporting date	-	135.48
Interest accrued on fixed deposits	-	0.79
	-	**136.27**

Note 12(b): Current - other financial assets
(Unsecured, considered good unless otherwise stated)

Particulars	As at 31 March 2020	As at 31 March 2019
Contract assets	27.34	22.65
Interest accrued on fixed deposits	0.30	1.34
Other receivables (refer note 5)	4.56	-
	32.20	**23.99**

Note 13: Other current assets
(Unsecured, considered good unless otherwise stated)

Particulars	As at 31 March 2020	As at 31 March 2019
Advances recoverable	2.61	1.27
Dues recoverable from government	110.60	40.81
Employee advances	0.99	1.63
Prepaid expenses	118.51	118.92
	232.71	**162.63**

(All amounts in INR millions, unless otherwise stated)

Note 14: Equity share capital

Particulars	As at 31 March 2020	As at 31 March 2019
Authorised		
3,000,000 (31 March 2019: 3,000,000,) Equity shares of INR 10 each	30.00	30.00
23,000,000 (31 March 2019: 23,000,000) Preference shares of INR 10 each	230.00	230.00
	260.00	**260.00**
Issued, subscribed and fully paid up		
66,671 (31 March 2019: 66,671) Equity shares of INR 10 each, fully paid up	0.67	0.67
	0.67	**0.67**

A. Reconciliation of shares outstanding at the beginning and at the end of the year

Particulars	No. of shares	Amount
Balance at 31 March 2019	66,671	0.67
Balance at 31 March 2020	66,671	0.67

B. Rights, preferences and restrictions attached to equity shares

The Company has one class of equity shares having a par value of INR 10 per share. Each shareholder is eligible to one vote per share held. On winding up of the Company, the holders of equity shares will be entitled to receive the residual assets of the Company, remaining after distribution of all preferential amounts in proportion to the number of equity shares held.

C. Details of shareholders holding more than 5% shares in the Company

Particulars	As at 31 March 2020		As at 31 March 2019	
Name of shareholder	**No. of shares**	**% holding**	**No. of shares**	**% holding**
New Delhi Television Limited	11,334	17.00%	11,334	17.00%
NDTV Networks Limited	50,003	75.00%	50,003	75.00%

(All amounts in INR millions, unless otherwise stated)

Note 15: Other equity

Particulars	As at 31 March 2020	As at 31 March 2019
Retained earnings[a]	795.23	603.95
Securities premium[b]	236.35	236.35
Share based payment reserve[c]	45.54	45.54
	1,077.12	**885.84**

a) Retained earnings

Particulars	As at 31 March 2020	As at 31 March 2019
Opening Balance	603.95	407.96
Adjustment on transition to new tax rate	(0.13)	-
Net profit/(loss) for the year	191.41	195.99
Closing balance	**795.23**	**603.95**

Retained earnings are the profits / (loss) that the Company earned till date and it includes remeasurements of defined benefit obligations.

b) Securities premium

Particulars	As at 31 March 2020	As at 31 March 2019
Opening balance	236.35	236.35
Closing balance	**236.35**	**236.35**

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

c) Share based payment reserve

Particulars	As at 31 March 2020	As at 31 March 2019
Opening balance	45.54	44.25
Charge for the year	-	1.29
Closing balance	**45.54**	**45.54**

(Refer note 30)

(All amounts in INR millions, unless otherwise stated)

Note 16 (a): Non-current borrowings

Particulars	As at 31 March 2020	As at 31 March 2019
Term loans		
From financial institution		
Secured #		
Indian rupee loan from a financial institution (refer note (a))*	137.23	431.03
Less: Current maturities of long term borrowings	(61.06)	(57.30)
Total non-current borrowings	**76.17**	**373.73**

* Net of unamortized finance charges of INR 42.67 million (31 March 2019: INR 37.72 million)

Note 16 (b): Current borrowings

Particulars	As at 31 March 2020	As at 31 March 2019
Secured		
Working capital loan from financial institution (refer note (a)) #	23.00	23.00
Total current borrowings	**23.00**	**23.00**

Note (a):
The nature of security and terms of repayment are as per sanction letter are shown below:

Nature of security	Terms of repayment
Term loan from Aditya Birla Finance Limited (ABFL) amounting to INR 179.90 million and working capital loan amounting to INR 23 million (31 March 2019: term loan of INR 468.75 million and working capital loan of INR 23 million). During the year, term loan amounting INR 288.85 has been repaid through redemption of investment in mutual funds amounting INR 257.59 million (refer note 5) and remaining through two installments repaid amounting INR 31.26 million. These borrowings are secured by :	Term loan of INR 500 million was payable in 32 equal quarterly instalments amounting to INR 15.63 million each after moratorium of 24 months from the date of last disbursement. As on March 31 2020, company has repaid INR 320.10 million of the term loan and INR 27 million of the working capital loan. The remaining term loan is payable in 12 installments and short term working capital loan is repayable on demand.
1) Charge on all trade receivables and fixed assets of Company, inter alia:	
- Pledge of investments of INR 37.48 million (historical cost INR 36.54 million), {31 March 2019: 176.42 million (historical cost INR 157.5 million)} in mutual funds (refer note 5). 2) The ultimate holding company and the holding company have issued an unconditional and irrevocable guarantees to ABFL to the extent of INR 550 million (31 March 2019: INR 550 million) each. These guarantees are valid till the tenure of the loan. 3) The ultimate holding company has created a charge in favour of lender on its properties having value of INR 50 million (31 March 2019: INR 50 million). 4) The holding company has pledged 51% shares of the Company with the lender.	Effective rate of interest as on March 31 2020 is 12.10% per annum (31 March 2019: 14.35% per annum) for term loan and 11.85% per annum (31 March 2019: 14.10% per annum) for working capital loan.

\# For assets pledge as securities refer note 39 and refer note 32 on financial risk management.

Note 17 : Current- other financial liabilities

Particulars	As at 31 March 2020	As at 31 March 2019
Current maturities of long term debt (refer note no.16a)	61.06	57.30
Payable to employees	62.20	48.81
Payable against purchase of fixed assets	0.12	0.24
	123.38	**106.35**

Note 18 : Lease liability current-other financials liabilities

Particulars	As at 31 March 2020	As at 31 March 2019
Lease Liability (refer note 37)	0.35	-
	0.35	**-**

(All amounts in INR millions, unless otherwise stated)

Note 19: Trade payables

Particulars	As at 31 March 2020	As at 31 March 2019
Trade payables*		
- total outstanding dues of micro enterprises and small enterprises (see note below)	0.51	0.72
- total outstanding dues of creditors other than micro enterprises and small enterprises	185.19	245.61
	185.70	**246.33**

Refer note 32 for Company exposure to Currency and Liquidity risk related to trade payable.

Note:

Disclosures in relation to Micro and Small enterprises "Suppliers" as defined in Micro, Small and Medium Enterprises Development Act, 2006

The Ministry of Micro, Small and Medium Enterprises has issued an Office Memorandum dated 26 August 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with their customers the Entrepreneurs Memorandum Number as allocated after filing of the said Memorandum. Accordingly, the disclosures in below respect of the amounts payable to such enterprises as at the year end has been made based on information received and available with the Company.

Particulars	As at 31 March 2020	As at 31 March 2019
(i) the principal amount remaining unpaid to any supplier as at the end of the year	0.51	0.72
(ii) the interest due on the principal remaining outstanding as at the end of the year	-	-
(iii) the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	16.53	-
(iv) the amount of the payment made to micro and small suppliers beyond the appointed day during each accounting year.	0.89	-
(v) the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	-	-
(vi) the amount of interest accrued and remaining unpaid at the end of the year	-	0.28
(vii) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

***Of the above, trade payables from related parties are as below:**

Particulars	As at 31 March 2020	As at 31 March 2019
New Delhi Television Limited	42.91	116.13
NDTV Worldwide Private Limited	1.55	1.55
Fifth Gear Ventures Limited (ceased to be related party effective 31 January 2020)	-	15.28
Red Pixels Ventures Limited	11.66	4.29
NDTV Media Limited	0.07	0.07
	56.19	**137.32**

Note 20 (a): Other non-current liabilities

Particulars	As at 31 March 2020	As at 31 March 2019
Contract liabilities	10.36	62.14
	10.36	**62.14**

Note 20(b) : Other current liabilities

Particulars	As at 31 March 2020	As at 31 March 2019
Statutory dues payable	19.20	20.10
Contract liabilities	169.67	177.12
Advance against sale of investment	0.02	0.02
	188.89	**197.24**

Note 21 (a): Provisions- non current

Particulars	As at 31 March 2020	As at 31 March 2019
Gratuity	34.56	27.84
	34.56	**27.84**

Note 21 (b): Provisions- current

Particulars	As at 31 March 2020	As at 31 March 2019
Gratuity	1.40	1.21
	1.40	**1.21**

NDTV Convergence Limited
Notes to the financial statements for the year ended 31 March 2020
(All amounts in INR millions, unless otherwise stated)

Note 22: Revenue from operations

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Revenue from operations		
Advertisement revenue	1,370.24	1,263.93
Shared services	7.34	4.04
Mobile VAS revenue	107.39	162.80
Other business income	2.09	1.72
Consultancy	10.00	10.00
License income	38.72	38.72
Total revenue from operations	**1,535.78**	**1,481.21**
Other operating revenue		
Export incentive	21.13	48.33
	21.13	**48.33**
Total revenue from operations	**1,556.91**	**1,529.54**

Revenue disaggregation by geography is as follow:

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
India	1,075.44	1,103.24
USA (United States of America)	418.56	345.53
Europe	42.02	52.75
Others	20.89	28.02
	1,556.91	**1,529.54**

Information about major customers:

Following is the list of customers representing 10% or more of the Company's total revenue during the year ended 31 March 2020 and 31 March 2019

Particulars	For the year ended 31 March 2020		For the year ended 31 March 2019	
Taboola India Private Limited	506.39	33%	477.83	31%
Google.Inc	344.41	22%	279.64	18%
	850.80	**55%**	**757.47**	**49%**

While disclosing the aggregate amount of transaction price yet to be recognised as revenue towards unsatisfied (or partially) satisfied performance obligations, along with the broad time band for the expected time to recognize those revenues, the Company has applied the practical expedient in Ind AS 115. Accordingly, the Company has not disclosed the aggregate transaction price allocated to unsatisfied (or partially satisfied) performance obligations which pertain to contracts where revenue recognised corresponds to the value transferred to customer typically involving time and material, outcome based and event based contracts.

Unsatisfied (or partially satisfied) performance obligations are subject to variability due to several factors such as terminations, changes in scope of contracts, periodic revalidations of the estimates, economic factors. The aggregate value of transaction price allocated to unsatisfied (or partially satisfied) performance obligations is INR Nil (previous year INR 22.83 million).

Change in contract assets are as follow:	As at 31 March 2020	As at 31 March 2019
Balance at the beginning of the year	22.65	21.82
Revenue recognised during the year	27.28	22.65
Invoices raised during the year	(22.59)	(21.82)
Balance at the end of the year	**27.34**	**22.65**

Changes in contract liabilities are as follows:	Year ended 31 March 2020	Year ended 31 March 2019
Balance at the beginning of the year	239.26	160.16
Revenue recognised that was included in the unearned and deferred revenue at the beginning of the year	(93.16)	(32.15)
Increase due to invoicing during the year, excluding amounts recognised as revenue during the year	33.93	111.25
Balance at the end of the year	**180.03**	**239.26**

The company has evaluated the impact of COVID – 19 resulting from (i) the possibility of constraints to render services due to any increased cost or additional efforts; (ii) onerous obligations; (iii) termination or deferment of contracts by customers and iv) discretionary marketing spend. The company has concluded that the impact of COVID – 19 is not material based on these estimates. Due to the nature of the pandemic, the company will continue to monitor developments to identify significant uncertainties relating to revenue in future periods.

NDTV Convergence Limited
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Note 23: Other income

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Interest income on:		
- Fixed deposits	35.42	22.87
- Income tax refund	-	4.26
- others	20.01	17.75
Foreign exchange fluctuations (net)	1.77	1.43
Liabilities no longer required written back	3.80	3.65
Gain on sale of property, plant and equipment	0.02	0.19
Change in fair value of investment	8.36	11.00
Gain on sale of long term investment	36.43	1.76
Miscellaneous income	0.09	0.23
	105.90	**63.14**

Note 24: Cost of services

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Consultancy and professional fees*	245.67	229.12
Hire charges	0.67	0.53
Subscription, footage and news service	56.01	50.99
Software expenses	11.64	13.81
Travelling	3.13	6.50
Hosting and streaming services	125.17	114.08
Stores and spares	0.03	0.27
Other production expenses	131.32	116.12
Trade mark/license fee	16.36	15.32
	590.00	**546.74**

* includes share based payments of INR Nil (31 March 2019: INR 0.61 million)

Note 25: Employee benefits expense

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Salaries, wages and bonus	384.05	347.73
Expense related to post employment defined benefit plan (refer note 35)	5.54	5.78
Contribution to provident and other funds	18.80	18.38
Staff welfare expenses	0.10	0.10
Share based payments	-	0.68
	408.49	**372.67**

Note 26: Finance costs

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Interest expense on borrowings	42.01	71.18
Interest on others	3.75	8.60
Bank charges	0.38	0.52
Processing fee	22.62	5.16
Guarantee Commission charges	1.43	0.69
Interest on lease liabilities	0.12	-
	70.31	**86.15**

(All amounts in INR millions, unless otherwise stated)

Note 27: Depreciation and amortisation

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Depreciation on property, plant and equipment	10.64	8.83
Amortisation on intangible assets	5.05	6.61
Depreciation on right-of-use assets	0.99	-
	16.68	**15.44**

Note 28: Operations and administration expenses

Particulars		For the year ended 31 March 2020		For the year ended 31 March 2019
Rent (refer note 37)		24.44		23.69
Rates and taxes		7.92		0.15
Electricity and water		8.00		6.96
Printing and stationery		0.04		0.05
Postage and courier		0.03		0.11
Local conveyance, travelling and taxi hire		14.73		15.27
Business promotion		1.46		0.89
Repairs and maintenance				
Plant and machinery		1.68		0.99
Building		0.54		0.39
Charity and donations (refer note 41)		5.25		-
Auditors' remuneration (excluding taxes) [a]		1.39		1.31
Insurance		7.96		7.51
Communication		2.91		2.73
Vehicle running and maintenance		11.04		11.47
Loss allowance on trade receivables		15.20		17.71
Loss allowance on doubtful advances		-		0.05
Trade receivables written off	13.17		0.97	
Less: Adjusted against loss allowance on trade receivable	(4.86)	8.31	(0.13)	0.84
Legal, professional and consultancy		95.10		89.71
Miscellaneous expenses		1.32		0.75
Provision for diminution in value of investment		0.21		0.79
		207.53		**181.37**

Auditors remuneration

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
As auditors: [a]		
Audit fee	1.25	1.25
Reimbursement of expenses	0.14	0.06
	1.39	**1.31**

Note 29: Marketing, distribution and promotion

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Digital marketing for desktop and mobile websites	41.07	5.09
Mobile VAS	30.76	67.00
Others.	29.26	28.58
	101.09	**100.67**

NDTV Convergence Limited
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(All amounts in INR millions, unless otherwise stated)

Note: 30 Share based payment

Description of share-based payment arrangements

As at 31 March 2020 the Company has the following share-based payment arrangement.

Employee Stock Option Plan - ESOP (CONVERGENCE) - 2007

This plan entitles certain employees and non-employees of the Company to purchase the common shares of the Company at the exercise price, subject to compliance with vesting conditions. All exercised options shall be settled by allotment of shares. Upon vesting, the employees and non-employees can acquire one common share of the Company for every option.

The terms and conditions related to the grant of the share options are as follows:

Particulars	Number of options granted	Vesting conditions	Contractual life of options
Options outstanding as at 1 April 2018	2,829		
Less : Options forfeited during the year ended 31 March 2019	-		
Options outstanding as at 31 March 2019	2,829	Refer note below	4-12 years
Less : Options forfeited during the year ended 31 March 2020	516		
Options outstanding as at 31 March 2020	**2,313**		

Note:
1. For the options granted, total vesting period is 48 months. 50% of the options granted will vest after the completion of 24 months of the continuous service from the grant date and the balance 50% will vest after the completion of 48 months of the continuous service from the grant date.

Reconciliation of outstanding share options
The number and weighted average exercise prices of share options under employee stock option plans are as follows:

Particulars	As at 31 March 2020		As at 31 March 2019	
	No. of options	Weighted average exercise price (Amount in INR)	No. of options	Weighted average exercise price (Amount in INR)
Outstanding at the beginning of the year	2,829	10	2,829	10
Forfeited during the year	516	10	-	-
Outstanding at the end of the year	2,313	10	2,829	10
Exercisable at the end of the year	2,313	10	2,829	10

The options outstanding at 31 March 2020 have an exercise price of INR 10 (31 March 2019: INR 10) and a weighted average contractual life of 6.01 years (31 March 2019: 7.01 years).

During the year ended 31 March 2020 share based payment expense recognised under employee benefits expenses (refer note- 25) amounted to INR Nil million (31 March 2019: INR 0.68 million) and under consultancy and professional fee amounted to INR Nil million (31 March 2019: INR 0.61 million) (refer note- 24)

(All amounts in INR millions, unless otherwise stated)

Note 31: Capital management

The Company manages its capital so as to safeguard its ability to continue as a going concern and to optimise returns to its shareholders. The capital structure of the Company is based on management's judgement of its strategic and day-to-day needs with a focus on total equity so as to maintain investor, creditors and market confidence.

The Company monitors capital using a ratio of "Net Debt" to "Total Equity". For this purpose, Net Debt is defined as total borrowings less cash and cash equivalents. Total equity comprises of equity share capital and other equity. During the financial year ended 31 March 2020, no significant changes were made in the objectives, policies or processes relating to the management of the Company's capital structure.

The Company's net debt to total equity ratio is as follows:

Particulars	As at 31 March 2020	As at 31 March 2019
Total borrowings	160.23	454.03
Less: Cash and cash equivalents	(137.03)	(79.25)
Less: Deposit with banks	(25.54)	(366.91)
Net debt	**(2.34)**	**7.87**
Equity share capital	0.67	0.67
Other equity	1,077.12	885.84
Total Equity	**1,077.79**	**886.51**
Net Debt to Total Equity ratio	**(0.00)**	**0.01**

Note 32: Financial instruments-fair values measurements and financial risk management

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

(i) As on 31 March 2020

Particulars	Note	Carrying value				Fair value measurement using		
		FVTPL	FVOCI	Amortised cost	Total	Level 1	Level 2	Level 3
Financial assets - Non current								
Investments*	5							
Mutual funds		37.48	-	-	37.48	37.48	-	-
Security deposits	6(a)	-	-	181.71	181.71	-	-	181.71
Financial assets - Current								
Trade receivables**	9	-	-	610.05	610.05	-	-	610.05
Cash and cash equivalents**	10	-	-	137.03	137.03	-	-	137.03
Bank balances other than cash and cash equivalents mentioned above**	11	-	-	25.54	25.54	-	-	25.54
Security deposits**	6(b)	-	-	0.30	0.30	-	-	0.30
Contract assets**	12(b)	-	-	27.34	27.34	-	-	27.34
Interest accrued on fixed deposits**	12(b)	-	-	0.30	0.30	-	-	0.30
Other financial assets **	12(b)	-	-	4.56	4.56	-	-	4.56
Total		**37.48**	**-**	**986.83**	**1,024.31**	**37.48**	**-**	**986.83**
Financial liabilities - Non current								
Borrowings	16(a)	-	-	76.17	76.17	-	-	76.17
Financial liabilities - Current								
Borrowings	16(b)	-	-	23.00	23.00	-	-	23.00
Trade payables**	19	-	-	185.70	185.70	-	-	185.70
Other financial liabilities								
- Current maturities of long term borrowings	17	-	-	61.06	61.06	-	-	61.06
- Payable to employees**	17	-	-	62.20	62.20	-	-	62.20
- Others financial liabilities**	17	-	-	0.12	0.12	-	-	0.12
Lease Liabilities	18	-	-	0.35	0.35	-	-	0.35
Total		**-**	**-**	**408.60**	**408.60**	**-**	**-**	**408.60**

(ii) As on 31 March 2019

Particulars	Note	Carrying value				Fair value measurement using		
		FVTPL	FVOCI	Amortised cost	Total	Level 1	Level 2	Level 3
Financial assets - Non current								
Investments*								
Mutual funds	5	176.42	-	-	176.42	176.42	-	-
Security deposits	6(a)	-	-	162.00	162.00	-	-	162.00
Non-current - other financial assets	12(a)	-	-	136.27	136.27	-	-	136.27
Financial assets - Current								
Trade receivables**	9	-	-	468.70	468.70	-	-	468.70
Cash and cash equivalents**	10	-	-	79.25	79.25	-	-	79.25
Bank balances other than cash and cash equivalents mentioned above**	11	-	-	231.43	231.43	-	-	231.43
Security deposits**	6(b)	-	-	0.52	0.52	-	-	0.52
Contract assets**	12(b)	-	-	22.65	22.65	-	-	22.65
Interest accrued on fixed deposits**	12(b)	-	-	1.34	1.34	-	-	1.34
Other financial assets **	12(b)	-	-	-	-	-	-	-
Total		**176.42**	**-**	**1,102.16**	**1,278.58**	**176.42**	**-**	**1,102.16**
Financial liabilities - Non current								
Borrowings	16(a)	-	-	373.73	373.73	-	-	373.73
Security deposits	20a	-	-	-	-	-	-	-
Financial liabilities - Current								
Borrowings	16(b)	-	-	23.00	23.00	-	-	23.00
Trade payables**	19	-	-	246.33	246.33	-	-	246.33
Other financial liabilities								
- Current maturities of long term borrowings	17	-	-	57.30	57.30	-	-	57.30
- Payable to employees**	17	-	-	48.81	48.81	-	-	48.81
- Others financial liabilities**	17	-	-	0.24	0.24	-	-	0.24
Total		**-**	**-**	**749.41**	**749.41**	**-**	**-**	**749.41**

(All amounts in INR millions, unless otherwise stated)

* It excludes investments in subsidiaries and associates which are measured at deemed cost on the date of transition to Ind AS i.e., 1 April 2016.

** The carrying amounts of trade receivables, cash and cash equivalents, bank balances other than cash and cash equivalents, margin money deposits, deposits with banks due to mature after 12 months of the reporting date, loans, security deposit, interest accrued on fixed deposit, unbilled revenue, trade payables, payable to employees, current maturity of long term borrowings and payable against purchase of fixed assets approximates the fair values due to their short-term nature.

Fair values are categorised into different level in 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).

There has been no transfers between Level 1, Level 2 and Level 3 for the years ended 31 March 2020 and 31 March 2019.

Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

- the fair value of investment in quoted mutual funds is based on the current bid price of respective investment as at the Balance Sheet date.
- the fair value of the derivative financial instruments is based on mark-to-market as at the Balance Sheet date.
- the fair value of the remaining financial instruments is determined using discounted cash flow method.

B. Financial risk management

The Company has exposure to the following risks arising from financial instruments:
- Credit risk
- Liquidity risk
- Market Risk - Foreign currency
- Market Risk - Interest rate

(i) Risk management framework

The Company's key management 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 risks limits and controls and to monitor risks and adherence to limits. Risk management policies are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which employees understand their roles and obligations.

(ii) Credit risk

The maximum exposure to credit risks is represented by the total carrying amount of these financial assets in the Balance Sheet

Particulars	As at 31 March 2020	As at 31 March 2019
Investments	37.48	176.42
Trade receivables	610.05	468.70
Cash and cash equivalents	137.03	79.25
Bank balances other than cash and cash equivalents mentioned above	25.54	231.43
Loans	182.01	162.52
Other financial assets	32.20	160.26

Credit risk is the risk of financial loss to the Company if a customer or counter-party fails to meet its contractual obligations. Credit risk encompasses both, the direct risk of default and the risk of deterioration of credit worthiness as well as concentration of risks.

Credit risk on cash and cash equivalents and bank deposits is limited as the Company generally deals with banks with high credit ratings assigned by domestic credit rating agencies. Investments primarily include investment in mutual funds, the mutual fund are recorded at fair value and management of the Company does not foresee any significant impact of COVID-19 on the investment in mutual fund.. The loans primarily represents interest free security deposits refundable on the completion of the term as per the contract. The credit risk associated with such deposits is relatively low.

The Company uses expected credit loss model to assess the impairment loss. The Company uses a provision matrix to compute the expected credit loss allowance for trade receivables. The provision matrix takes into account available internal credit risk factors such as the Company's historical experience for customers. Based on the business environment in which the Company operates, management considers that the trade receivables are in default (credit impaired) if the payments are more than 180 days past due.

The Company believes that amount receivable from related parties is collectible in full, based on historical payment behavior and hence no loss allowance has been recognized on the same. The Company based upon past trends determine an impairment allowance for loss on receivables from others.

The movement in the allowance for impairment in respect of trade receivables is as follows:

Particulars	As at 31 March 2020	As at 31 March 2019
Balance as at beginning of the year	71.94	54.36
Loss allowance created	15.20	17.71
Less :adjusted against provision	(4.86)	(0.13)
Amounts written back during the year	-	-
Balance as at the end of the year	**82.28**	**71.94**

The impairment provisions for financial assets disclosed above 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.

Impact of COVID-19
Major part of the financial asset are carried at amortised cost. Financial assets as at 31 March 2020 carried at amortised cost is in the form of trade receivables, cash and cash equivalents, bank deposits and earmarked balances with banks where the Company has assessed the counterparty credit risk. Trade receivables as at 31 March 2020 forms a significant part of the financial assets carried at amortised cost, which is valued considering provision for allowance using expected credit loss method. In addition to the historical pattern of credit loss, we have considered the likelihood of increased credit risk and consequential default considering emerging situations due to COVID-19. This assessment is not based on any mathematical model but an assessment considering the nature of verticals, impact immediately seen in the demand outlook of these verticals and the financial strength of the customers in respect of whom amounts are receivable. The Company has specifically evaluated the potential impact with respect to customers in Retail, Travel, Transportation, Telecom and Hospitality etc. The management of the Company does not foresee any significant impact of COVID-19 on the financial assets of the Company.

(iii) 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 manage 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 aims to maintain the level of its cash and cash equivalents and other highly marketable equity investments at an amount in excess of expected cash outflows on financial liabilities over the next six months. The Company also monitors the level of expected cash inflows on trade receivables and loans together with expected cash outflows on trade payables and other financial liabilities.

(All amounts in INR millions, unless otherwise stated)

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The contractual cash flow amounts are gross and undiscounted.

As at 31 March 2020	Carrying amount	Less than one year	Between one and three years	More than three years	Contractual cash flow
Loans from banks and financial institution (including current maturities)	137.23	62.50	117.40	-	179.90
Current borrowings	23.00	23.00	-	-	23.00
Trade payables	185.70	185.70	-	-	185.70
Other financial liabilities	62.32	62.32	-	-	62.32
Lease Liabilities	0.35	0.35	-	-	0.35
	408.60	**333.87**	**117.40**	**-**	**451.27**

As at 31 March 2019	Carrying amount	Less than one year	Between one and three years	More than three years	Contractual cash flow
Loans from banks and financial institution (including current maturities)	431.03	62.50	125.00	281.25	468.75
Current borrowings	23.00	23.00	-	-	23.00
Trade payables	246.33	246.33	-	-	246.33
Other financial liabilities	49.05	49.05	-	-	49.05
	749.41	**380.88**	**125.00**	**281.25**	**787.13**

-

(iv) Market risk

Market risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk namely: currency risk and interest rate risk. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

(a) Interest rate risk

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's borrowings with floating interest rates.

Exposure to interest rate risk

The Company's interest rate risk arises majorly from borrowings carrying floating rate of interest. These borrowings exposes the Company to cash flow interest rate risk. The exposure of the Company's borrowing to interest rate changes as reported to the management at the end of the reporting period are as follows:

Variable rate instruments	As at 31 March 2020	As at 31 March 2019
Loan from financial institution	137.23	431.03
Working capital loan from financial institution	23.00	23.00
Total	**160.23**	**454.03**

Interest rate sensitivity analysis

A reasonably possible change of 0.50 % in interest rates at the reporting date would have affected the profit or loss by the amounts shown below.

Particulars	Statement of Profit and Loss	
	Increase by 0.50%	Decrease by 0.50%
Increase/ (decrease) in interest on borrowings		
For the year ended 31 March 2020	0.80	(0.80)
For the year ended 31 March 2019	2.27	(2.27)

The analysis is prepared assuming the amount of the borrowings outstanding at the end of the year was outstanding for the whole year.

(b) Currency risk

Currency risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company is exposed to the effects of fluctuation in the prevailing foreign currency exchange rates on its financial position and cash flows. Exposure arises primarily due to exchange rate fluctuations between the functional currency (INR) and other currency (USD) from the Company's operating, investing and financing activities.

Unhedged exposure to foreign currency risk

The Company's exposure in respect of foreign currency denominated financial liabilities not hedged by derivative instruments or others as follows-

Currency	As at 31 March 2020			As at 31 March 2019		
	Amount in foreign currency	Exchange rate	Amount in INR	Amount in foreign currency	Exchange rate	Amount in INR
USD	0.07	75.39	5.03	0.06	69.17	3.90

The Company's exposure in respect of foreign currency denominated financial assets not hedged as at 31 March 2019 by derivative instruments or others as follows-

Currency	As at 31 March 2020			As at 31 March 2019		
	Amount in foreign currency	Exchange rate	Amount in INR	Amount in foreign currency	Exchange rate	Amount in INR
USD	0.69	75.39	51.87	0.93	69.17	64.19

Sensitivity analysis

A reasonably possible strengthening (weakening) of the Indian Rupee against below currencies at 31 March 2020 and 31 March 2019 would have affected the measurement of financial instruments denominated in foreign currency and affected Statement of Profit and Loss by the amounts shown below. This analysis is performed on foreign currency denominated monetary financial assets and financial liabilities outstanding as at the year end. This analysis assumes that all other variables, in particular interest rates, remain constant.

Particulars	Statement of Profit & Loss for the year ended 31 March 2020		Statement of Profit & Loss for the year ended 31 March 2019	
1% depreciation/ appreciation in Indian Rupees against following foreign currencies:	Gain/(loss) on appreciation	Gain/(loss) on depreciation	Gain/(loss) on appreciation	Gain/(loss) on depreciation
USD	0.47	(0.47)	0.60	(0.60)
	0.47	**(0.47)**	**0.60**	**(0.60)**

The following significant exchange rates applied during the year

	Average exchange rates per unit		Reporting date rate per unit	
	For the year ended 31 March 2020	For the year ended 31 March 2019	As at 31 March 2020	As at 31 March 2019
USD	70.88	69.92	75.39	69.17

USD: United States Dollar.

(All amounts in INR millions, unless otherwise stated)

Note 33: Earnings per equity share ('EPS')

The calculations of profit attributable to equity shareholders and weighted average number of equity shares outstanding for purposes of earnings per share calculations are as follows:

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Earnings for the year - (A)	194.72	198.06
Calculation of weighted average number of equity shares		
Number of equity shares at the beginning of the year	66,671	66,671
Number of equity shares outstanding at the end of the year	66,671	66,671
Weighted average number of shares outstanding during the year - (B)	66,671	66,671
Face value of each equity share (INR)	10	10
Basic and diluted earnings per equity share (in absolute terms) (INR) - (A)/(B)	2,920.55	2,970.72

(All amounts in INR millions, unless otherwise stated)

Note 34: Related Party Disclosures

(a) List of Related Parties and nature of relationship where control exists

Ultimate Holding Company
New Delhi Television Limited

Holding Company
NDTV Networks Limited

Fellow Subsidiaries
NDTV Media Limited
NDTV Labs Limited
NDTV Worldwide Limited

Subsidiaries(direct/indirect)
Red Pixels Ventures Limited
SmartCooky Internet Limited

Associate Company
Fifth Gear Ventures Limited (till 10 September 2018)
Special Occasions Limited (till 14 November 2018)
OnArt Quest Limited

Joint Venture
Fifth Gear Ventures Limited (till 31 January 2020)

Joint Venture of ultimate holding Company
Indianroots shopping Limited (formerly NDTV Ethnic Retail Limited) *
Lifestyle & Media Broadcasting Limited (formerly known as NDTV Lifestyle Limited)

* During the previous year ended 31 March 2019, Interim Resolution Professional ("IRP") has been appointed for Indianroots Shopping Limited (“ISL”) pursuant to the order passed by Hon’ble National Company Law

Key management Personnel (KMP) and their relatives

Saurav Banerjee	Co-Chief Executive Officer, NDTV Group (till 11 January 2019) & Director (till 7 January 2019)
Richa Nagpal	Director (w.e.f. 25 January 2019)
Indrani Roy	Independent Director
John'O'Loan	Independent Director
Kaushik Dutta	Independent Director

NDTV Convergence Limited
Notes to the financial statements for the year ended 31 March 2020
(All amounts in INR millions, unless otherwise stated)

(e) Key management personnel compensation

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Secondment charges	-	1.51
Total compensation	**-**	**1.51**

(f) Transactions with related parties

	Ultimate Holding Company		Holding company		Subsidiary companies		Fellow Subsidiary		Associate		Joint venture of ultimate holding		Joint Venture		KMP	
Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019	For the year ended 31 March 2020	For the year ended 31 March 2019	For the year ended 31 March 2020	For the year ended 31 March 2019	For the year ended 31 March 2020	For the year ended 31 March 2019	For the year ended 31 March 2020	For the year ended 31 March 2019	For the year ended 31 March 2020	For the year ended 31 March 2019	For the year ended 31 March 2020	For the year ended 31 March 2019	For the year ended 31 March 2020	For the year ended 31 March 2019
i) Rendering of services																
Lifestyle & Media Broadcasting Limited (formerly known as NDTV Lifestyle Limited)	-	-	-	-	-	-	-	-	-	-	31.91	31.91	-	-	-	-
Fifth Gear Ventures Limited	-	-	-	-	-	-	-	-	-	0.28	-	-	1.06	0.82	-	-
New Delhi Television Limited	143.63	142.51	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Red Pixels Ventures Limited	-	-	-	-	5.03	3.74	-	-	-	-	-	-	-	-	-	-
Onart Quest Limited	-	-	-	-	-	-	-	-	-	0.50	-	-	-	-	-	-
NDTV Networks Limited	-	-	0.08	-	-	-	-	-	-	-	-	-	-	-	-	-
ii) Trade Mark / Royalty Received																
New Delhi Television Limited	16.36	15.32	-	-	-	-	-	-	-	-	-	-	-	-	-	-
iii) Services availed of																
Fifth Gear Ventures Limited	-	-	-	-	-	-	-	-	-	12.46	-	-	48.53	36.02	-	-
New Delhi Television Limited.	31.17	21.89	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Red Pixels Ventures Limited.	-	-	-	-	20.83	15.48	-	-	-	-	-	-	-	-	-	-
iv) Rent expense																
Lifestyle & Media Broadcasting Limited (formerly known as NDTV Lifestyle Limited)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
NDTV Worldwide Limited	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
New Delhi Television Limited	23.71	21.13	-	-	-	-	-	-	-	-	-	-	-	-	-	-
v) Shared service cost																
New Delhi Television Limited	59.79	65.53	-	-	-	-	-	-	-	-	-	-	-	-	-	-
x) Programs purchased																
New Delhi Television Limited	-	9.04	-	-	-	-	-	-	-	-	-	-	-	-	-	-
xi) Director sitting fees																
John'O'Loan	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.17	0.12
Indrani Roy	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.16	0.12
Kaushik Dutta	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.15	0.10
xii) Sale of fixed asset																
Fifth Gear Ventures Limited	-	-	-	-	-	-	-	-	-	0.02	-	-	-	-	-	-
Red Pixels Ventures Limited.	-	-	-	-	0.12	-	-	-	-	-	-	-	-	-	-	-
xix) Corporate guarantee																
New Delhi Television Limited	550.00	550.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-
NDTV Networks Limited	-	-	550.00	550.00	-	-	-	-	-	-	-	-	-	-	-	-
xx) Pledge of property																
New Delhi Television Limited	50.00	50.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-
xxvi) Reimbursement of expenses(incurred by company on behalf of related parties)																
New Delhi Television Limited	23.42	34.45	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Red Pixels Ventures Limited	-	-	-	-	3.69	6.68	-	-	-	-	-	-	-	-	-	-
Fifth Gear Ventures Limited	-	-	-	-	-	-	-	-	-	7.94	-	-	26.46	12.90	-	-
Special Occasions Limited	-	-	-	-	-	-	-	-	-	0.02	-	-	-	-	-	-
xxviii) Reimbursement of expenses(incurred by related parties on company's behalf)																
New Delhi Television Limited	10.10	10.27	-	-	-	-	-	-	-	-	-	-	-	-	-	-
NDTV Media Ltd.	-	-	-	-	-	-	0.07	0.06	-	-	-	-	-	-	-	-
Red Pixels Ventures Limited	-	-	-	-	3.95	-	-	-	-	-	-	-	-	-	-	-
xxxvii) Bad debt written off																
Fifth Gear Ventures Limited	-	-	-	-	-	-	-	-	-	-	-	-	1.88	-	-	-

(g) Outstanding balances

	Ultimate Holding Company		Holding company		Subsidiary companies		Fellow Subsidiary		Associate		Joint venture of ultimate holding Company		Joint Venture		KMP	
Particulars	As at 31 March 2020	As at 31 March 2019	As at 31 March 2020	As at 31 March 2019	As at 31 March 2020	As at 31 March 2019	As at 31 March 2020	As at 31 March 2019	As at 31 March 2020	As at 31 March 2019	As at 31 March 2020	As at 31 March 2019	As at 31 March 2020	As at 31 March 2019	As at 31 March 2020	As at 31 March 2019
Trade payables	42.91	116.12	-	-	11.66	4.29	1.62	1.62	-	-	-	-	-	15.28	-	-
Trade receivables	417.44	232.90	0.09	-	2.55	2.27	2.66	2.74	0.58	0.65	-	-	-	18.79	-	-
Deferred income	-	-	-	-	-	-	-	-	-	-	97.23	132.21	-	-	-	-
Loan and advances	68.62	68.62	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Security deposit paid	180.54	160.53	-	-	-	-	-	-	-	-	-	-	-	-	-	-

(All amounts in INR millions, unless otherwise stated)

Note 35: Employee Benefits

(i) Gratuity

Gratuity is payable to all eligible employees of the Company on retirement or separation from the Company. The following table sets out the status of the defined benefit plan as required under Ind AS 19 - Employee Benefits:

(a) Movement in net defined benefit liability:

Particulars	Defined benefit obligation
Balance as at 1 April 2018	**23.80**
Current service cost	3.92
Interest expense	1.86
Total amount recognised in profit or loss	**5.78**
Remeasurements	
Loss from change in demographic assumptions	2.91
Experience losses	(0.38)
Total amount recognised in other comprehensive income	**2.53**
Benefit payments	(3.06)
Balance at 31 March 2019	**29.05**
Balance as at 1 April 2019	29.05
Current service cost	3.30
Interest expense	2.24
Total amount recognised in profit or loss	**5.54**
Remeasurements	
Loss from change in demographic assumptions	(0.03)
Gain from change in financial assumptions	6.74
Gain/(Loss) from change in experience variance	(2.68)
Total amount recognised in other comprehensive income	**4.03**
Benefit payments	(2.66)
Balance at 31 March 2020	**35.96**

The net liability disclosed above relates to unfunded plans are as follows:

Particulars	As at 31 March 2020	As at 31 March 2019
Present value of unfunded obligations	35.96	29.05
Deficit of gratuity plan	**35.96**	**29.05**

The Company has a defined benefit gratuity plan in India, governed by the Payment of Gratuity Act, 1972. Plan entitles an employee, who has rendered at least five years of continuous service, to gratuity at the rate of fifteen days wages for every completed year of service or part thereof in excess of six months, based on the rate of wages last drawn by the employee concerned.

(b) Assumptions:

1. Economic assumptions

Particulars	As at 31 March 2020	As at 31 March 2019
Discount rate	6.70%	7.70%
Salary growth rate	20% for 1st year, 15% for 2nd year, 10% for 3rd year, 7.5% for 4th year and 5% thereafter	20% for 1st year, 15% for 2nd year, 10% for 3rd year, 7.5% for 4th year and 5% thereafter

The discount rate is based on the prevailing market yields of government bonds as at the balance sheet date for the estimated term of the obligations.
The salary escalation rate is based on estimates of salary increases, which takes into account inflation, promotion and other relevant factors.

2. Demographic assumptions:

Particulars	As at 31 March 2020	As at 31 March 2019
Withdrawal rate, based on age		
Upto 5 years	30%	30%
Above 5 years	3%	3%
Mortality rate (% of IALM 06-08)	100%	100%
Retirement age (years)	58	58

(c) Sensitivity analysis
Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

Particulars	Change in assumption		Impact on defined benefit obligation: Increase in assumption		Decrease in assumption	
	As at 31 March 2020	As at 31 March 2019	As at 31 March 2020	As at 31 March 2019	As at 31 March 2020	As at 31 March 2019
Discount rate	1.00%	1.00%	(3.97)	(3.19)	4.69	3.78
Salary growth rate	1.00%	1.00%	3.02	2.63	(2.91)	(2.46)
Attrition rate	50.00%	50.00%	0.84	1.54	(1.07)	(1.88)
Mortality rate	10.00%	10.00%	0.03	0.04	(0.03)	(0.04)

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

(All amounts in INR millions, unless otherwise stated)

Note 36: Contingent liabilities

- Bank guarantees for INR.0.10 million (31 March 2019: INR.0.10 million) in favour of government authorities towards registration under sales tax authorities.

- Fixed deposits worth INR.25 million (31 March 2019: INR.Nil) are kept in lien in favour of Indusind Bank Limited towards the loan availed by holding company.

- On 28 February 2019, a judgement of the Supreme Court of India interpreting certain statutory defined contribution obligations of employees and employers altered historical understandings of such obligations, extending them to cover additional portions of the employee's income. However, the judgement isn't explicit if such interpretation may have retrospective application resulting in increased contribution for past and future years. Based on management assessment there are numerous interpretative challenges on the retrospective application of the judgment which results in impracticability in estimation of and timing of payment and amount involved. As a result of lack of implementation guidance and interpretative challenges involved, and also in view of certain stakeholders' request to reevaluate the pronouncement itself, the Company is unable to reliably estimate the amount involved. The Company has been regular in depositing statutory contributions for the year ended 31 March 2020 in compliance with the said order of the Supreme Court.

Note 37: Leases

The Company's lease asset classes primarily consist of leases for office premises.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the prevailing borrowing rates. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

Transition to Ind AS 116
Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has notified Ind AS 116 Leases which replaces the existing lease standard, Ind AS 17 leases, and other interpretations.

The Company has adopted Ind AS 116 "Leases", effective reporting period starting 1 April 2019, using the modified retrospective approach, and based on the option available under the modified retrospective approach, the Company has measured the Right of Use "ROU" asset at an amount equal to lease liability on the date of initial application. Accordingly, on the date of initial application, there is no impact on opening retained earnings, and comparatives for the year ended 31 March 2019 have not been retrospectively adjusted.

On transition, a right-of-use asset of `INR 1.32 million and a corresponding lease liability of INR 1.32 has been recognized. The principal portion of the lease payments have been disclosed under cash flow from financing activities. The lease payments for operating leases as per Ind AS 17 - Leases, were earlier reported under cash flow from operating activities.

On application of Ind AS 116, the nature of expenses has changed from lease rent in previous periods to depreciation cost for the right-to-use asset, and finance cost for interest accrued on lease liability.

Lease contracts entered by the Company majorly pertains for buildings taken on lease to conduct its business in the ordinary course. The Company does not have any lease restrictions and commitment towards variable rent as per the contract.

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

Particulars	As at 31 March 2020
Reclassified on account of adoption of Ind AS 116	1.32
Additions*	-
Deletion	-
Depreciation on right-of-use assets (refer note 27)	0.99
Net carrying amount	**0.33**

The details of the lease liabilities of the Company is as follows:

Particulars	As at 31 March 2020
Balance at the beginning	1.32
Additions*	-
Interest on lease liabilities (refer note 26)	0.12
Deletion	-
Payment of lease liabilities	1.09
Balance at the end	**0.35**

Impact of COVID-19
The Company does not foresee any large-scale contraction in business operations which could result in significant down-sizing of its employee base rendering the physical infrastructure redundant. The lease that the Company has entered with the lessor towards property used as office space, expect no change in lease terms due to COVID-19.

Note 38: Segment information
Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM") as required under Ind AS 108. The CODM is considered to be Board of directors who makes strategic decisions and is responsible for allocating resources and assessing performance of the operating segments. The principal activities of the Company comprises of online/digital broadcast media. Accordingly, the Company has one reportable segments consisting of online/digital broadcast media.

Note 39: Assets pledged as security

The carrying amounts of assets pledged as security for current and non-current borrowings are:

Particulars	Note No.	As at 31 March 2020	As at 31 March 2019
Current financial assets			
Trade receivables	9	610.05	468.70
Investments*	5	37.48	176.42
Total current financial assets		**647.53**	**645.12**
Non current			
Property, plant and equipment	3	29.38	37.35
Intangible assets	4	13.23	18.28
Total non current financial assets		**42.61**	**55.63**
Total assets pledged as security		**690.14**	**700.75**

Notes:
* These investment are at fair market value, the historical cost of these investments is INR.36.54 million (31 March 2019: INR.157.5 million)

NDTV Convergence Limited
Notes to the financial statements for the year ended 31 March 2020
(All amounts in INR millions, unless otherwise stated)

Note 40 : Taxation

A) The reconciliation of estimated income tax to income tax expense is as follows:

Particulars	**For the year ended31 March 2020**		**For the year ended31 March 2019**	
Profit / (loss) before taxes		**268.71**		**289.64**
Tax using the Company's applicable tax rate	25.17%	67.63	29.12%	84.34
Effect of :				
Non deductible expenses	1.76%	4.74	1.54%	4.45
Change in temporary differences	0.99%	2.66	1.18%	3.41
Effect of different tax rate on capital gain	-0.39%	(1.04)	-0.21%	(0.62)
Effective tax		**73.99**		**91.58**

B) Recognised deferred tax assets and liabilities
Deferred tax assets and liabilities are attributable to following:

Particulars	**As at 31 March 2020**	**As at 31 March 2019**
Deferred tax liabilities		
- Property, plant and equipment, intangible asset and investment property	(0.58)	(2.09)
- Investment	(0.15)	(4.40)
Total deferred tax liabilities	**(0.73)**	**(6.49)**
Deferred tax assets		
- Expenditure allowed for tax purposes on payment basis	9.30	8.69
- Loss allowances on trade receivables	20.90	21.17
- Finance component on customer advance	0.37	1.32
Total deferred tax assets	**30.57**	**31.18**
Net deferred tax assets/(liability)	**29.84**	**24.69**

C) Movement in deferred tax assets / (liabilities) during the year :

Particulars	**Balance as at 1 April 2018**	**Recognised in opening reserves**	**Recognised in profit or loss**	**Recognised in other comprehensive income**	**Balance at 31 March 2019**	**Recognised in opening reserves**	**Recognised in profit or loss**	**Recognised in other comprehensive income**	**Balance at 31 March 2020**
- Property, plant and equipment, intangible asset and investment property	(3.35)	-	1.26	-	(2.09)	-	1.51	-	(0.58)
- Investment	(1.83)	-	(2.57)	-	(4.40)	-	4.25	-	(0.15)
- Expenditure allowed for tax purposes on payment basis	8.23	-	-	0.46	8.69	-	(0.10)	0.71	9.30
- Loss allowances on trade receivables	19.05	-	2.12	-	21.17	-	(0.27)	-	20.90
- Finance component on customer advance	-	0.98	0.34	-	1.32	(0.13)	(0.82)	-	0.37
Total	**22.10**	**0.98**	**1.15**	**0.46**	**24.69**	**(0.13)**	**4.57**	**0.71**	**29.84**

NDTV Convergence Limited
Notes to the financial statements for the year ended 31 March 2020
(All amounts in INR millions, unless otherwise stated)

Note 41: Corporate Social Responsibility (CSR)

Pursuant to Section 135 introduced by Companies Act, 2013 pertaining to Corporate Social Responsibility, the Company has contributed INR 5.25 million (Previous year INR.Nil) (refer note 28) towards the CSR activities during the financial year 2019-20. As required by the aforesaid law, the amount represents 2 percent of the average net profits of last three immediately preceding financial year computed as per section 186 of the Act.

Note 42: Subsequent event
In view of the pandemic relating to COVID-19, the Company has considered internal and external information and has performed an analysis based on current estimates while assessing the provision towards employee benefits, trade receivables, investments and other current and financial assets, for any possible impact on the financial statements. The Company has also assessed the impact of this whole situation on its capital and financial resources, profitability, liquidity position and internal financial reporting controls and is of the view that based on its present assessment this situation does not materially impact these financial statements. However, the actual impact of COVID-19 on these financial results may differ from that estimated due to unforeseen circumstances and the Company will continue to closely monitor any material changes to future economic conditions.

Note 43: Change in classifications
Figures for previous periods have been reclassified wherever necessary to conform to the current period's classification.

For **B S R & Associates LLP**
Chartered Accountants
Firm registration number: 116231W /W-100024

RAKESH DEWAN
Digitally signed by RAKESH DEWAN
Date: 2020.06.22 19:01:59 +05'30'

Rakesh Dewan
Partner
Membership Number: 092212

Place: Gurugram
Date: 22 June 2020

For and on behalf of the Board of Directors of
NDTV Convergence Limited

Richa Nagpal

Richa Nagpal
Director
DIN No:08210335
Place: New Delhi
Date: 16 June 2020

KAUSHIK DUTTA

Kaushik Dutta
Independent Director
DIN No: 03328890
Place: New Delhi
Date: 16 June 2020

RAJNEESH GUPTA

Rajneesh Gupta
CFO, NDTV Group
Place: Gurugram
Date: 16 June 2020