
Walker Chandiok & Co LLP

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Independent Auditor's Report

To the Members of Next Wave Multimedia Private Limited

Report on the Audit of the Financial Statements

Opinion

1. We have audited the accompanying financial statements of Next Wave Multimedia Private Limited ('the Company'), which comprise the Balance Sheet as at 31 March 2021, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, of the state of affairs of the Company as at 31 March 2021, and its profit (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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

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

4. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Directors 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.

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

Responsibilities of Management for the Financial Statements

5. The accompanying financial statements have been approved by the Company's Board of Directors. The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Ind AS specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
6. In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
7. Those Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

8. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
9. As part of an audit in accordance with Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
 - Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;

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

Report on Other Legal and Regulatory Requirements

11. As required by section 197(16) of the Act, based on our audit, we report that the Company has paid remuneration to its directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act.
12. As required by the Companies (Auditor's Report) Order, 2016 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act, we give in the Annexure A a statement on the matters specified in paragraphs 3 and 4 of the Order.
13. Further to our comments in Annexure A, as required by section 143(3) of the Act, based on our audit, we report, to the extent applicable, that:
- a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the accompanying financial statements;
 - b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c) the financial statements dealt with by this report are in agreement with the books of account;
 - d) in our opinion, the aforesaid financial statements comply with Ind AS specified under section 133 of the Act;
 - e) on the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2021 from being appointed as a director in terms of section 164(2) of the Act;
 - f) we have also audited the internal financial controls with reference to financial statements of the Company as on 31 March 2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date and our report dated 27 May 2021 as per Annexure B expressed unmodified opinion; and

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- g) with respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
- i. the Company does not have any pending litigation which would impact its financial position as at 31 March 2021;
 - ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2021;
 - iii. there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31 March 2021; and
 - iv. the disclosure requirements relating to holdings as well as dealings in specified bank notes were applicable for the period from 8 November 2016 to 30 December 2016, which are not relevant to these financial statements. Hence, reporting under this clause is not applicable.

For **Walker Chandiook & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013



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by Praveen
Warrier
Date:
2021.05.27
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Praveen Warrier
Partner
Membership No.: 214767
UDIN: 21214767AAAABK6717

Place: Kannur
Date: 27 May 2021

Walker Chandiook & Co LLP

Annexure A to the Independent Auditor's Report of even date to the members of Next Wave Multimedia Private Limited, on the financial statements for the year ended 31 March 2021

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

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (b) The fixed assets have been physically verified by the management during the year and no material discrepancies were noticed on such verification. In our opinion, the frequency of verification of the fixed assets is reasonable having regard to the size of the Company and the nature of its assets.
 - (c) The Company does not hold any immovable property (in the nature of 'fixed assets'). Accordingly, the provisions of clause 3(i)(c) of the Order are not applicable.
- (ii) The Company does not have any inventory. Accordingly, the provisions of clause 3(ii) of the Order are not applicable.
- (iii) The Company has not granted any loan, secured or unsecured to companies, firms, Limited Liability Partnerships (LLPs) or other parties covered in the register maintained under Section 189 of the Act. Accordingly, the provisions of clauses 3(iii)(a), 3(iii)(b) and 3(iii)(c) of the Order are not applicable.
- (iv) In our opinion, the Company has not entered into any transaction covered under Sections 185 and 186 of the Act. Accordingly, the provisions of clause 3(iv) of the Order are not applicable.
- (v) In our opinion, the Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- (vi) The Central Government has not specified maintenance of cost records under sub-section (1) of Section 148 of the Act, in respect of Company's services. Accordingly, the provisions of clause 3(vi) of the Order are not applicable.
- (vii)(a) Undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, have generally been regularly deposited to the appropriate authorities, though there has been a slight delay in a few cases. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.
 - (b) There are no dues in respect of income-tax, sales-tax, service tax, duty of customs, duty of excise and value added tax that have not been deposited with the appropriate authorities on account of any dispute.
- (viii) The Company has no loans or borrowings payable to a financial institution or a bank or government and no dues payable to debenture-holders during the year. Accordingly, the provisions of clause 3(viii) of the Order are not applicable.
- (ix) The Company did not raise moneys by way of initial public offer or further public offer (including debt instruments) and did not have any term loans outstanding during the year. Accordingly, the provisions of clause 3(ix) of the Order are not applicable.
- (x) No fraud by the Company or on the company by its officers or employees has been noticed or reported during the period covered by our audit.

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Annexure A to the Independent Auditor's Report of even date to the members of Next Wave Multimedia Private Limited, on the financial statements for the year ended 31 March 2021

- (xi) Managerial remuneration has been paid / provided by the Company in accordance with the requisite approvals mandated by the provisions of Section 197 of the Act read with Schedule V to the Act.
- (xii) In our opinion, the Company is not a Nidhi Company. Accordingly, provisions of clause 3(xii) of the Order are not applicable.
- (xiii) In our opinion, all transactions with the related parties are in compliance with Section 188 of the Act, where applicable, and the requisite details have been disclosed in the financial statements, as required by the applicable Ind AS. Further, in our opinion, the Company is not required to constitute audit committee under Section 177 of the Act.
- (xiv) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures.
- (xv) In our opinion, the Company has not entered into any non-cash transactions with the directors or persons connected with them covered under Section 192 of the Act.
- (xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For **Walker Chandiook & Co LLP**

Chartered Accountants

Firm's Registration No.: 001076N/N500013



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Date:
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Praveen Warrier

Partner

Membership No.: 214767

UDIN: 21214767AAAABK6717

Place: Kannur

Date: 27 May 2021

Walker Chandiook & Co LLP

Annexure B to the Independent Auditor's Report of even date to the members of Next Wave Multimedia Private Limited on the financial statements for the year ended 31 March 2021

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

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

Responsibilities of Management for Internal Financial Controls

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

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

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India ('ICAI') prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ('the Guidance Note') issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements includes obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

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Annexure B to the Independent Auditor's Report of even date to the members of Next Wave Multimedia Private Limited on the financial statements for the year ended 31 March 2021

Meaning of Internal Financial Controls with Reference to Financial Statements

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

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

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

Opinion

8. In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such controls were operating effectively as at 31 March 2021, based on the internal 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.

For **Walker Chandiook & Co LLP**

Chartered Accountants

Firm's Registration No.: 001076N/N500013



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Praveen Warrier

Partner

Membership No.: 214767

UDIN: 21214767AAAABK6717

Place: Kannur

Date: 27 May 2021

Next Wave Multimedia Private Limited

Balance sheet as at 31 March 2021

(Amounts are stated in ₹ thousand unless otherwise stated)

Particulars	Notes	As at 31 March 2021	As at 31 March 2020
Assets			
Non-current assets			
Property, plant and equipment	2		
Tangible assets		5,869	8,712
Intangible assets		76,746	53,945
Intangible assets under development		11,728	49,725
Right-of-use asset	3	4,462	8,919
Income tax assets (net)	4	1,371	1,371
Total non-current assets		100,176	122,672
Current assets			
Financial assets	29		
Investments	5	-	40,438
Trade receivable	6	17,134	23,405
Cash and cash equivalents	7	56,865	13,795
Bank balances other than cash and cash equivalents	7	25,746	-
Other financial assets	8	2,070	2,119
Other current assets	9	1,794	1,346
Total current assets		103,609	81,103
Total assets		203,785	203,775
Equity and liabilities			
Equity			
Equity share capital	10	3,334	3,334
Other equity	11	173,693	168,931
		177,027	172,265
Liabilities			
Non-current liabilities			
Financial liabilities	29		
Finance lease liabilities	12	298	4,460
Provisions	13	4,456	3,514
Deferred tax liabilities (net)	4	7,060	8,710
		11,814	16,684
Current liabilities			
Financial liabilities	29		
Trade payables	14		
Dues of micro and small enterprises		177	106
Dues of creditors other than micro and small		1,140	362
Finance lease liabilities	12	4,255	4,202
Other financial liabilities	15	4,421	6,447
Other current liabilities	16	1,837	1,835
Current tax liabilities (net)	4	650	777
Provisions	13	2,464	1,097
Total liabilities		14,944	14,826
Total equity and liabilities		203,785	203,775

The accompanying notes form an integral part of these financial statements

As per our report of even date

For Walker Chandio & Co LLP

Chartered Accountants

Firm's Registration No. 001076N/N500013



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Praveen Warriar

Partner

Membership No.: 214767

Place: Kannur

Date: 27 May 2021

**For and on behalf of the Board of Directors
Next Wave Multimedia Private Limited**

POOCHI
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RAJENDRAN

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P R Rajendran
Managing Director
DIN: 02477603

Place: Chennai

Date: 27 May 2021

JAYASHREE
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RAMASWAMY

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P R Jayashree
Director
DIN: 03007802

Place: Chennai

Date: 27 May 2021

Next Wave Multimedia Private Limited
Statement of profit and loss for the year ended 31 March 2021
(Amounts are stated in ₹ thousand unless otherwise stated)

Particulars	Notes	Year ended 31 March 2021	Year ended 31 March 2020
Income			
Revenue from operations	17	166,512	136,764
Other income	18	3,066	3,821
Total income		169,578	140,585
Expenses			
Content	19	31,475	19,754
Advertisement	20	16,304	20,276
Commission	21	12,347	6,246
Employee benefits expenses	22	55,737	33,344
Finance cost	23	1,605	1,871
Depreciation and amortisation expenses	24	31,691	24,731
Other expenses	25	13,776	14,960
Total expenses		162,935	121,182
Profit before tax		6,643	19,403
Tax expense			
Current tax	4	3,598	7,308
Deferred tax		(1,667)	(2,042)
Profit after tax		4,712	14,137
Other comprehensive income			
Remeasurements of post-employment benefit obligation		67	(131)
Income tax relating to items that will not be reclassified to profit or loss		(17)	36
Other comprehensive income for the year, net of tax		50	(95)
Total comprehensive income		4,762	14,042
Earning per share (equity shares, par value ₹ 100 each)			
Basic and diluted	30	141.35	424.09

The accompanying notes form an integral part of these financial statements

As per our report of even date

For Walker Chandiook & Co LLP

Chartered Accountants
Firm's Registration No. 001076N/N500013

**For and on behalf of the Board of Directors
Next Wave Multimedia Private Limited**



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Praveen Warriar
Partner
Membership No.: 214767

Place: Kannur
Date: 27 May 2021

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P R Rajendran
Managing Director
DIN: 02477603

Place: Chennai
Date: 27 May 2021

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P R Jayashree
Director
DIN: 03007802

Place: Chennai
Date: 27 May 2021

Next Wave Multimedia Private Limited
Cash flow statement for the year ended 31 March 2021
(Amounts are stated in ₹ thousand unless otherwise stated)

	Year ended 31 March 2021	Year ended 31 March 2020
A. Cash flow from operating activities		
Profit before tax	6,643	19,403
<u>Adjustments for:</u>		
Fair value gain on investment	(242)	(2,378)
Depreciation on Property, plant and equipment	27,234	22,923
Depreciation on right-of-use asset	4,457	1,808
(Reversal) / Provision for doubtful debts	(28)	293
Discount on rent	(1,100)	-
Interest income	(1,611)	(1,241)
Income on financial assets recorded at amortised cost	-	(60)
Interest on finance lease liability	660	372
Profit on sale of property and equipment	(85)	-
TDS written off	-	(295)
Operating profit before working capital changes	35,928	40,825
Adjustment for working capital changes:		
Increase / (decrease) in trade payables	849	(2,695)
Increase in financial and other liabilities	352	4,366
Decrease in trade receivables	6,299	1,808
(Increase) / decrease other financial assets and non current assets	(399)	102
Cash generated from operations	43,029	44,406
Income taxes paid (net)	(3,725)	(9,181)
Net cash flow from operating activities (A)	39,304	35,225
Cash flow from investing activities		
Purchase of property, plant and equipment (net)	(9,299)	(52,604)
Proceeds from sale of property, plant and equipment	189	-
Investment in fixed deposits	(25,746)	-
Sale of current investment	40,680	-
Interest received on fixed deposits	1,611	1,241
Net cash flow generated from / (used in) investing activities (B)	7,435	(51,363)
Cash flow from financing activities		
Repayment of lease liabilities	(3,009)	(1,808)
Interest paid on lease liabilities	(660)	(372)
Net cash flow used in financing activities (C)	(3,669)	(2,180)
Net increase / (decrease) in cash and cash equivalents (A)+(B)+(C)	43,070	(18,318)
Cash and cash equivalents at the beginning of the year	13,795	32,113
Cash and cash equivalents at the end of the year	56,865	13,795
Components of cash and cash equivalents		
Cash in hand	4	12
Balances with bank un current accounts	7,104	3,657
Deposit with original maturity of less than 3 months	49,757	10,126
Total cash and cash equivalents (Also, refer note 7)	56,865	13,795

The accompanying notes form an integral part of these financial statements

As per our report of even date

For Walker Chandiook & Co LLP

Chartered Accountants

Firm's Registration No. 001076N/N500013



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Praveen Warriar
Date:
2021.05.27
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Praveen Warriar

Partner

Membership No.: 214767

Place: Kannur

Date: 27 May 2021

For and on behalf of the Board of Directors

Next Wave Multimedia Private Limited

POOCHI
RAMASAMY
RAJENDRAN
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Date: 2021.05.27
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P R Rajendran
Managing Director
DIN: 02477603

Place: Chennai

Date: 27 May 2021

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P R Jayashree
Director
DIN: 03007802

Place: Chennai

Date: 27 May 2021

Next Wave Multimedia Private Limited
Statement of Change in Equity for the year ended 31 March 2021
(Amounts are stated in ₹ thousand unless otherwise stated)

Particulars	Equity share capital	Securities premium	Other equity			Total
			Share based payment reserve	Retained earnings	General reserve	
Balances as at 01 April 2019	3,334	79,569	205,657	(125,174)	68	160,120
Profit for the year	-	-	-	14,137	-	14,137
Other comprehensive income for the year	-	-	-	(95)	-	(95)
Balances as at 31 March 2020	3,334	79,569	205,657	(111,132)	68	174,162
Profit for the year	-	-	-	4,712	-	4,712
Other comprehensive income for the year	-	-	-	50	-	50
Balances as at 31 March 2021	3,334	79,569	205,657	(106,370)	68	178,924

The accompanying notes form an integral part of these financial statements

As per our report of even date

For Walker Chandiook & Co LLP

Chartered Accountants

Firm's Registration No

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 Date: 2021.05.27 21:56:59 +05:30



Praveen Warrier
 Partner

Membership No.: 214767

Place: Kannur

Date: 27 May 2021

For and on behalf of the Board of Directors
Next Wave Multimedia Private Limited

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 RAJENDRAN
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P R Rajendran
 Managing Director
 DIN: 02477603

Place: Chennai
Date: 27 May 2021

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 Date: 2021.05.27 20:52:40 +05'30'

P R Jayashree
 Director
 DIN: 03007802

Place: Chennai
Date: 27 May 2021

Next Wave Multimedia Private Limited

Summary of significant accounting policies and other explanatory information

(Amounts are stated in ₹ thousand unless otherwise stated)

1 Significant accounting policies and other explanatory information

(i) Corporate information

Next Wave Multimedia Private Limited (the "Company") incorporated in India on 8 February 1995. The Company is a subsidiary of Nazara Technologies Limited, an unlisted public company, there by becoming a deemed public company. The Company is primarily engaged in providing subscription / download of games / other contents through consumer base in India and worldwide and digital support services to group companies. The registered office of the company is situated at 1st Floor, Old No-98, New No -165 Avvai Shammugham, Anna Salai, Royapettah, Chennai, Tamil Nadu 600014.

The financial statements were authorized for issue in accordance with a resolution of Board of Directors on 27 May 2021

(ii) Basis of preparation

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the 'Act') and Companies (Indian Accounting Standards) Rules, 2015 (as amended), and other relevant provisions of the Act.

The financial statements have been prepared on a historical cost convention and accrual basis, except for the certain financial assets and liabilities that are measured at fair value.

The Company has uniformly applied the accounting policies during the periods presented, except for new accounting standards adopted by the Company.

Monetary amounts are expressed in Indian Rupee (₹) and are rounded off to thousands, except for earning per share unless otherwise stated. Amount presented as "0" are non-zero numbers rounded off in ₹ thousand. Due to rounding off, the numbers presented throughout the document may not add up precisely to the totals and percentages may not precisely reflect the absolute figures.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in Schedule III of the Act.

The financial statements correspond to the classification provisions contained in Ind AS 1, "Presentation of Financial Statements". For clarity, various items are aggregated in the statement of profit and loss and balance sheet. These items are disaggregated separately in the notes to the financial statements, where applicable.

Previous year figures have been regrouped/re-arranged, wherever necessary.

Recent accounting pronouncements and other regulatory pronouncements

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

The Indian Parliament has approved the Code on Social Security, 2020 (the "Code") which would impact the contributions by the Company towards Provident Fund and Gratuity. The Ministry of Labour and Employment has released draft rules for the Code on 13 November 2020 and has invited suggestions from stakeholders which are under active consideration by the Ministry. The effective date from which the changes are applicable is yet to be notified by the Government. The Company will assess the impact and take appropriate implementation steps once the Code becomes effective and related rules to determine the financial impact are notified.

(iii) Current versus non-current classification

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

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

All other assets are classified as non-current.

A liability is current when:

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

All other liabilities are classified as non-current.

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

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Company has identified period of twelve months as its operating cycle.

(iv) Foreign currency transactions and translations

i. Functional currency

The financial statements are presented in Indian Rupees (₹), which is the functional currency of the Company and the currency of the primary economic environment in which the Company operates.

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ii. Transactions and translations

Transactions in foreign currencies are initially recorded by the Company at its functional currency spot rates at the date the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Exchange differences arising on settlement or translation of monetary items are recognized in profit or loss with the exception of the following:

Exchange differences arising on monetary items that forms part of a reporting entity's net investment in a foreign operation are recognized in profit or loss in the standalone financial statements of the reporting entity.

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

(v) Use of estimates and judgements

The preparation of financial statements in conformity with Ind AS requires the management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the accompanying disclosures, and the disclosure of contingent liabilities, at the end of the reporting period. The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

The areas involving significant judgement and estimates are as follows:

- Estimation of useful life of property and equipment and intangible asset
- Estimation of defined benefit obligation
- Impairment of non-financial assets
- Estimation of fair value of unlisted securities
- Non-cash and contingent consideration
- Share based payment
- Expected credit loss
- Estimated value and useful life of ROU asset
- Estimation of uncertainties relating to pandemic Covid-19

Estimation of useful life of property and equipment and intangible asset

The charge in respect of periodic depreciation/ amortization is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. Management at the time the asset is acquired/ capitalized and reviewed periodically, including at each financial year end, determines the useful lives and residual values of Company's assets. The lives are based on historical experience with similar assets as well as anticipation of future events, which may affect their life, such as changes in technology. The estimated useful life is reviewed at least annually.

Estimated value and useful life of ROU asset

Ind AS 116 requires the lessee to determine the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Company has one lease contract at year end that includes extension and termination options. The Company applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Company reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customisation to the leased asset).

When it is reasonably certain to exercise extension option and not to exercise termination option, the Company includes such extended term and ignore termination option in determination of lease term.

Impairment of non-financial assets including ROU

Property and equipment and intangible assets are tested for impairment whenever events occur or changes in circumstances indicate that the recoverable amount is less than its carrying value. The calculation of value in use and fair value involves use of significant estimates and assumptions, which includes turnover, growth rates and net margins used to calculate projected future cash flows, risk adjusted discount rate, future economic and market conditions.

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(v) Use of estimates and judgements (continued)

Defined benefit plan and compensated absences

The cost of the defined benefit plans, compensated absences and the present value of the defined benefit obligations are based on actuarial valuation using the projected unit credit method. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount-rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Revenue recognition

The Company determines whether the advertising network/platform service providers are acting as principal or agent for the products or services that are sold through them. The Company ascertain the same based on the criteria such as who is the primary obligor under the contract, who has the discretion in pricing, who bears the inventory and credit risk.

Capitalization of internally generated intangibles

Distinguishing the research and development phases of a new customised apps and determining whether the recognition requirements for the capitalisation of development costs are met requires judgement. After capitalisation, management monitors whether the recognition requirements continue to be met and whether there are any indicators that capitalised costs may be impaired.

Estimation of uncertainties relating to pandemic Covid-19

The COVID-19 has brought unprecedented uncertainty across the globe (including all places of business our Company and clients operates in). Management has evaluated short-term as well as long-term impact of the COVID-19 pandemic on the industry and in specific, on the Company. During this pandemic, the Company launched a new game - WCC3 and has received positive response from the users/subscribers. While the Company did quickly adopt to alternate business continuity scenario, the uncertainty still prevails regarding the timelines of resuming to normal work conditions. Accordingly, the Management has performed sensitivity analysis on the assumptions used and based on current estimates expects the carrying amount of these assets will be recovered, net of provisions established.

In preparation of these financial statement, the Company has taken into account internal and external sources of information to assess possible impacts of the pandemic, including but not limited to assessment of liquidity and going concern, recoverable values of its financial and non-financial assets, impact on revenues and estimates of operating costs. Based on current indicators of future economic conditions, the Company has sufficient liquidity and expects to fully recover the carrying amount of its assets. In addition, the management has reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future, being a period of not less than twelve months from the date of approval of these financial statements. The Company therefore continues to adopt the going concern basis in preparing its financial statements.

However, due to the evolving nature of the pandemic, its actual impact in future could be different from that estimated as at the date of approval of these financial results. The Company will continue to monitor any material changes to future economic conditions

(vi) Revenue from contract with customer

The Company is recording revenue from in app purchase and advertisement on the gross amount of consideration received from customer as per Ind AS 115 "Revenue from contract with customers"

To determine whether the Company should recognize revenues, the Company follows 5-step process:

- a. identifying the contract, or contracts, with a customer
- b. identifying the performance obligations in each contract
- c. determining the transaction price
- d. allocating the transaction price to the performance obligations in each contract
- e. recognizing revenue when, or as, we satisfy performance obligations by transferring the promised goods or services

The transaction price is usually fixed, but may also include variable considerations such as volume or cash discounts. The revenue further adjusted with indirect sales taxes and exchange rate differences relating to sales in foreign currency is presented as net sales.

The following criteria apply in respect of various revenue streams:

- a. In case of revenue from in app purchase, the Company has entered into agreements with the intermediaries who provides platform services to the Company on which the application of the Company is hosted and can be downloaded by the customers of the Company i.e. the end user of the application. The intermediaries are entitled to a fixed percentage of commission of the price at which in-app purchases are sold. The Company is acting as a principal and the intermediaries are acting as agent. Therefore, the revenue for In-App Purchases has been recognised on gross basis and commission paid to intermediaries is shown as a separate expense.

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(vi) Revenue from contract with customer (continued)

b. In-app sale of virtual items: Revenues attributable to the sale of one-time in-game/app virtual items, including skills, privileges, or other consumables, features or functionality, to the players/ users, are recognized after the underlying performance obligations have been satisfied.

c. In case of revenue from advertisement, Company has assessed that platform service providers are Company's customers in such contracts. Hence revenue is recorded at the consideration received from the customer.

Income from services

Revenue from advertising services is recognized in the period in which advertisements are displayed.

Revenue is measured at the fair value of the consideration received or receivable, considering contractually defined terms of payment and excluding taxes or duties collected on behalf of the government

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made.

The billing / collection in excess of revenue recognised is presented as deferred revenue in the balance sheet whereas unbilled revenue is recognised within other current financial assets.

(vii) Financial instrument

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

a) Financial assets

Initial recognition and measurement

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

Subsequent measurement

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

- Financial assets at amortized cost
- Financial assets at fair value through other comprehensive income (FVOCI)
- Financial assets at fair value through profit and loss (FVTPL)

Financial assets at amortized cost

A financial asset is measured at amortized cost (net of any write down for impairment) the asset is held to collect the contractual cash flows (rather than to sell the instrument prior to its contractual maturity to realize its fair value changes) and The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest ("SPPI") on the principal amount outstanding.

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

Financial assets at fair value through other comprehensive income (FVOCI)

A financial asset that meets the following two conditions is measured at fair value through OCI unless the asset is designated at fair value through profit and loss under fair value option.

- The financial asset is held both to collect contractual cash flows and to sell.
- 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.

Instruments included within the FVOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in OCI. However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the Profit and Loss. On derecognition of the asset, cumulative gain or loss previously recognized in OCI is reclassified from the equity to Profit and Loss. Interest earned whilst holding FVOCI debt instrument is reported as interest income using the EIR method.

Financial assets at fair value through profit and loss (FVTPL)

FVTPL is a residual category for company's investment instruments. Any instruments which does not meet the criteria for categorization as at amortized cost or as FVOCI, is classified as at FVTPL.

All equity investments (except investment in subsidiary, associate and joint venture) included within the FVTPL category are measured at fair value with all changes recognized in Statement of profit and loss

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

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(vii) Financial instrument (continued)

Derecognition

When the Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; It evaluates if and to what extent it has retained the risks and rewards of ownership.

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognized when:

- The rights to receive cash flows from the asset have expired, or
- Based on above evaluation, either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognize the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognizes an associated liability. The transferred asset and the associated liability are measured on a bases that reflect the rights and obligations that the Company has retained.

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

Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the financial assets which are not fair value through profit & loss and equity instruments recognized in OCI

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. It recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used.

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

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

- All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument.
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms

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

- Financial assets measured as at amortized cost, contractual revenue receivables and lease receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

Financial assets measured at FVTOCI: Since financial assets are already reflected at fair value, impairment allowance is not further reduced from its value. Rather, ECL amount is presented as 'accumulated impairment amount' in the OCI.

b) Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit and loss or at amortized cost, as appropriate. All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings, net of directly attributable transaction costs. The Company's financial liabilities include trade payables, lease obligations, and other payables.

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(Amounts are stated in ₹ thousand unless otherwise stated)

(vii) Financial instrument (continued)

Subsequent measurement

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

Financial liabilities at amortized cost

After initial recognition, interest-bearing loans and borrowings and other payables are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit and loss when the liabilities are derecognized as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.

Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit and loss.

c) Offsetting of financial instruments

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

d) Reclassification of financial assets

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model because of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognized gains, losses (including impairment gains or losses) or interest.

(viii) Income tax

Income tax expense comprises current and deferred income tax. It is recognized in the Statement of profit and loss except to the extent that it relates to an item recognized directly in equity or in other comprehensive income.

i) Current tax

Provision for current tax is made under the tax payable method, based on the liability computed, after taking credit for allowances and exemptions as per the provisions of Income Tax Act, 1961. Provision for Income tax in India has been computed on the higher of the Minimum Alternate Tax (MAT) in accordance with Section 115JB of the Income Tax Act, 1961 and under the normal provisions of the Income Tax Act, 1961. MAT credit is recognized only to the extent there is probable that the Company will pay normal income tax in excess of MAT during the specified period. MAT credit is reviewed at each Balance sheet and written down to the extent there is no longer convincing evidence to the effect that the Company will pay normal tax during the specified period.

Current income tax relating to items recognised outside profit and loss is recognised outside profit and loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

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

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(Amounts are stated in ₹ thousand unless otherwise stated)

(viii) Income tax (continued)

ii) Deferred tax

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

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

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

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

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

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

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

Deferred tax relating to items recognised outside profit and loss is recognised outside profit and loss (either in OCI or in equity).

Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognized as an asset in the Balance Sheet when it is highly probable that the future economic benefit associated with it will flow to the Company having reasonable certainty that it can be utilized against the normal taxes payable under the Income-tax Act, 1961.

(ix) Property, plant and equipment

All items of property and equipment are initially recorded at cost. Cost of property and equipment comprises purchase price, non-refundable taxes, levies, and any directly attributable cost of bringing the asset to its working condition for the intended use. After initial recognition, property and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses. The carrying values of property and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable. The cost of an item of property and equipment is recognized as an asset if, and only if, it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The cost includes the cost of replacing part of the property and equipment and borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying property and equipment.

The Company identifies and determines cost of each component/ part of the asset separately, if the component/ part has a cost which is significant to the total cost of the asset and has useful life that is materially different from that of the remaining asset.

Property and equipment are eliminated from financial statements, either on disposal or when retired from active use. Losses arising in case of retirement of property and equipment and gains or losses arising from disposal of property and equipment are recognized in statement of profit and loss in the year of occurrence.

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(ix) Property, plant and equipment(continued)

The assets' residual values, useful lives and methods of depreciation are reviewed at each financial year and adjusted prospectively, if appropriate. Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets. Useful lives (except computer) used by the Company are different from rates prescribed under Schedule II of the Companies Act 2013. These rates are based on evaluation of useful life estimated by the management supported by internal technical evaluation. The range of useful lives of the property, plant and equipment are as follows:

Nature of assets	Useful life
Computer equipment	3 years
Office equipment	3 years
Furniture and fixtures	5 years
Vehicles	3 years

(x) Intangible assets

Intangible assets are recognized when it is probable that the future economic benefits that are attributable to the assets will flow to the Company and the cost of the asset can be measured reliably.

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding the amount at which development cost is capitalised, are not capitalised and the related expenditure is charged to Statement of profit or loss in the period in which the expenditure is incurred.

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

Company amortised intangible assets over the period of 6 years, as the company expects to generate substantial future benefits from the given assets for a period of 6 years.

The amortization expense on intangible assets is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

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

(xi) Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

The impairment calculations are based on detailed budgets and forecast calculations for each of the Company's CGUs covering a period of five years and applying a long-term growth rate to project future cash flows after the fifth year. Impairment losses of operations are recognized in the statement of profit and loss.

At each reporting date if there is an indication that previously recognized impairment losses no longer exist or have decreased, the Group estimates the asset's or CGU's recoverable amount. A previously recognized impairment loss is reversed in the statement of profit and loss only to the extent of lower of its recoverable amount or carrying amount net of depreciation considering no impairment loss recognized in prior years only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized.

The management assesses internal or external indicators at every reporting date, including but not limited to asset's market value, changes in the technological, market, economic or legal environment in which the entity operates, change in market interest rates, market capitalisation, obsolescence or physical damage of an asset, and the economic performance of an asset when compared to its expectation.

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(xii) Lease

The Company evaluates each contract or arrangement, whether it qualifies as lease as defined under Ind AS 116.

The Company as lessee

The Company's leased assets consist of leases for Buildings. The Company assesses whether a contract contains lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- a. the contract involves the use of an identified asset
- b. the Company has substantially all the economic benefits from use of the asset through the period of the lease and
- c. 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 periods covered by an option to extend the lease, where the Company is reasonably certain to exercise that option.

The Company at the commencement of the lease contract recognizes a Right-of-Use (ROU) asset at cost and corresponding lease liability, except for leases with term of less than twelve months (short term leases) and low-value assets. 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 lease term.

The cost of the ROU assets comprises the amount of the initial measurement of the lease liability, any lease payments made at or before the inception date of the lease plus any initial direct costs, less any lease incentives received. Subsequently, the ROU assets are measured at cost less any accumulated depreciation and accumulated impairment losses, if any. ROU asset are depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of ROU assets. The estimated useful lives of ROU assets are determined on the same basis as those of property and equipment.

The Company applies IAS 36 to determine whether a RoU asset is impaired and accounts for any identified impairment loss as described in the impairment of non-financial assets above.

For lease liabilities at the commencement of the lease, the Company measures the lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease, if that rate is readily determined, if that rate is not readily determined, the lease payments are discounted using the incremental borrowing rate that the Company would have to pay to borrow funds, including the consideration of factors such as the nature of the asset and location, collateral, market terms and conditions, as applicable in a similar economic environment.

After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made.

The Company recognizes the amount of the re-measurement of lease liability as an adjustment to the right-of-use assets. Where the carrying amount of the right-of-use assets is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognizes any remaining amount of the remeasurement in consolidated statement of income.

Lease liability payments are classified as cash used in financing activities in the consolidated statement of cash flows.

(xiii) Cash and cash equivalents

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

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

(xiv) Cash flow statement

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

(xv) Provisions, contingent liabilities, and contingent assets

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects the current market assessments of time value of money and the risks specific to the liability. The increase in the provision due to passage of time is recognised as interest expense. The provisions are reviewed at each Balance Sheet date and adjusted to reflect the current management estimates.

Contingent liabilities are disclosed in respect of possible obligations that arise from past events, whose existence would be confirmed 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 but is not recognized because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or the amount of the obligation cannot be measured with sufficient reliability.

Next Wave Multimedia Private Limited

Summary of significant accounting policies and other explanatory information

(Amounts are stated in ₹ thousand unless otherwise stated)

(xv) Provisions, contingent liabilities, and contingent assets (continued)

Contingent assets are not recognised in the financial statements. However, it is disclosed only when an inflow of economic benefits is probable.

(xvi) Employee benefits

Post-employment benefits

The Company contributes to statutory provident fund in accordance with Employees Provident Fund and Miscellaneous Provisions Act, 1952 that is a defined contribution plan and contribution paid or payable is recognised as an expense in the year in which the employees render services.

The Company's obligation because of gratuity is determined based on actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, these liabilities are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The Company recognizes the following changes in the net defined benefit obligation as an expense in the statement of profit and loss - service costs comprising current service costs and net interest expense or income.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate, the Management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation. The mortality rate is based on publicly available mortality tables of India. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates for the respective countries.

The Company operates a defined benefit gratuity plan, which requires contributions to be made to a separately administered fund. The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method. Liability for gratuity as at the year-end is provided on the basis of actuarial valuation.

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

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

Short - term employee benefits

All employee benefits which are due within twelve months of rendering the services are classified as short-term employee benefits. Benefits such as salaries, wages, short term compensated absences, etc. and the expected cost of bonus, ex-gratia are recognised in the period in which the employee renders the related service. All short-term employee benefits are accounted on undiscounted basis during the accounting year based on services rendered by employees.

Compensated absences

The Company has a policy on compensated absences which are both accumulating and non-accumulating in nature. The expected cost of accumulating compensated absences is determined by actuarial valuation performed by an independent actuary at each Balance Sheet date using projected unit credit method on the additional amount expected to be paid / availed as a result of the unused entitlement that has accumulated at the Balance Sheet date. Expense on non-accumulating compensated absences is recognized in the period in which the absences occur.

The Company presents the leave as a current liability in the Balance Sheet, to the extent it does not have an unconditional right to defer its settlement for 12 months after the reporting date. Where company has the unconditional legal and contractual right to defer the settlement for a period beyond 12 months, the same is presented as non-current liability.

Share-based payments

Employees (including senior executives) of the Company receive remuneration in the form of share-based payments in form of employee stock options, whereby employees render services as consideration for equity instruments (equity settled transactions).

The cost is recognized in employee benefits expense, together with a corresponding increase in stock option outstanding reserves in equity, over the period in which the performance and/or service conditions are fulfilled. The cumulative expense recognised for equity settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest. The expense or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense.

In respect of equity settled share based payment resulting from shareholders of the Company to employees, the amount equivalent to the cost recorded by the Company is recorded at fair value of the shares as part of equity under contribution from shareholders.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Company's best estimate of the number of equity instruments that will ultimately vest. The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

Next Wave Multimedia Private Limited

Summary of significant accounting policies and other explanatory information

(Amounts are stated in ₹ thousand unless otherwise stated)

(xvii) Earnings per share

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

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders after taking 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.

(xviii) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker. The Board of Director of the Company has been identified as Chief Operating Decision Maker as defined by Ind AS 108, "Operating Segments". The Board of Director regularly monitors and reviews the operating result of the whole Company as one segment of "mobile gaming services". Thus, as defined in IndAS 108 "Operating Segments", the Company's entire business falls under this one operational segment.

The Company is primarily engaged in providing subscription / download of games / other contents through consumer base in India and worldwide and digital support services to group companies.

(xix) Fair value measurement

The Company measures financial instrument such as investments at fair value at each balance sheet date.

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

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

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

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

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

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

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

Currently Company carries those instruments where in level 1 inputs of the above mentioned fair value hierarchy is used.

The Company's board Committee approves the policies for both recurring and non-recurring fair value measurement. Where seen appropriate external valuers are involved. The board committee reviews the valuation results. This includes a discussion of the major assumptions used in the valuations.

For financial assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period. External valuers are involved for valuation of significant financial assets and liabilities. The management selects external valuer on various criteria such as market knowledge, reputation, independence and whether professional standards are maintained by valuer. The Management decides, after discussions with the Company's external valuers, which valuation techniques and inputs to use for each case.

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

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

Next Wave Multimedia Private Limited
Summary of significant accounting policies and other explanatory information
(Amounts are stated in ₹ thousand unless otherwise stated)

2 Property, plant and equipment

Particulars	Tangible assets					Intangible assets		Intangibles under development
	Computer equipment	Office equipment	Furniture and fixtures	Vehicles	Total	Computer software		
Gross block								
Balance as at 01 April 2019	25,090	7,013	6,342	1,337	39,782	94,144	6,834	
Additions	1,748	611	169	-	2,528	7,185	42,891	
Balance as at 31 March 2020	26,838	7,624	6,511	1,337	42,310	101,329	49,725	
Additions	263	176	-	-	439	46,857	8,860	
Disposal	(268)	-	-	-	(268)	-	(46,857)	
Balance as at 31 March 2021	26,833	7,800	6,511	1,337	42,481	148,186	11,728	
Accumulated depreciation								
Balance as at 01 April 2019	19,548	5,361	3,616	1,292	29,817	28,242	-	
Charge for the year	2,527	797	457	-	3,781	19,142	-	
Balance as at 31 March 2020	22,075	6,158	4,073	1,292	33,598	47,384	-	
Charge for the year	2,019	607	552	-	3,178	24,056	-	
Disposal	(164)	-	-	-	(164)	-	-	
Balance as at 31 March 2021	23,930	6,765	4,625	1,292	36,612	71,440	-	
Net block								
Balance as at 31 March 2020	4,763	1,466	2,438	45	8,712	53,945	49,725	
Balance as at 31 March 2021	2,903	1,035	1,886	45	5,869	76,746	11,728	

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Next Wave Multimedia Private Limited
Summary of significant accounting policies and other explanatory information
(Amounts are stated in ₹ thousand unless otherwise stated)

	As at 31 March 2021	As at 31 March 2020
3 Right-of-use assets		
Balance at the beginning of the year	8,919	-
Additions	-	10,727
Amortisation for the year	(4,457)	(1,808)
Balance at the end of the year	4,462	8,919
4 Income tax assets		
i) Income tax assets (net)		
Income tax assets	1,371	1,371
	1,371	1,371
ii) Current tax liabilities (net)		
Income tax liabilities (net)	650	777
	650	777
	Year ended	Year ended
	31 March 2021	31 March 2020
iii) Amounts recognised in profit or loss		
Current tax	3,598	7,308
	3,598	7,308
A Income tax expense in the Statement of Profit and Loss consists of:		
Current income tax		
-Current tax for the year	3,598	7,308
-Deferred tax credit	(1,667)	(2,042)
Income tax expense reported in the Statement of Profit and Loss	1,931	5,266
Income tax recognised in other comprehensive income		
-Deferred tax arising on income and expense recognised in other comprehensive income	(17)	36
Total	1,914	5,302
B The reconciliation of estimated income tax expense at tax rate to income tax expense reported in Statement of Profit and Loss is as follows for 31 March 2021 and 31 March 2020:		
Profit before tax	6,643	19,403
Enacted income tax rate in India	25.17%	27.82%
Computed expected tax expense	1,672	5,398
Tax effect of amounts which are not deductible / (taxable) in calculating taxable income:		
Change in tax rate	-	(1,021)
Expenses disallowed for the purpose of income taxes	292	773
Others	(33)	116
Income tax expense	1,931	5,266
Income tax expense reported in the Statement of Profit and Loss	1,931	5,266

Next Wave Multimedia Private Limited
Summary of significant accounting policies and other explanatory information
(Amounts are stated in ₹ thousand unless otherwise stated)

	As at 31 March 2021	As at 31 March 2020
iv) Deferred taxes (net)		
Deferred tax liabilities arising on account of:		
Property and equipment and intangible assets	8,891	8,552
Right-of-use and lease liability	-	65
Investment in mutual fund	-	1,328
	8,891	9,945
Deferred tax assets arising on account of:		
Right-of-use and lease liability	22	-
Provision for gratuity	1,209	1,005
Provision for compensated absences	533	156
Provision for expected credit loss	67	74
	1,831	1,235
Net deferred tax liabilities	7,060	8,710

v) Movement in deferred tax liabilities/ (assets)

	As at 31 March 2019	Charge for the year	As at 31 March 2020	Charge for the year	As at 31 March 2021
Deferred tax liabilities arising on account of:					
Property, plant and equipment	(12,301)	3,749	(8,552)	(339)	(8,891)
Right-of-use and lease liability	-	(65)	(65)	65	-
Investment in mutual fund	(729)	(599)	(1,328)	1,328	-
	(13,030)	3,085	(9,945)	1,054	(8,891)
Deferred tax assets arising on account of:					
Right-of-use and lease liability	-	-	-	22	22
Provision for gratuity	905	256	1,161	581	1,742
Expected credit loss	-	74	74	(7)	67
	905	330	1,235	596	1,831
Net deferred tax liabilities	(12,125)	3,415	(8,710)	1,650	(7,060)

5 Investments

	As at 31 March 2021		As at 31 March 2020	
	Units*	Amount	Units*	Amount
Investments at fair value through statement of profit and loss (fully paid) Quoted mutual funds				
Aditya Birla Sunlife - Cash Plus - Growth fund Units	-	-	127,290	40,438
Total	-	-	-	40,438

*Units are absolute numbers

Note:

The NAV of units of Aditya Birla Sunlife - Cash Plus - Growth fund Units as on 31 March 2021 -: NIL (31 March 2020: ₹ 317.69)

Next Wave Multimedia Private Limited
Summary of significant accounting policies and other explanatory information
(Amounts are stated in ₹ thousand unless otherwise stated)

	As at 31 March 2021	As at 31 March 2020
6 Trade receivables		
Unsecured considered good		
- To related parties (Also, refer note 26)	-	1,748
- To others	17,134	21,657
Unsecured considered doubtful	265	293
	17,399	23,698
Provision for expected credit loss	(265)	(293)
	17,134	23,405
<p>Trade receivables include due from related parties amounting to ₹ Nil (31 March 2020 ₹ 1,748 thousand). The carrying amount of the current trade receivable is considered a reasonable approximation of fair value as it is expected to be collected within six months, such that the effect of any difference between the effective interest rate applied and the estimated current market rate is not significant.</p> <p>Customer credit risk is managed based on the Company's established policy, procedures and control relating to customer credit risk management, pursuant to which outstanding customer receivables are regularly monitored by the management. Outstanding customer receivables are regularly monitored by the management to ensure the risk of credit loss is minimal. Credit quality of a customer is assessed based on historical information in relation to pattern of collections, defaults and credit worthiness of the customer.</p>		
(a) Movement of expected credit loss		
	As at 31 March 2021	As at 31 March 2020
Balance at beginning of the year	293	-
(Utilised)/ Charged during the year, net	(28)	293
Balance at end of the year	265	293
7 Cash and cash equivalents		
Cash on hand	4	12
Balances with banks		
In current accounts	7,104	3,657
Deposit accounts (with original maturity less than 3 months)	49,757	10,126
	(A) 56,865	13,795
Other bank balances		
Deposits with maturity up to 12 months	25,746	-
	(B) 25,746	-
	(A) + (B) 82,611	13,795
8 Other financial assets		
Unsecured, considered good		
Security deposit	2,070	2,070
Others advances	-	49
	2,070	2,119
9 Other current assets		
GST Receivable	727	-
Prepaid expenses	1,067	1,346
	1,794	1,346

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Next Wave Multimedia Private Limited

Summary of significant accounting policies and other explanatory information

(Amounts are stated in ₹ thousand unless otherwise stated)

	As at 31 March 2021		As at 31 March 2020	
	Number*	Amount	Number*	Amount
10 Equity share capital				
Authorised				
Equity shares of ₹ 100 each	45,000	4,500	45,000	4,500
	45,000	4,500	45,000	4,500
Issued, subscribed and paid up				
Equity shares of ₹ 100 each	33,335	3,334	33,335	3,334
	33,335	3,334	33,335	3,334

(a) There were no movement in the share capital during the current and previous year.

(b) Shares held by the holding company

Name of the shareholder	As at 31 March 2021		As at 31 March 2020	
	Number*	Amount	Number*	Amount
Nazara Technologies Limited (holding company)				
17,460 equity shares of ₹ 100 each fully paid	17,460	1,746	17,460	1,746

(c) Details of shareholders holding more than 5% share in the company

Name of the shareholder	Number*	% Holding	Number*	% Holding
Nazara Technologies Limited	17,460	52.38%	17,460	52.38%
P R Rajendran	9,319	27.96%	9,319	27.96%
Jayashree Rajendran	5,557	16.67%	5,557	16.67%

*Number of shares are in absolute number

(d) Terms/rights attached to equity shares

The Company has single class of equity shares having a par value of ₹100 per share. Each holder of equity shares is entitled to one vote per share held. The dividend proposed by the Board of Directors is subject to approval of the shareholders at the Annual General Meeting except in case of interim dividend. In the event of liquidation of the Company, the holders of equity shares shall be entitled to receive balance of the remaining assets of the Company, after distribution of all preferential amounts and the distribution shall be in proportion to the number of equity shares held by the shareholders.

(e) Capital Management

The key objective of the Company's capital management is to ensure that it maintains a stable capital structure with the focus on total equity to uphold investor, creditor, and customer confidence and to ensure future development of its business. The Company focused on keeping strong total equity base to ensure independence, security, as well as a high financial flexibility for potential future borrowings, if required without impacting the risk profile of the Company. There are no borrowings in the Company as at 31 March 2021 and 31 March 2020.

	As at	As at
	31 March 2021	31 March 2020
11 Other equity		
Securities premium reserve	79,569	79,569
General reserve	68	68
Share based payment reserve	205,657	205,657
Retained earnings		
Balance at the beginning of the year	(116,363)	(130,405)
Add : Transferred from Statement of profit and loss	4,762	14,042
Balance at the end of the year	(111,601)	(116,363)
Total other equity	173,693	168,931

Next Wave Multimedia Private Limited**Summary of significant accounting policies and other explanatory information***(Amounts are stated in ₹ thousand unless otherwise stated)***Other equity (continued)****Notes to other equity:****i) Securities premium reserve**

Securities premium reserve is used to record the premium on issue of shares. These reserve is utilised in accordance with the provisions of the Act

ii) Retained earnings

Accumulated profit / (loss) in the statement of profit and loss pertain to the accumulated earnings made by the Company over the years

iii) General reserve

The reserve was created out of profits and kept aside for general purpose and financial strengthening of the Company in accordance with erstwhile Companies Act, 1956.

iv) Share based payment reserve

The reserves pertain to ESOP's granted by holding company to key managerial personnel of the Company that vested during the year.

- 11 During the year ended 31 March 2019, Nazara Technologies Limited (the Holding Company) granted 562,733 stock options to the key managerial personnel of the Company. In accordance with Ind AS 102 "Share based payments" an amount of ₹164 thousand is recorded represented by the proportionate fair value of the above grant.

Particulars

Date of grant	January 17, 2018
Date of board approval	December 11, 2017
Date of member approval	December 15, 2017
Number of options granted	562,733
method of settlement	Equity
Vesting period	One year
Exercise period	Five year
Vesting conditions	100% vesting after one year
Exercise price	INR 282.91

Particulars	As at	As at
	31 March 2021	31 March 2020
	No. of options	No. of options
Outstanding at the beginning of the year	562,733	562,733
Granted during the year	-	-
Forfeited during the year	-	-
Exercised during the year	264,486	-
Outstanding at the end of the year	298,247	562,733
Exercisable at the end of the year	298,247	562,733
Weighted average remaining contractual life (in years)	2.75 years	3.75 years

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Next Wave Multimedia Private Limited
Summary of significant accounting policies and other explanatory information
(Amounts are stated in ₹ thousand unless otherwise stated)

	As at 31 March 2021	As at 31 March 2020		
12 Finance lease liabilities				
Opening balance	8,662	-		
Additions	-	10,470		
Interest cost	660	372		
Repaid	(4,769)	(2,180)		
Balance at closing	4,553	8,662		
(a) Liabilities included in the statement of financial position				
Current	4,255	4,202		
Non- current	298	4,460		
	4,553	8,662		
(b) Summary of contractual cash outflow				
As at 31 March 2021	Lease payments	Finance charges	Net present value	
Not later than 1 year	4,500	245	4,255	
Later than 1 year	300	2	298	
	4,800	247	4,553	
As at 31 March 2020	Lease payments	Finance charges	Net present value	
Not later than 1 year	4,870	668	4,202	
Later than 1 year	4,700	240	4,460	
	9,570	908	8,662	
(c) Summary of contractual maturities of lease liabilities				
Particulars	As at 31 March 2021	As at 31 March 2020		
Not later than 1 year	4,500	4,770		
Later than 1 year	300	4,800		
Total undiscounted lease liabilities at the end of the year	4,800	9,570		
13 Provisions	As at 31 March 2021	As at 31 March 2020		
	Non-current	Current	Non-current	Current
Provision for gratuity (Also, refer note 28)	4,317	484	3,514	478
Provision for compensated absences (Also, refer note 28)	139	1,980	-	619
	4,456	2,464	3,514	1,097
14 Trade payables				
Trade payables	As at 31 March 2021	As at 31 March 2020		
-Total outstanding dues of micro and small enterprises (Also refer note (a) below)	177	106		
- Total outstanding dues of creditors other than micro and small enterprises (Also, refer note 26)	1,140	362		
	1,317	468		

Next Wave Multimedia Private Limited**Summary of significant accounting policies and other explanatory information***(Amounts are stated in ₹ thousand unless otherwise stated)***14 Trade payables(continued)**

- (a) The Company has amounts due to micro and small suppliers registered under the Micro, Small and Medium Enterprises Development Act 2006 (MSMED Act), as at 31 March 2021 and 31 March 2020

	As at	As at
	31 March 2021	31 March 2020
The disclosure pursuant to the said Act		
i) Principal amount due to suppliers under MSMED Act	177	106
ii) Interest accrued and due to suppliers under MSMED Act on the above amount (#)	-	-
iii) Payment made to suppliers (other than interest) beyond appointed day during the year	-	-
iv) Interest paid to suppliers under MSMED Act	-	-
v) Interest due and payable to suppliers under MSMED Act towards payments already made	-	-
vi) Interest accrued and remaining unpaid at the end of the accounting year	-	-
vii) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act.	-	-

Micro and small enterprises under the Micro, Small and Medium Enterprises Development Act, 2006 have been determined to the extent such parties have been identified on the basis of information available with the Company and relied upon by the auditors. The Company has not received any instruction from suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence, disclosures if any, relating to amounts unpaid as at the year end together with interest payable as required under the said Act have not been given.

	As at	As at
	31 March 2021	31 March 2020
15 Other financial liabilities		
Accrued expenses		
- To related parties (Also, refer note 26)	-	1,188
- To others	4,415	5,251
Salary payable	6	8
	4,421	6,447
16 Other current liabilities		
Statutory dues payable	1,837	1,835
	1,837	1,835

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Next Wave Multimedia Private Limited**Summary of significant accounting policies and other explanatory information***(Amounts are stated in ₹ thousand unless otherwise stated)*

	Year ended 31 March 2021	Year ended 31 March 2020
17 Revenue from operations		
Sale of service (Also, refer note 27)		
- To related parties (Also, refer note 26)	2,462	3,577
- To others	164,050	133,187
Total	166,512	136,764
18 Other income		
Fair value gain on restatement of mutual fund	242	2,378
Interest received on fixed deposits	1,611	1,241
Discount on Rent	1,100	-
Profit on sale of property and equipment	85	-
Provision written back	28	-
Gain on foreign exchange fluctuation	-	107
Income on financial assets recorded at amortised cost	-	60
Interest income on income tax refund	-	35
Total	3,066	3,821
19 Content		
Consultancy fees	17,415	7,114
Webserver	11,269	10,015
Production	2,791	2,340
Event	-	285
Total	31,475	19,754
20 Advertisement		
Sales promotion and business development		
- To related parties (Also, refer note 26)	57	2,000
- From others	16,247	18,276
Total	16,304	20,276
21 Commission		
Commission expenses	12,347	6,246
	12,347	6,246
22 Employee benefits expenses		
Salaries and bonus		
- To related parties (Also, refer note 26)	22,080	22,170
- To others	30,058	8,026
Contribution to provident and other funds (Also, refer note 28)	1,186	940
Gratuity expenses(Also, refer note 28)	875	609
Compensated absences (Also, refer note 28)	1,500	619
Staff welfare expenses	38	980
Total	55,737	33,344

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Next Wave Multimedia Private Limited**Summary of significant accounting policies and other explanatory information***(Amounts are stated in ₹ thousand unless otherwise stated)*

	Year ended 31 March 2021	Year ended 31 March 2020
23 Finance		
Interest paid on delay payments of statutory dues	496	1,202
Interest on finance lease liability	660	372
Bank charges	449	297
Total	1,605	1,871
24 Depreciation and amortisation		
Depreciation on tangible assets(Also, refer note 2)	3,178	3,781
Amortisation on intangible assets(Also, refer note 2)	24,056	19,142
Depreciation on right-of-use assets (Also, refer note 3)	4,457	1,808
Total	31,691	24,731
25 Other		
Royalty	3,202	3,835
Legal and professional	3,168	2,258
Repairs and maintenance	1,638	2,374
Rent	-	1,890
Electricity	267	1,141
Insurance	772	966
Rates and taxes	1,663	700
Travelling and conveyance	43	515
Communication	202	333
Provision for expected credit loss	-	293
Payment to auditors		
- Statutory audit	257	250
Printing and stationery	16	46
Server	52	36
Bad debts (Also, refer note 26)	1,044	-
Loss on exchange fluctuation (net)	1,283	-
Miscellaneous	169	323
Total	13,776	14,960

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Next Wave Multimedia Private Limited
Summary of significant accounting policies and other explanatory information
(Amounts are stated in ₹ thousand unless otherwise stated)

26 Related party disclosures

Names of the related parties	Description of relationship
Nazara Technologies Limited	Holding Company
Nodwin International Gaming Limited	Fellow subsidiary
Nodwin Gaming Private Limited	Fellow subsidiary
Absolute Sports Private Limited	Fellow subsidiary
P R Rajendran - Managing Director	Key management personnel
P R Jayshree - Director	Key management personnel
R Kalpana	Relative of Key management personnel
Digital Tantra Media Solutions Private Limited	Enterprises over which KMP along with relatives are able to exercise significant influence

a) Transactions during the year	For year ended 31 March 2021	For year ended 31 March 2020
Salary and bonus @		
P R Rajendran(*)	10,500	10,500
P R Jayshree(*)	10,080	10,080
R Kalpana	1,500	1,590
Reimbursement of expense		
P R Rajendran	-	612
P R Jayshree	-	611
Expense paid on behalf of related party		
Digital Tantra Media Solutions Private Limited	-	78
Revenue from operations		
Nazara Technologies Limited	-	1,483
Nodwin Gaming International Limited	1,462	-
Nodwin Gaming Private Limited	1,000	1,829
Absolute Sports Private Limited	-	265
Advertisement		
Nazara Technologies Limited	57	2,000
Bad debts		
Nazara Technologies Limited	1,044	-
b) Balance as at year end	As at 31 March 2021	As at 31 March 2020
Trade receivable		
Nazara Technologies Limited	-	1,483
Absolute Sports Private Limited	-	265
Trade Payables		
Nazara Technologies Limited	67	-
Accrued expenses		
P R Rajendran	-	607
P R Jayshree	-	581
c) Compensation of key management personnel	For year ended 31 March 2021	For year ended 31 March 2020
Short term employee benefits	20,580	20,580

(*) Managerial remuneration has been paid / provided by the company in accordance with the requisite approvals mandated by the provisions of Section 197 of the Act read with Schedule V to the Act.

@ Remuneration pertain to short term employee benefits. As the present value of obligation towards gratuity is determined for all the employees in aggregate, the post-employment benefits and other long-term benefits relating to key management personnel cannot be ascertained individually.

Next Wave Multimedia Private Limited**Summary of significant accounting policies and other explanatory information**

(Amounts are stated in ₹ thousand unless otherwise stated)

27 Revenue**a) Disaggregation of revenue**

The Company majorly derives its revenue via ad-revenue and in-app purchases made by end user of the App to the customer/ intermediaries viz. Apple, Google, Twitter and Facebook. The intermediaries deduct their share of commission/ fees and pay the Company's share of revenue on a monthly basis.

b) Performance obligations

The performance obligation of the Company is to provide customers with content developed for applications and applications as platform for various advertisements.

In case of in-app purchases, obligation is to make available the coins or additional features that a game user purchases. No refunds are allowed after 48 hours of making purchase.

c) Timing of satisfaction of performance obligation

Revenues associated with the revenue from advertisements and In-app purchases are recognised as and when the entity transfers the promised services to the customer. An asset is transferred when (or as) the customer obtains control of that asset, including In-App purchase and revenue from performance-based advertising are recognized after the underlying performance obligations have been satisfied.

d) Transaction price allocated to performance obligation

The Company is earning advertisement revenue from apps through various platforms for which Company is receiving consideration. Transaction price for the in-app revenue is booked at amount gross basis and commission paid to agents are expensed out.

e) Disaggregated revenue information

The company earns its revenue from the sale of:

1. Revenue from In-app purchases
2. Revenue from sale of Ad space
3. Revenue from real money game

The Company's revenue disaggregated by pattern of revenue recognition are as follows

Particulars	Services transferred at a point in time		Services transferred over time	
	For the year ended 31 March 2021	For the year ended 31 March 2020	For the year ended 31 March 2021	For the year ended 31 March 2020
1 Advertisement services	105,818	105,618	-	-
2 In app purchases			39,916	18,812
3 Real money gaming	-	-	10,879	2,063
4 Other services	6,239	-	3,660	10,271

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Next Wave Multimedia Private Limited
Summary of significant accounting policies and other explanatory information
(Amounts are stated in ₹ thousand unless otherwise stated)

28 Retirement benefit plans

(A) Defined benefit obligation

(a) Contribution to gratuity fund

In accordance with the payment of gratuity under 'Payment of Gratuity Act, 1972' of India, the Company provides for gratuity, a defined retirement benefit plan covering eligible employees. Liabilities with regard to such gratuity are determined by an independent actuarial valuation using the Projected Unit Credit method and are charged to the statement of profit and loss in the period determined.

The following table's summarize the components of net benefit expense recognised in the Statement of Profit and Loss and the amounts recognised in the Balance Sheet.

	Year ended 31 March 2021	Year ended 31 March 2020
1 Expense recognised in Statement of Profit and Loss		
Current service cost	612	358
Net interest cost	263	251
Expense recognised in Statement of Profit and Loss	875	609
2 Expenses recognised in other comprehensive income		
Remeasurement actuarial loss / (gain)	(67)	131
Expenses recognised in other comprehensive income	(67)	131
	As at	As at
	31 March 2021	31 March 2020
3 Changes in the present value of defined benefit obligation		
Liability at the beginning of the year	3,993	3,253
Interest cost	263	251
Current service cost	612	358
Actuarial (gains) / losses on defined benefit obligations		
-arising from changes in financial assumptions	210	247
-arising from changes in demographic assumptions	-	(149)
-arising on account of experience changes	(277)	33
Liability at the end of the year	4,801	3,993
4 Reconciliation of net liability recognised:		
Opening net liability	3,993	3,253
Expense recognised in statement of profit and loss	875	609
Expense recognised in other comprehensive income	(67)	131
Amount recognised in the balance sheet	4,801	3,993
Current	484	478
Non current	4,317	3,514

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Next Wave Multimedia Private Limited

Summary of significant accounting policies and other explanatory information

(Amounts are stated in ₹ thousand unless otherwise stated)

	Year ended 31 March 2021	Year ended 31 March 2020
5 Actuarial assumptions		
Discount rate per annum	6.82%	6.60%
Rate of salary increase	12.00%	10.00%
Rate of employee turnover	10.00%	10.00%
Mortality rate	Indian Assured Lives Mortality (2006-08) Ult	100% of IALM 2012-14
	As at 31 March 2021	As at 31 March 2020
6 Sensitivity analysis		
Discount + 1.0%	(278)	(239)
Discount - 1.0%	317	266
Salary growth rate + 1.0%	162	101
Salary growth rate - 1.0%	(142)	(98)
Attrition rate + 1.0%	(46)	(106)
Attrition rate - 1.0%	55	8
7 Maturity analysis of projected benefit obligation		
1 year	484	478
2 year	441	435
3 year	443	397
4 year	413	398
5 year	446	396
6 to 10 years	2,970	2,723
More than 10 years	3,163	1,827

(b) Provision for compensated absences

The Company accrues for the compensated absences, a long term employee benefit plan based on the entire available leave balance standing to the credit of the employees at year end. The value of such leave balance eligible for carry forward, is determined by actuarial valuation as at the Balance sheet date and is charged to statement of profit and loss in the period determined. The provision as at 31 March 2021: ₹2,119 (31 March 2020: ₹ 619).

Actuarial assumptions

	Year ended 31 March 2021	Year ended 31 March 2020
Discount rate per annum	6.82%	6.60%
Rate of salary increase	12.00%	10.00%
Rate of employee turnover	10.00%	10.00%
Mortality rate	Indian Assured Lives Mortality (2006-08) Ult	100% of IALM 2012-14

(B) Defined contribution plan

Eligible employees of the Company receive benefits under the provident fund which is a defined contribution wherein both the employee and the Company make monthly contributions equal to a specified percentage of the covered employees' salary. These contributions are made to the Fund administered and managed by the Government of India. The Company's monthly contributions are charged to the statement of profit and loss in the period they are incurred. The total charges for the year ended 31 March 2021 amounts to ₹ 1,186 (31 March 2020: ₹ 940).

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Next Wave Multimedia Private Limited**Summary of significant accounting policies and other explanatory information***(Amounts are stated in ₹ thousand unless otherwise stated)***29 (a) Financial instruments : classifications and fair value measurements**

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced of liquidation sale.

I. Fair value hierarchy

The fair values of the financial assets and liabilities are included at the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

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

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. For example, listed equity instruments that have quoted market price.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in level 3.

II. Assets and liabilities which are measured at amortised costs

Particulars	As at 31 March 2021		As at 31 March 2020	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets				
Trade receivable	17,134	17,134	23,405	23,405
Security deposits	2,070	2,070	2,070	2,070
Cash and cash equivalents	56,865	56,865	13,795	13,795
Other financial assets	-	-	49	49
Total	76,069	76,069	39,319	39,319
Financial liabilities				
Finance lease liability	4,553	4,553	8,662	8,662
Trade and other payables	5,738	5,738	6,915	6,915
Total	10,291	10,291	15,577	15,577

The Company has classified the above financial instrument at level 3 and there have been no transfers amongst the levels of hierarchy.

The carrying amounts of trade receivables, cash and bank balances, current loans, trade payables, and current borrowings, and other current financial liabilities are considered to be approximately equal to the fair value.

III. Assets and liabilities which are measured at FVTPL

Particulars	As at 31 March 2021		As at 31 March 2020	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets - current				
Investment in mutual fund	-	-	40,438	40,438
Total	-	-	40,438	40,438

The Company has classified the above assets as level 1 financial assets and there have been no transfers amongst the levels of hierarchy.

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Next Wave Multimedia Private Limited**Summary of significant accounting policies and other explanatory information***(Amounts are stated in ₹ thousand unless otherwise stated)***(b) Financial risk management objectives and policies**

The Company is exposed primarily to fluctuations in foreign currency exchange rates, credit, liquidity and interest rate risk which may adversely impact the fair value of its financial instrument. The Company has a risk management policy which covers risk associated with the financial assets and liabilities. The risk management policy is approved by Board of Directors. The focus of the management committee is to assess the unpredictability of the financial environment and to mitigate potential adverse effect on the financial performance of the Company.

The Company's principal financial liabilities comprises of trade and other payables and other financial liabilities. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include investment in mutual funds, trade receivables, cash and cash equivalents, other financial and non-financial assets that derive directly from its operations.

The Company's senior management oversees the management of the risks inherent to the business.

Foreign currency risk management

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company has foreign currency trade payables and trade receivable and is therefore exposed to foreign exchange risk.

The Company is exposed to foreign exchange risk on their receivables and payables which are held in USD.

The summary quantitative data about the company's unhedged exposure to currency risk as reported to the management of the Company is as follows:

Particulars	As at 31 March 2021		As at 31 March 2020	
	INR	USD	INR	USD
Trade receivables	16,415	224	14,292	191
Trade payables/ provisions	1,804	25	2,720	36
Net exposure	14,611	199	11,572	155

Foreign currency sensitivity

The following table demonstrates the sensitivity in USD with all other variables held constant. The below impact on the Company's profit before tax is based on changes in the fair value of unhedged foreign currency monetary assets and liabilities at Balance Sheet date:

Particulars	As at 31 March 2021		As at 31 March 2020	
	Increase by 5%	Decrease by 5%	Increase by 5%	Decrease by 5%
Currency				
INR	731	(731)	579	(579)

Credit risk

Credit risk is the risk of financial loss arising from counterparty failure to repay or service debt according to the contractual terms and obligations. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. The financial instruments that are subject to concentration of credit risk principally consist of trade receivables, cash and bank balances, bank deposits and other financial assets.

Trade receivables are typically unsecured and are derived from revenue earned from customers. Credit risk has always been managed by each business segment through continuously monitoring the credit worthiness of customers to which the Company grants credit terms in the normal course of business. On account of adoption of Ind AS 109, the Company uses expected credit loss model to assess the impairment. The Company uses a provision matrix to compute the expected credit loss allowance for trade receivables. The provision matrix takes into account factors such as default risk of industry, historical experience for customers etc. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets. At 31 March, 2021 and 31 March, 2020 receivables from Company's top 5 customers accounted for approximately 88.60% and 67.37%, respectively of all the receivables outstanding. As at 31 March, 2021 receivable from one top customer accounted for 31.16% of all receivable outstanding (31 March 2020 : 27.54 %). An impairment analysis is performed at each reporting date on an individual basis based on historical data. The maximum exposure to credit risk at the reporting date is the carrying value of trade receivables disclosed in table below.

	As at 31 March 2021	As at 31 March 2020
Amount not due	8,681	10,493
Up to 30 days	1,100	4,986
30 - 90 days	7,203	4,344
90 - 180 days	129	601
More than 180 days	286	3,274
Total	17,399	23,698
Provision for expected credit loss	(265)	(293)
Total	17,134	23,405

Next Wave Multimedia Private Limited**Summary of significant accounting policies and other explanatory information***(Amounts are stated in ₹ thousand unless otherwise stated)***29 Financial risk management objectives and policies(continued)****Credit risk (continued)**

The Company does not hold collateral as security. The Company evaluates that there exists concentration of risk with respect to trade receivables due to its dependency on limited numbers of customers for a significant portion of receivables outstanding. The inability to recover the amount payable by such top customers may have an adverse impact on their recoverability. Bank balances and deposits are held with only high rated banks and security deposits are placed for leasing purpose only. Hence, in such cases, the credit risk is negligible.

Liquidity risk

The risk that an entity will encounter difficulty in meeting its present and future cash and collateral obligations associated with financial liabilities that are settled by delivering cash or another financial asset without incurring unacceptable losses. Liquidity risk management implies maintenance sufficient cash including availability of funding through an adequate amount of committed credit facilities to meet the obligations as and when due.

The Company manages its liquidity risk by ensuring as far as possible that it will have sufficient liquidity to meet its short term and long term liabilities as and when due. Anticipated future cash flows are expected to be sufficient to meet the liquidity requirements of the Company. Management monitors the Company's net liquidity position through rolling forecasts on the basis of expected cash flows.

Contractual maturities of the financial liabilities:

Particulars	As at March 31, 2021			As at March 31, 2020		
	Less than 1 year	Over 1	Total	Less than 1 year	Over 1 year	Total
Trade payables	1,317	-	1,317	468	-	468
Lease liability	4,255	298	4,553	4,202	4,460	8,662
Other financial liabilities	4,421	-	4,421	6,447	-	6,447
Total	9,993	298	10,291	11,117	4,460	15,577

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of interest rate risk and other price risk, such as equity price risk and commodity risk.

30 Earnings per share

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the parent by the weighted average number of Equity shares outstanding during the year.

	Year ended 31 March 2021	Year ended 31 March 2020
Profit after tax as per Statement of Profit and Loss	4,712	14,137
Basic weighted average number of equity shares outstanding	33,335	33,335
Earnings per share:		
Basic and diluted	141.35	424.09
Nominal value per equity share	100.00	100.00

31 Practical expediency under Ind AS 116

The Company has applied the practical expedient to all the rent concessions that meets the conditions in paragraph 46B. The rent concession of ₹ 100 thousand per month has been recognised in Statement of Profit and Loss under the head "Other income."

32 Contingent liabilities and Commitments

There are no contingent liabilities or commitments as at the balance sheet date.

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Next Wave Multimedia Private Limited

Summary of significant accounting policies and other explanatory information

(Amounts are stated in ₹ thousand unless otherwise stated)

33 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the management. The management regularly monitors and reviews the operating result of the whole Company as one segment. Thus, as defined in Ind AS 108 "Operating Segments", the Company's entire business falls under this one operational segment.

34 Previous year figures have been regrouped, rearranged, reclassified to conform with current presentation.

35 Events after the reporting year

No adjusting or significant non-adjusting events have occurred between the reporting date and the date of authorisation of the financial statements.

In terms of our report attached

For Walker Chandiok & Co LLP

Chartered Accountants

Firm's Registration No. 001076N/N500013

For and on behalf of the Board of Directors

Next Wave Multimedia Private Limited



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by Praveen
Warriar
Date:
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Praveen Warriar

Partner

Membership No.: 214767

Place: Kannur

Date: 27 May 2021

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P R Rajendran

Managing Director

DIN: 02477603

Place: Chennai

Date: 27 May 2021

JAYASHREE
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P R Jayashree

Director

DIN: 03007802

Place: Chennai

Date: 27 May 2021