

Greycells18 Media Limited
Financial Statements
2018-19

Independent Auditor's Report

TO THE MEMBERS OF GREYCELLS18 MEDIA LIMITED

Report on the Financial Statements

Opinion

We have audited the accompanying financial statements of **Greycells18 Media Limited ('the Company')**, which comprise the Balance Sheet as at 31st March 2019, 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. (hereinafter referred to as "the Financial Statements")

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including specified under Section 133 of the Act, of the state of affairs (financial position) of the Company as at 31st March 2019, and its financial performance including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. 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 together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises management discussion & analysis and director's report, but does not include the financial statements and our auditor's report thereon.

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

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

Responsibilities of Management and those charged with Governance for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ('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, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards ('Ind AS') prescribed under Section 133 of the Act read with relevant rules issued there under. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements of the that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibility for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

Report on other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in "**Annexure A**" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. Further to our comment in the Annexure A, as required by Section 143 (3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c. The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Cash Flow Statement and the Statement of Changes in Equity 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 prescribed under Section 133 of the Act read with relevant rules there under;

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- e. On the basis of the written representations received from the directors of the Company as on 31st March, 2019, taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164(2) of the Act;
- f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in “**Annexure B**”;
- g. With respect to the other matters to be included in the Auditor’s Report in accordance with the requirements of section 197 (16) of the Act;
- In our opinion and to the best of our information and according to the explanations given to us, the provisions of section 197 of the act is not applicable to the company since no managerial remuneration is paid / provided.
- h. With respect to the other matters to be included in the Auditor’s report in accordance with Rule 11 of the Companies (Audit and Auditor’s) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any material foreseeable losses on long term contracts including derivative contracts for which there were any material foreseeable losses
 - iii. There were no amounts which required to be transferred to the Investor Education and Protection Fund by the Company.

For Chaturvedi & Shah LLP
Chartered Accountants
Registration No. 101720W/W100355

Vijay Napawaliya
Partner
Membership No. 109859

Place: Mumbai
Date: 12th April, 2019

“Annexure A” to the Independent Auditor’s Report

(Referred to in paragraph 1 under the heading “ Report on Other Legal and Regulatory Requirements” of our report of even date to the members of the Greycells18 Media Limited on the financial statements for the year ended 31st March 2019)

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of the fixed assets.
- (b) As explained to us, fixed assets have been physically verified by the management during the year and no material discrepancies were noticed on such verification. In our opinion, frequency of verification of the fixed assets is reasonable having regard to the size of the Company and nature of its assets.
- (c) The Company does not have any immovable properties. Therefore, the provisions of paragraph 3 (i) (c) of the Order are not applicable to the Company
- (ii) The Company does not have any inventory at any time during the year. Therefore, the provisions of paragraph 3 (ii) of the Order are not applicable to the Company.
- (iii) The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Therefore, the provision of paragraph 3 (iii) of the Order are not applicable to the Company.
- (iv) According to the information and explanation given to us, the Company has not made any loan, investment, and guarantees to any person specified under section 185 and section 186 of the Companies Act, 2013. Therefore, the provisions of paragraph 3(iv) of the Order are not applicable to the Company.
- (v) According to the information and explanation given to us, the Company has not accepted any deposits within the meaning of sections 73 to 76 of the Act and Companies (Acceptance of Deposits) Rules, 2014. Therefore, the provisions of paragraph 3(v) of the Order are not applicable to the Company.
- (vi) According to the information and explanation given to us, the Central Government has not prescribed maintenance of cost records under sub-section (1) of section 148 of the Act in respect of Company’s products. Therefore, the provisions of paragraph 3(vi) of the Order are not applicable to the Company.
- (vii) (a) According to the records of the company and information and explanations given to us, the Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Income-tax, Tax deducted at sources, Tax collected at source, Professional tax, Goods and services tax, duty of Customs, Cess and other material statutory dues applicable to it, with the appropriate authorities. Further, no undisputed amount payable in respect thereof were outstanding at the year-end for a period more than six months from the date they become payable.
- (b) According to the information and explanations given to us, there are no dues in respect of Income-tax, Sales tax, value added tax, Service Tax, Goods and services tax, duty of Customs, duty of excise, value added tax and other material statutory dues that have not been deposited with the appropriate authorities on account of any dispute.
- (viii) The Company does not have loans or borrowings payable to a financial institution or a bank or government and debenture holder. Therefore, the provisions of paragraph 3(viii) of the Order are not applicable to the Company.
- (ix) According to the information and explanations given to us, the Company did not raise any moneys by way of initial public offer, further public offer (including debt instruments) and no term loans was raised during the year. Therefore, the provisions of Clause 3(ix) of the Order are not applicable to the Company.
- (x) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and on the basis of information and explanations given by the management, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.
- (xi) In our opinion and according to the information and explanations given to us the Company has not paid or provided managerial remuneration therefore requisite approvals mandated by the provision of section 197 read with Schedule V to the Act is not applicable.
- (xii) In our opinion, the Company is not Nidhi Company as per Companies Act 2013. Therefore, the provisions of Clause 3(xii) of the Order are not applicable to the Company.

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- (xiii) According to the information and explanations given to us, Company's transactions with the related parties are in compliance with section 177 and 188 of the Companies Act, where applicable and details have been disclosed in financial statements, as required by the applicable Indian accounting standards.
- (xiv) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures. Therefore, the provisions of Clause 3(xiv) of the Order are not applicable to the Company.
- (xv) According to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him. Therefore, the provisions of Clause 3(xv) of the Order are not applicable to the Company.
- (xvi) The Company is not required to be registered under section 45-1A of the Reserve Bank of India Act, 1934.

For Chaturvedi & Shah LLP
Chartered Accountants
Registration No. 101720W/W100355

Vijay Napawaliya
Partner
Membership No. 109859

Place: Mumbai
Date: 12th April, 2019

“Annexure B” to the Independent Auditor’s Report

Referred to in paragraph 2(f) under the heading “ Report on Other Legal and Regulatory Requirements” of our report of even date to the members of the Greycells18 Media Limited on the financial statements for the year ended 31st March 2019.

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of Greycells18 Media Limited (“the Company”) as of 31st March, 2019 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting 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 its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors’ Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **Chaturvedi & Shah LLP**

Chartered Accountants

Registration No. 101720W/W100355

Vijay Napawaliya

Partner

Membership No. 109859

Place: Mumbai

Date: 12th April, 2019

Balance Sheet as at 31st March, 2019

| | Notes | As at 31st March, 2019 | As at 31st March, 2018 |
|--|-------|---------------------------|---------------------------|
| ₹ in lakh | | | |
| ASSETS | | | |
| Non-current assets | | | |
| Property, Plant and Equipment | 5 | 20.83 | 21.84 |
| Intangible assets | 5 | 4.19 | 19.34 |
| Other non-current assets | 6 | 67.10 | 49.34 |
| Total Non-current Assets | | 92.12 | 90.52 |
| Current assets | | | |
| Financial Assets | | | |
| Trade receivables | 7 | 138.35 | 208.86 |
| Cash and cash equivalents | 8 | 8.96 | 27.92 |
| Bank balances other than cash and cash equivalents | 9 | 1.00 | 1.51 |
| Other financial assets | 10 | 2.38 | 0.62 |
| Other current assets | 11 | 118.95 | 142.61 |
| Total Current Assets | | 269.64 | 381.52 |
| Total Assets | | 361.76 | 472.04 |
| EQUITY AND LIABILITIES | | | |
| Equity | | | |
| Equity Share capital | 12 | 2,909.50 | 1,163.80 |
| Other Equity | 13 | (2,849.13) | (2,549.67) |
| Total Equity | | 60.37 | (1,385.87) |
| Liabilities | | | |
| Non-current liabilities | | | |
| Provisions | 14 | 20.44 | 15.05 |
| Total Non-current Liabilities | | 20.44 | 15.05 |
| Current liabilities | | | |
| Financial Liabilities | | | |
| Borrowings | 15 | 40.00 | 1,422.00 |
| Trade payables due to | 16 | | |
| Micro and Small Enterprises | | 3.63 | - |
| Other than Micro and Small Enterprises | | 159.03 | 127.05 |
| Other financial liabilities | 17 | 0.03 | 214.71 |
| Other current liabilities | 18 | 77.89 | 78.88 |
| Provisions | 19 | 0.37 | 0.22 |
| Total Current Liabilities | | 280.95 | 1,842.86 |
| Total Liabilities | | 301.39 | 1,857.91 |
| Total Equity and Liabilities | | 361.76 | 472.04 |

Accompanying notes (1 to 35) are part of the Financial Statements

As per our Report of even date
For **Chaturvedi & Shah LLP**
Chartered Accountants
Registration No. **101720W/ W100355**

Vijay Napawaliya
Partner
Membership No. 109859

For and on behalf of the Board of Directors
Greycells18 Media Limited

Kshipra Jatana **Gagan Kumar**
Director Director
DIN: 02491225 DIN: 02989428

Vaibhav Mrinal Kher
Company Secretary

Manoj Vasant Karandikar
Chief Financial Officer

Place: Mumbai
Date: 12th April 2019

Place: Noida
Date: 12th April 2019

Place: Mumbai
Date: 12th April 2019

Statement of Profit and Loss for the year ended 31st March, 2019

| | Notes | 2018-19 | 2017-18 |
|---|-----------|-------------------------------|-------------------------------|
| ₹ in lakh | | | |
| INCOME | | | |
| Value of sales and services | | 660.71 | 525.94 |
| Goods and Services Tax included in above | | <u>101.38</u> | <u>62.58</u> |
| Revenue from operations | 20 | 559.33 | 463.36 |
| Other income | 21 | <u>8.42</u> | <u>11.42</u> |
| Total Income | | <u>567.75</u> | <u>474.78</u> |
| EXPENSES | | | |
| Operational costs | 22 | 270.74 | 186.70 |
| Marketing, distribution and promotional expense | | 28.89 | 31.30 |
| Employee benefits expense | 23 | 361.83 | 397.39 |
| Finance costs | 24 | 16.13 | 110.43 |
| Depreciation and amortisation expense | 5 | 20.53 | 46.42 |
| Other expenses | 25 | <u>169.49</u> | <u>178.76</u> |
| Total Expenses | | <u>867.61</u> | <u>951.00</u> |
| Profit/(Loss) before Tax | | (299.86) | (476.22) |
| Tax expense: | 26 | | |
| Current tax | | - | - |
| Deferred tax | | - | - |
| Total Tax Expense | | <u>-</u> | <u>-</u> |
| Profit/ (Loss) for the year | | <u>(299.86)</u> | <u>(476.22)</u> |
| Other Comprehensive Income | | | |
| Items that will not be reclassified to profit or loss | | 0.40 | 2.81 |
| Total Other Comprehensive Income for the year | | <u>0.40</u> | <u>2.81</u> |
| Total Comprehensive Income for the year | | <u><u>(299.46)</u></u> | <u><u>(473.41)</u></u> |
| Earnings per equity share of face value of ₹ 10 each | | | |
| Basic and Diluted (in ₹) | 27 | (1.11) | (4.09) |

Accompanying notes (1 to 35) are part of the Financial Statements

As per our Report of even date
For **Chaturvedi & Shah LLP**
Chartered Accountants
Registration No. **101720W/ W100355**

Vijay Napawaliya
Partner
Membership No. 109859

Place: Mumbai
Date: 12th April 2019

For and on behalf of the Board of Directors
Greycells18 Media Limited

Kshipra Jatana **Gagan Kumar**
Director Director
DIN: 02491225 DIN: 02989428

Vaibhav Mrinal Kher
Company Secretary

Place: Noida
Date: 12th April 2019

Manoj Vasant Karandikar
Chief Financial Officer

Place: Mumbai
Date: 12th April 2019

Statement of Changes in Equity for the year ended 31st March, 2019

A. Equity Share Capital ₹ in lakh

| Balance at the beginning of 1st April, 2017 | Changes in equity share capital during the year 2017-18 | Balance as at 31st March, 2018 | Changes in equity share capital during the year 2018-19 | Balance as at 31st March, 2019 |
|---|---|--------------------------------|---|--------------------------------|
| 1,163.80 | - | 1,163.80 | 1,745.70 | 2,909.50 |

B. Other Equity ₹ in lakh

| | Reserves and Surplus | | Total |
|---|----------------------|--------------------|-------------------|
| | Securities Premium | Retained Earnings* | |
| Balance at the beginning of 1st April, 2017 | 3,890.73 | (5,966.99) | (2,076.26) |
| Total Comprehensive Income for the year | | (473.41) | (473.41) |
| Balance as at 31st March, 2018 | 3,890.73 | (6,440.40) | (2,549.67) |

| | | | |
|---|-----------------|-------------------|-------------------|
| Balance at the beginning of 1st April, 2018 | 3,890.73 | (6,440.40) | (2,549.67) |
| Total Comprehensive Income for the year | | (299.46) | (299.46) |
| Balance as at 31st March, 2019 | 3,890.73 | (6,739.86) | (2,849.13) |

* Includes remeasurement of defined benefit plans for the year amounting to ₹ 0.40 lakh (Previous Year ₹ 2.81 lakh)

As per our Report of even date
For **Chaturvedi & Shah LLP**
Chartered Accountants
Registration No. **101720W/ W100355**

Vijay Napawaliya
Partner
Membership No. 109859

Place: Mumbai
Date: 12th April 2019

For and on behalf of the Board of Directors
Greycells18 Media Limited

Kshipra Jatana **Gagan Kumar**
Director Director
DIN: 02491225 DIN: 02989428

Vaibhav Mrinal Kher
Company Secretary

Place: Noida
Date: 12th April 2019

Manoj Vasant Karandikar
Chief Financial Officer

Place: Mumbai
Date: 12th April 2019

Cash Flow Statement for the year ended 31st March, 2019

| | ₹ in lakh | | |
|---|------------------------|-------------------|-------------------------|
| | 2018-19 | 2017-18 | |
| A: CASH FLOW FROM OPERATING ACTIVITIES | | | |
| Profit/ (loss) before tax as per Statement of Profit and Loss | (299.86) | (476.22) | |
| Adjusted for: | | | |
| Bad debts and allowance for doubtful receivables | - | (6.11) | |
| Depreciation and amortisation expense | 20.53 | 46.42 | |
| Net realised gain arising on financial assets designated at fair value through profit or loss | (4.65) | - | |
| Interest income | (0.39) | (1.36) | |
| Finance costs | 16.13 | - | |
| | <u>31.62</u> | <u>38.95</u> | |
| Operating profit/ (loss) before working capital changes | (268.24) | (437.27) | |
| Adjusted for: | | | |
| Trade and other receivables | 92.47 | 77.22 | |
| Trade and other payables | 40.56 | (326.61) | |
| | <u>133.03</u> | <u>(249.39)</u> | |
| Cash used in operations | (135.21) | (686.66) | |
| Taxes paid (net) | (17.76) | 32.23 | |
| Net cash used in operating activities | (152.97) | (654.43) | |
| B: CASH FLOW FROM INVESTING ACTIVITIES | | | |
| Purchase of Property, Plant and Equipment and Other Intangible assets | (4.37) | (13.29) | |
| Purchase of current investments | (305.00) | - | |
| Proceeds from sale of current investments | 309.65 | - | |
| Net Withdrawal of/ (Investment in) fixed deposits | 0.51 | - | |
| Interest income | 0.33 | 1.36 | |
| Net cash generated from/ (used in) investing activities | 1.12 | (11.93) | |
| C: CASH FLOW FROM FINANCING ACTIVITIES | | | |
| Changes in Equity Share capital | 1,745.70 | - | |
| Borrowing - Current (net) | (1,382.00) | 682.00 | |
| Interest paid | (230.81) | - | |
| Net cash generated from financing activities | 132.89 | 682.00 | |
| Net increase / (decrease) in cash and cash equivalents | (18.96) | 15.64 | |
| Opening balance of cash and cash equivalents | 27.92 | 12.28 | |
| Closing balance of cash and cash equivalents (Refer Note 8) | 8.96 | 27.92 | |
| | | ₹ in lakh | |
| Changes in Liability arising from financing activities | 1st April, 2018 | Cash Flow | 31st March, 2019 |
| Borrowings - current (Refer Note 15) | 1,422.00 | (1,382.00) | 40.00 |
| Total | 1,422.00 | (1,382.00) | 40.00 |
| | | | ₹ in lakh |
| Changes in Liability arising from financing activities | 1st April, 2018 | Cash Flow | 31st March, 2018 |
| Borrowings - current (Refer Note 15) | 740.00 | 682.00 | 1,422.00 |
| Total | 740.00 | 682.00 | 1,422.00 |

As per our Report of even date
For **Chaturvedi & Shah LLP**
Chartered Accountants **Greycells18 Media Limited**
Registration No. **101720W/ W100355**

Vijay Napawaliya
Partner
Membership No. 109859

For and on behalf of the Board of Directors

Kshipra Jatana
Director
DIN: 02491225

Gagan Kumar
Director
DIN: 02989428

Manoj Vasant Karandikar
Chief Financial Officer

Vaibhav Mrinal Kher
Company Secretary

Place: Mumbai
Date: 12th April 2019

Place: Noida
Date: 12th April 2019

Place: Mumbai
Date: 12th April 2019

Notes to the Financial Statements for the year ended 31st March, 2019

1 CORPORATE INFORMATION

Greycells18 Media Limited (“the Company”) is a company incorporated in India. The registered office of the company is situated at First Floor, Empire Complex, 414- Senapati Bapat Marg, Lower Parel, Mumbai- 400013. The principal activity of the Company is providing education through TV channel and Electronic Media.

2 SIGNIFICANT ACCOUNTING POLICIES

2.1 BASIS OF PREPARATION AND PRESENTATION

The financial statements have been prepared on the historical cost basis except for certain financial assets which have been measured at fair value amount.

The financial statements of the Company have been prepared to comply with the Indian Accounting standards (‘Ind AS’), including the rules notified under the relevant provisions of the companies Act, 2013.

These financial statements are presented in Indian Rupees (₹), which is its functional currency.

2.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Current and non-current Classification

The Company presents assets and liabilities in the Balance Sheet based on Current/ Non-Current classification.

An asset is treated as Current when it is –

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

All other assets are classified as non-current.

A liability is current when:

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

The Company classifies all other liabilities as non-current.

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

(b) Property, plant and equipment:

Property, plant and equipment are stated at cost, net of recoverable taxes, trade discount and rebates less accumulated depreciation and impairment losses, if any. Such cost includes purchase price, borrowing cost and any cost directly attributable to bringing the assets to its working condition for its intended use, net charges on foreign exchange contracts and arrangements arising from exchange rate variations attributable to the assets.

Subsequent costs are included in the asset’s carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably.

Depreciation on property, plant and equipment is provided using straight line method. Depreciation is provided based on useful life of the assets to the Companies Act, 2013.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Gains or losses arising from derecognition of a property, plant and equipment 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 and Loss when the asset is derecognised.

Notes to the Financial Statements for the year ended 31st March, 2019

(c) Intangible assets:

Intangible Assets are stated at cost of acquisition net of recoverable taxes less accumulated amortisation and impairment loss, if any. The cost comprises purchase price, borrowing costs, and any cost directly attributable to bringing the asset to its working condition for the intended use and net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the intangible assets.

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 and Loss when the asset is derecognised.

The cost of intangible asset is amortized over a period of its useful life from the date of its acquisition.

Computer Software and Website costs are being amortised over its estimated useful life of 3 to 5 years.

(d) Borrowings Cost

Borrowing costs that are directly attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use.

All other borrowing costs are charged to the Statement of Profit and Loss in the period in which they are incurred.

(e) Impairment of non-financial assets

The Company assesses at each reporting dates as to whether there is any indication that any Property, Plant and Equipment and Intangible assets or group of an asset, called Cash Generating Unit ('CGU') may be impaired. If any such indication exists, the recoverable amount of an assets or CGU is estimated to determine the extent of impairment, if any. When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the CGU to which the asset belongs.

An impairment loss is recognized in the Statement of the Profit and Loss to the extent, asset's carrying amount exceeds its recoverable amount. The recoverable amount is higher of an asset's fair value less cost of disposal and value in use; considering recent transactions, independent valuer's report. Value in use is based on the estimated future cash flows, discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and risk specific to the assets.

The impairment loss recognised in prior accounting period if reversed, other than goodwill, if there has been a change in the estimate of recoverable amount.

(f) Provisions and Contingencies

Provisions are recognised when the Company has a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liabilities are disclosed unless the possibility of outflow of resources is remote. Contingent assets are neither recognised nor disclosed in the financial statements.

(g) Employee Benefits

(i) Short Term Employee Benefits

The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by employees are recognised as an expense during the period when the employees render the services.

(ii) Long Term Employee Benefits

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognised as a liability as at the Balance Sheet date on the basis of actuarial valuation as per Projected Unit Credit Method.

Notes to the Financial Statements for the year ended 31st March, 2019

(iii) Post-Employment Benefits

Defined Contribution Plans

The Company pays gratuity to the employees whoever has completed five years of service with the Company at the time of resignation/ superannuation. The gratuity is paid @ 15 days salary for the every completed year of service as per the Payment of Gratuity Act, 1972.

A defined contribution plan is a post-employment benefit plan under which the Company pays specified contributions towards Provident Fund. The Company's contribution is recognised as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service.

Defined Benefit Plans

The liability in respect of defined benefit plans and other post-employment benefits is calculated using the Projected Unit Credit Method and spread over the period during which the benefit is expected to be derived from employees' services.

Re-measurement of defined benefit plans in respect of post-employment and other long term benefits are charged to the Other Comprehensive Income.

(h) Taxation

The tax expense for the period comprises current and deferred tax. Tax is recognised in Statement of Profit and Loss, except to the extent that it relates to items recognised in the Other Comprehensive Income or in equity. In which case, the tax is also recognised in Other Comprehensive Income or Equity.

i) Current tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted at the Balance Sheet date.

ii) Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred income tax assets are reassessed at each reporting period and are recognised to the extent that it is probable that taxable profits will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred income 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 income tax assets to be utilised.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The carrying amount of deferred tax liabilities and assets are reviewed at the end of each reporting period.

(i) Foreign currencies

Transactions and Translation

Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency closing rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in Statement of Profit and Loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are recorded using the exchange rates at the date of the transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured. 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.

Notes to the Financial Statements for the year ended 31st March, 2019

(j) Revenue recognition

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

Revenue from contracts with customers includes sale of goods and services. Revenue from rendering of services includes subscription revenue from providing education through TV channel and Electronic Media. Revenue from rendering of services is recognised over time by measuring the progress towards complete satisfaction of performance obligations at the reporting period.

Generally, control is transferred upon shipment of goods to the customer or when the goods is made available to the customer, provided transfer of title to the customer occurs and the Company has not retained any significant risks of ownership or future obligations with respect to the goods shipped.

Revenue is measured at the amount of consideration which the company expects to be entitled to in exchange for transferring distinct goods or services to a customer as specified in the contract, net off returns and allowances, trade discounts and volume rebates and excluding amounts collected on behalf of third parties (for example taxes and duties collected on behalf of the government). Consideration is generally due upon satisfaction of performance obligations and the receivable is recognized when it becomes unconditional.

Revenues in excess of invoicing are classified as contract assets and disclosed as unbilled revenue. Invoicing in excess of revenues are classified as contract liabilities and disclosed as unearned revenues.

Interest income

Interest income from a financial asset is recognised using effective interest rate method.

Dividend income

Dividend income is recognised when the Company's right to receive the payment is established.

(k) Financial instruments

i Financial Assets

A Initial recognition and measurement:

All financial assets are initially recognised at fair value. Transaction costs that are directly attributable to the acquisition of financial assets, which are not at fair value through profit or loss, are added to the fair value on initial recognition. Regular way purchase and sale of financial assets are recognised using trade date accounting.

B Subsequent measurement:

(a) Financial assets carried at amortised cost (AC)

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

(b) Financial assets at fair value through other comprehensive income (FVTOCI)

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(c) Financial assets at fair value through profit or loss (FVTPL)

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

C Impairment of financial assets

The Company assesses impairment based on expected credit loss (ECL) model to the following:

- a) Financial assets at amortised cost

Notes to the Financial Statements for the year ended 31st March, 2019

b) Financial assets measured at fair value through Other Comprehensive income

The Company follows 'simplified approach' for recognition of impairment loss allowance. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

The Company uses historical loss experience to determine the impairment loss allowance on the portfolio of trade receivables. At every reporting date, the historical observed default rates are updated and changes in the forward looking estimates are analysed.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

ii **Financial liabilities**

A **Initial recognition and measurement:**

All financial liabilities are recognized initially at fair value and in case of loans and borrowings and payables, net of directly attributable cost. Fees of recurring nature are directly recognised in profit or loss as finance cost.

B **Subsequent measurement:**

Financial liabilities are subsequently carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

iii **Derecognition of financial instruments**

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

iv **Offsetting**

Financial assets and financial liabilities are offset and the net amount is presented in the balance sheet when, and only when, the Company has a legally enforceable right to set off the amount and it intends, either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

(l) **Cash and cash equivalent**

Cash and cash equivalents comprise of cash on hand and short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value

(m) **Earning per share**

Basic earnings per share is calculated by dividing the net profit after tax by the weighted average number of equity shares outstanding during the year adjusted for bonus element in equity share. Diluted earnings per share adjusts the figures used in determination of basic earnings per share to take into account the conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as at the beginning of the period unless issued at a later date.

Notes to the Financial Statements for the year ended 31st March, 2019

3 CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY:

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

a) Depreciation/ amortisation and useful lives of property, plant and Equipment and intangible assets:

Property, plant and equipment are depreciated over the estimated useful lives of the assets, after taking into account their estimated residual value. Intangible assets are amortised over its estimated useful lives. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation/ amortisation to be recorded during any reporting period. The useful lives and residual values are based on the Company's historical experience with similar assets and take into account anticipated technological changes. The depreciation/ amortisation for future periods is adjusted if there are significant changes from previous estimates.

b) Recoverability of trade receivable:

Judgements are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required. Factors considered include the credit rating of the counterparty, the amount and timing of anticipated future payments and any possible actions that can be taken to mitigate the risk of non-payment.

c) Provisions:

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability require the application of judgement to existing facts and circumstances, which can be subject to change. Since the cash outflows can take place many years in the future, the carrying amounts of provisions and liabilities are reviewed regularly and adjusted to take account of changing facts and circumstances.

4 STANDARD ISSUED

a) Effective during the year

The impact on account of applying the erstwhile IndAS 18 "Revenue" instead of Ind AS 115 "Revenue from contracts with customers" on the financial statements of the Company for the year ended and as at 31st March 2019 is insignificant.

b) Not effective during the year

On 30th March, 2019, the Ministry of Corporate Affairs (MCA) has notified Ind AS 116 - Leases and certain amendment to existing Ind AS. These amendments shall be applicable to the Company from 1st April, 2019.

I) Issue of Ind AS 116 - Leases

Ind AS 116 will supersede the current standard on leases i.e. Ind AS 17 - Leases. As per Ind AS 116, the lessor will have to bring to books all the non-cancellable portion of leasing arrangement.

II) Amendment to Existing Standard

The MCA has also carried out amendments of the following accounting standards.

- i Ind AS 12 – Income Taxes
- ii Ind AS 19 – Employee Benefits
- iii Ind AS 23 – Borrowing Costs
- iv Ind AS 28 - Investment in Associates and Joint Ventures
- v Ind AS 101- First time adoption of Indian Accounting Standards
- vi Ind AS 103 – Business Combinations
- vii Ind AS 109 - Financial Instruments
- viii Ind AS 111 – Joint Arrangements

Application of above standards is not expected to have any significant impact on the Company's financial statements.

Notes to the Financial Statements for the year ended 31st March, 2019

5 Property, Plant and Equipment and Intangible assets

₹ in lakh

| Particulars | Gross Block | | | Depreciation / Amortisation | | | | Net Block | | |
|--|-----------------------------|-------------|----------------------------|------------------------------|-----------------------------|-----------------|----------------------------|------------------------------|------------------------------|-----------------------------|
| | As at 1st April, 2018 | Additions | Deductions/ Adjustments | As at 31st March, 2019 | As at 1st April, 2018 | For the year | Deductions/ Adjustments | As at 31st March, 2019 | As at 31st March, 2019 | As at 1st April, 2018 |
| 5.1 Property, Plant and Equipment | | | | | | | | | | |
| Own Assets: | | | | | | | | | | |
| Plant and Machinery | 47.99 | 3.26 | - | 51.25 | 36.27 | 2.02 | - | 38.29 | 12.96 | 11.72 |
| Office Equipment | 85.92 | 1.11 | - | 87.03 | 78.04 | 2.91 | - | 80.95 | 6.08 | 7.88 |
| Furniture and fixtures | 17.39 | - | - | 17.39 | 15.15 | 0.45 | - | 15.60 | 1.79 | 2.24 |
| Vehicles | 3.81 | - | - | 3.81 | 3.81 | - | - | 3.81 | - | - |
| Total | 155.11 | 4.37 | - | 159.48 | 133.27 | 5.38 | - | 138.65 | 20.83 | 21.84 |
| Previous year | 144.61 | 10.50 | - | 155.11 | 123.50 | 9.77 | - | 133.27 | 21.84 | |
| 5.2 Intangible assets | | | | | | | | | | |
| Software | 19.92 | - | - | 19.92 | 17.04 | 1.04 | - | 18.08 | 1.84 | 2.88 |
| Other Intangible Assets | 219.45 | - | - | 219.45 | 202.99 | 14.11 | - | 217.10 | 2.35 | 16.46 |
| Total | 239.37 | - | - | 239.37 | 220.03 | 15.15 | - | 235.18 | 4.19 | 19.34 |
| Previous year | 236.42 | 2.95 | - | 239.37 | 183.38 | 36.65 | - | 220.03 | 19.34 | |
| Grand Total | 394.48 | 4.37 | - | 398.85 | 353.30 | 20.53 | - | 373.83 | 25.02 | 41.18 |
| Previous year | 381.03 | 13.45 | - | 394.48 | 306.88 | 46.42 | - | 353.30 | 41.18 | |

₹ in lakh

6 Other non-current assets

(Unsecured and considered good)

| | As at 31st March, 2019 | As at 31st March, 2018 |
|--|---------------------------|---------------------------|
| Advance Income Tax (Net of provision) (Refer Note 26c) | 67.10 | 49.34 |
| Total | 67.10 | 49.34 |

₹ in lakh

7 Trade receivables (unsecured)

| | As at 31st March, 2019 | As at 31st March, 2018 |
|--|---------------------------|---------------------------|
| Considered good* | 138.35 | 208.86 |
| Considered having significant increase in credit risk | - | 39.10 |
| | 138.35 | 247.96 |
| Less:- Allowances for receivables having significant increase in credit risk | - | 39.10 |
| Total | 138.35 | 208.86 |

* Includes trade receivables from related parties. Refer Note 28

7.1 Movement in the allowance for receivables having significant increase in credit risk

| | | |
|-------------------------------|----------|--------------|
| At the beginning of the year | 39.10 | - |
| Movement during the year | (39.10) | 39.10 |
| At the end of the year | - | 39.10 |

Notes to the Financial Statements for the year ended 31st March, 2019

| | ₹ in lakh | | | |
|---|-------------------------------|---------------------------|-------------------------------|------------------|
| | As at 31st March, 2019 | As at 31st March, 2018 | | |
| 8 Cash and cash equivalents | | | | |
| Balances with bank | | | | |
| In current accounts | 8.96 | 27.92 | | |
| Total | <u>8.96</u> | <u>27.92</u> | | |
| | | ₹ in lakh | | |
| | As at 31st March, 2019 | As at 31st March, 2018 | | |
| 9 Bank balances other than cash and cash equivalents | | | | |
| In other deposit accounts | 1.00 | 1.51 | | |
| Total | <u>1.00</u> | <u>1.51</u> | | |
| | | ₹ in lakh | | |
| | As at 31st March, 2019 | As at 31st March, 2018 | | |
| 10 Other financial assets - current (Unsecured and considered good) | | | | |
| Interest accrued on Investments | 0.06 | - | | |
| Security deposits | 2.32 | 0.62 | | |
| Total | <u>2.38</u> | <u>0.62</u> | | |
| | | ₹ in lakh | | |
| | As at 31st March, 2019 | As at 31st March, 2018 | | |
| 11 Other current assets (Unsecured and considered good) | | | | |
| Advances to vendor | 1.69 | - | | |
| Prepaid expenses | 19.45 | 20.69 | | |
| Balance with Government tax authorities | 97.78 | 121.92 | | |
| Others | 0.03 | - | | |
| Total | <u>118.95</u> | <u>142.61</u> | | |
| 12 Equity Share capital | | | | |
| Particulars | As at 31st March, 2019 | | As at 31st March, 2018 | |
| | Number of Shares | ₹ in lakh | Number of Shares | ₹ in lakh |
| (a) Authorised Share capital: | | | | |
| Equity shares of ₹ 10 each | 3,00,00,000 | 3,000.00 | 2,00,00,000 | 2,000.00 |
| (b) Issued, Subscribed and fully paid up | | | | |
| Equity Shares of ₹ 10 each | | | | |
| (i) Issued | 2,90,95,007 | 2,909.50 | 1,16,38,005 | 1,163.80 |
| (ii) Subscribed and fully paid up | 2,90,95,007 | 2,909.50 | 11,638,005 | 1,163.80 |
| Total | <u>2,90,95,007</u> | <u>2,909.50</u> | <u>1,16,38,005</u> | <u>1,163.80</u> |

Notes to the Financial Statements for the year ended 31st March, 2019

12.1 The Company has only one class of equity share having par value of ₹ 10 per share. Each holder of equity share is entitled to one vote per share held. All the equity shares rank pari passu in all respects including but not limited to entitlement for dividend, bonus issue and rights issue. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all liabilities, in proportion to their shareholding.

12.2 Details of shares held by each shareholder holding more than 5% shares :

| Particulars | As at 31st March, 2019 | | As at 31st March, 2018 | |
|---|------------------------|-----------|------------------------|-----------|
| | Number of Shares | % Holding | Number of Shares | % Holding |
| 1 Network18 Media & Investments Limited (Holding Company) (Refer Note 12.6) | 2,60,95,258 | 89.69% | 86,38,256 | 74.22% |
| 2 Educomp Solution Limited | 29,99,749 | 10.31% | 29,99,749 | 25.78% |

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

12.3 Details of shares held by holding company:

| Particulars | As at 31st March, 2019 | | As at 31st March, 2018 | |
|--|------------------------|-----------------|------------------------|---------------|
| | Number of Shares | ₹ in lakh | Number of Shares | ₹ in lakh |
| 1 Network18 Media & Investments Limited (Holding Company) (Refer Note 12.6)* | 2,60,95,258 | 2,609.53 | 86,38,256 | 863.83 |
| Total | 2,60,95,258 | 2,609.53 | 86,38,256 | 863.83 |

*Includes the shares held by the nominees of Network18 Media & Investments Limited

12.4 There are no bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date.

12.5 Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting year:

| Particulars | As at 31st March, 2019 | | As at 31st March, 2018 | |
|--------------------------------------|------------------------|-----------------|------------------------|-----------------|
| | Number of Shares | ₹ in lakh | Number of Shares | ₹ in lakh |
| Equity Shares opening balance | 1,16,38,005 | 1,163.80 | 1,16,38,005 | 1,163.80 |
| Add: Shares issued during the year | 1,74,57,002 | 1,745.70 | - | - |
| Equity Shares closing balance | 2,90,95,007 | 2,909.50 | 1,16,38,005 | 1,163.80 |

12.6 Previous year, 84,62,256 shares were held by erstwhile RVT Finhold Private Limited (including nominee shares) and 1,76,000 shares were held by erstwhile Capital18 Fincap Private Limited (including nominee shares) which have merged with Network18 Media & Investments Limited pursuant to Scheme of Merger ("The Scheme") approved by Hon' ble National Company Law Tribunal, Mumbai Bench with appointed date 1st April, 2016 and the Scheme became effective from 1st November, 2018.

Notes to the Financial Statements for the year ended 31st March, 2019

| | As at 31st March, 2019 | ₹ in lakh As at 31st March, 2018 |
|--|---------------------------|--|
| 13 Other Equity | | |
| Reserves and Surplus | | |
| i Securities premium | | |
| As per last Balance Sheet | 3,890.73 | 3,890.73 |
| | <u>3,890.73</u> | <u>3,890.73</u> |
| ii Retained Earnings | | |
| As per last Balance Sheet | (6,440.40) | (5,966.99) |
| Add: Profit/ (Loss) for the year | (299.86) | (476.22) |
| Add: Remeasurement of defined benefit plans | 0.40 | 2.81 |
| | <u>(6,739.86)</u> | <u>(6,440.40)</u> |
| Total | <u>(2,849.13)</u> | <u>(2,549.67)</u> |
| Number in brackets “()” represents debit balance. | | |
| | | |
| | | ₹ in lakh |
| | As at | As at |
| | 31st March, 2019 | 31st March, 2018 |
| 14 Provisions - non-current | | |
| Provision for employee benefits | | |
| Provision for compensated absences | 8.86 | 6.63 |
| Provision for gratuity (Refer Note 23.2) | 11.58 | 8.42 |
| Total | <u>20.44</u> | <u>15.05</u> |
| | | |
| | | ₹ in lakh |
| | As at | As at |
| | 31st March, 2019 | 31st March, 2018 |
| 15 Borrowings - current | | |
| Loan from related parties (Unsecured) | 40.00 | 1,422.00 |
| Total | <u>40.00</u> | <u>1,422.00</u> |
| 15.1 Repayment details of borrowings is as follows: | | |
| Loans from related parties are repayable within a year | 40.00 | 1,422.00 |
| Total | <u>40.00</u> | <u>1,422.00</u> |
| | | |
| | | ₹ in lakh |
| | As at | As at |
| | 31st March, 2019 | 31st March, 2018 |
| 16 Trade payables due to | | |
| Micro and Small Enterprises | 3.63 | - |
| Other than Micro and Small Enterprises * | 159.03 | 127.05 |
| Total | <u>162.66</u> | <u>127.05</u> |

*Includes trade payable to related party (Refer Note 28).

Notes to the Financial Statements for the year ended 31st March, 2019

16.1 The details of amounts outstanding to Micro, Small and Medium Enterprises based on available information with the Company is as under:

| Particulars | ₹ in lakh | |
|---|---------------------------|---------------------------|
| | As at 31st March, 2019 | As at 31st March, 2018 |
| (i) Principal amount due and remaining unpaid | 3.63 | - |
| (ii) Interest due on above and the unpaid interest | - | - |
| (iii) Interest paid | - | - |
| (iv) Payment made beyond the appointed day during the year | - | - |
| (v) Amount of interest due and payable for period of delay in making payment excluding interest specified under MSMED Act | - | - |
| (vi) Interest accrued and remaining unpaid | - | - |
| (vii) Amount of further interest remaining due and payable in succeeding years | - | - |
| | | ₹ in lakh |
| | As at | As at |
| | 31st March, 2019 | 31st March, 2018 |
| 17 Other financial liabilities - current | | |
| Interest due on borrowings | 0.03 | 214.71 |
| Total | 0.03 | 214.71 |
| | | ₹ in lakh |
| | As at | As at |
| | 31st March, 2019 | 31st March, 2018 |
| 18 Other current liabilities | | |
| Unearned revenue | 45.38 | 48.83 |
| Statutory dues | 26.57 | 27.55 |
| Advances from customers | - | 2.50 |
| Other payables* | 5.94 | - |
| Total | 77.89 | 78.88 |
| * Includes employees payable | | |
| | | ₹ in lakh |
| | As at | As at |
| | 31st March, 2019 | 31st March, 2018 |
| 19 Provisions - current | | |
| Provision for employee benefits | | |
| Provision for compensated absences | 0.21 | 0.17 |
| Provision for gratuity (Refer Note 23.2) | 0.16 | 0.05 |
| Total | 0.37 | 0.22 |

Notes to the Financial Statements for the year ended 31st March, 2019

| | ₹ in lakh | |
|---|---------------|---------------|
| | 2018-19 | 2017-18 |
| 20 Revenue from operations | | |
| Advertisement and subscription revenue | 559.33 | 463.36 |
| Total | <u>559.33</u> | <u>463.36</u> |
| | | ₹ in lakh |
| | 2018-19 | 2017-18 |
| 21 Other Income | | |
| Interest income on: | | |
| Deposit accounts with banks | 0.39 | 1.36 |
| Income tax refund | - | 10.06 |
| | 0.39 | 11.42 |
| Net realised gain arising on financial assets desingated at fair value through profit or loss | 4.65 | - |
| Miscellaneous income | 3.38 | - |
| Total | <u>8.42</u> | <u>11.42</u> |
| | | ₹ in lakh |
| | 2018-19 | 2017-18 |
| 22 Operational costs | | |
| Telecast and uplinking fees | 132.49 | 135.15 |
| Royalty expenses | 3.62 | 19.27 |
| Other production expenses | 134.63 | 32.28 |
| Total | <u>270.74</u> | <u>186.70</u> |
| | | ₹ in lakh |
| | 2018-19 | 2017-18 |
| 23 Employee benefits expense | | |
| Salaries and wages | 335.65 | 364.46 |
| Contribution to provident and other funds | 19.62 | 19.58 |
| Gratuity expense (Refer Note 23.2) | 5.04 | 4.11 |
| Staff welfare expenses | 1.52 | 9.24 |
| Total | <u>361.83</u> | <u>397.39</u> |
| 23.1 Defined contribution plans | | |
| Contribution to Defined Contribution Plans, recognised as expense for the year is as under: | | ₹ in lakh |
| Particulars | 2018-19 | 2017-18 |
| Employer's Contribution to Provident Fund | 12.34 | 11.09 |
| Employer's Contribution to Pension Fund | 6.05 | 6.98 |

Notes to the Financial Statements for the year ended 31st March, 2019

23.2 Defined benefit plans

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

i) Reconciliation of opening and closing balances of Defined Benefit Obligation:

| Particulars | ₹ in lakh | |
|---|---------------------|-------------|
| | Gratuity (unfunded) | |
| | 2018-19 | 2017-18 |
| Defined Benefit obligation at beginning of the year | 8.47 | 7.17 |
| Current Service Cost | 4.38 | 3.57 |
| Interest Cost | 0.65 | 0.54 |
| Actuarial (gain)/ loss | (0.40) | (2.81) |
| Benefits paid | (1.36) | - |
| Defined Benefit obligation at year end | 11.74 | 8.47 |

ii) Expenses recognised during the year:

| Particulars | ₹ in lakh | |
|--|---------------------|---------------|
| | Gratuity (unfunded) | |
| | 2018-19 | 2017-18 |
| In Income Statement | | |
| Current Service Cost | 4.38 | 3.57 |
| Interest Cost | 0.65 | 0.54 |
| Net Cost | 5.03 | 4.11 |
| In Other Comprehensive Income (OCI) | | |
| Actuarial gain / (loss) for the year on defined benefit obligation | (0.40) | (2.81) |
| Net expense/ income for the period recognised in OCI | (0.40) | (2.81) |

iii) Actuarial assumptions:

| Particulars | Gratuity (unfunded) | |
|--|---------------------|--------------|
| | 2018-19 | 2017-18 |
| Mortality Table | IALM (06-08) | IALM (06-08) |
| Discount rate (per annum) | 7.69% | 7.70% |
| Rate of escalation in salary (per annum) | 6.00% | 5.50% |
| IALM - Indian Assured Lives Mortality. | | |

The discount rate is based on the prevailing market yields of Government of India Bonds as at the Balance Sheet date for the estimated terms of the obligations.

The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary.

iv) Sensitivity Analysis

Significant Actuarial assumptions for the determination of the defined benefit obligation discount rate, expected salary increase and employee turnover. The sensitivity analysis below, have been determined based on reasonable possible change of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The result of Sensitivity Analysis is given below:

Notes to the Financial Statements for the year ended 31st March, 2019

| Particulars | Gratuity (unfunded) | |
|---|---------------------|----------------|
| | 2018-19 | 2017-18 |
| a) Impact of the change in discount rate | | |
| Present value of obligation at the end of the period | 11.74 | 8.47 |
| i) Impact due to increase of 0.50% | (0.86) | (0.64) |
| ii) Impact due to decrease of 0.50% | 0.95 | 0.71 |
| b) Impact of the change in salary increase | | |
| Present value of obligation at the end of the period | 11.74 | 8.47 |
| i) Impact due to increase of 0.50% | 0.96 | 0.73 |
| ii) Impact due to decrease of 0.50% | (0.87) | (0.65) |
| These plans typically expose the Company to actuarial risks such as: interest risk, longevity risk and salary risk. | | |
| (A) Interest risk – A decrease in the discount rate will increase the plan liability. | | |
| (B) Longevity risk – The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability. | | |
| (C) Salary risk – The present value of the defined plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability. | | |
| | | ₹ in lakh |
| | 2018-19 | 2017-18 |
| 24 Finance Costs | | |
| Interest cost | 16.13 | 110.43 |
| Total | 16.13 | 110.43 |
| | | ₹ in lakh |
| | 2018-19 | 2017-18 |
| 25 Other expenses | | |
| Other repairs | 33.73 | 27.76 |
| Insurance | 17.83 | 17.03 |
| Travelling and conveyance expenses | 29.60 | 41.84 |
| Professional and Legal fees | 14.31 | 2.43 |
| Payment to Auditors | 2.15 | 2.15 |
| Directors' sitting fees | 2.30 | 1.40 |
| Rent | 53.94 | 40.32 |
| Rates and taxes | 2.03 | 0.65 |
| Bad debts and allowance for doubtful receivables | - | 6.11 |
| Other establishment expenses | 13.60 | 39.07 |
| Total | 169.49 | 178.76 |
| | | ₹ in lakh |
| 25.1 Payment to auditors : | 2018-19 | 2017-18 |
| (a) Statutory Audit Fees | 0.90 | 0.90 |
| (b) Limited Review Fees | 0.75 | 0.75 |
| (c) Tax audit fees | 0.50 | 0.50 |
| Total | 2.15 | 2.15 |

Notes to the financial statements for the year ended 31st March, 2019

| | | ₹ in lakh | |
|-----------|--|-------------------------|-------------------------|
| | | 2018-19 | 2017-18 |
| 26 | Taxation | | |
| | a) Income tax recognised in profit or loss | | |
| | Current tax | - | - |
| | Deferred tax | - | - |
| | Total income tax expenses recognised in the current year | <u>-</u> | <u>-</u> |
| | b) The income tax expenses for the year can be reconciled to the accounting profit as follows: | | |
| | Profit before tax | (299.86) | (476.22) |
| | Applicable Tax Rate | 26.00% | 29.12% |
| | Computed Tax Expense | (77.96) | (138.68) |
| | Tax effect of: | | |
| | Carried forward losses utilised for tax purpose | <u>77.96</u> | <u>138.68</u> |
| | Tax expens recognised in Statement of Profit and Loss | <u>-</u> | <u>-</u> |
| | c) Advance tax (net of provision) | | ₹ in lakh |
| | | As at | As at |
| | | 31st March, 2019 | 31st March, 2018 |
| | At start of year | 49.34 | 105.37 |
| | Income tax refund received | - | (88.26) |
| | Tax paid during the year | <u>17.76</u> | <u>32.23</u> |
| | At end of the year | <u>67.10</u> | <u>49.34</u> |
| | d) Deffered Tax Assets | | |
| | In the absence of reasonable certainty that sufficient taxable profits will be available in the near future to allow the deferred tax asset to be recovered, the Company has not recognized the deferred tax assets (net) amounting to ₹ 903.69 lakh (Previous Year ₹ 1,143.44 lakh) arising out of tangible assets, intangible assets, financials assets, unabsorbed depreciation, brought forward tax losses and other items. The same shall be reassessed at subsequent balance sheet date. | | |
| 27 | Earnings Per Share (EPS) | 2018-19 | 2017-18 |
| | a) Net profit after tax as per Statement of Profit and Loss attributable to Equity Shareholders (₹ in lakh) | (299.86) | (476.22) |
| | b) Weighted average number of equity shares used as denominator for calculating basic and diluted EPS | 2,69,90,601 | 1,16,38,005 |
| | c) Basic and diluted earnings per Share (₹) | (1.11) | (4.09) |
| | d) Face Value per Equity Share (₹) | 10.00 | 10.00 |

Notes to the financial statements for the year ended 31st March, 2019

28 Related Party Disclosures

As per Ind AS 24, the disclosures of transactions with the related parties are given below:

28.1 List of related parties where control exists and related parties with whom transactions have taken place and relationships:

| Sr. No. | Name of the Related Party | Relationship |
|---------|--|---|
| 1 | Independent Media Trust | Enterprises Exercising Control |
| 2 | Adventure Marketing Private Limited* | |
| 3 | Watermark Infratech Private Limited* | |
| 4 | Colorful Media Private Limited* | |
| 5 | RB Media Holdings Private Limited* | |
| 6 | RB Mediasoft Private Limited* | |
| 7 | RRB Mediasoft Private Limited* | |
| 8 | RB Holdings Private Limited* | |
| 9 | Teesta Retail Private Limited | |
| 10 | Network18 Media & Investments Limited | |
| 11 | Reliance Industries Limited | Beneficiary/ Protector of Independent Media Trust |
| 12 | Reliance Industrial Investments and Holdings Limited | |
| 13 | Educomp Solutions Limited | Joint Venture |
| 14 | e-Eighteen.com Limited | Fellow Subsidiaries |
| 15 | TV18 Broadcast Limited | |
| 16 | TV18 Home Shopping Network Limited (upto 14.2.2018) | |
| 17 | Reliance Jio Infocomm Limited | |
| 18 | Reliance Corporate IT Park Limited | |
| 19 | TV18 Home Shopping Network Limited (from 15.2.2018) | Associate of holding company |

* Control by Independent Media Trust of which Reliance Industries Limited is the sole beneficiary

28.2 Transactions and balances during the year with related parties:

| Sr. No. | Particulars | ₹ in lakh | | | |
|---|---|--|--------------------------------|---------------------|------------------------------|
| | | Beneficiary / Protector of Independent Media Trust | Enterprises Exercising Control | Fellow Subsidiaries | Associate of Holding Company |
| (i) Transactions during the year | | | | | |
| 1 | Income from operations and other Income | - | - | 1.74 | - |
| | | - | - | - | - |
| 2 | Expenditure for services received | 67.20 (50.40) | - | 86.72 (84.00) | - |
| 3 | Interest expense on borrowings | - | 16.13 (110.42) | - | - |
| 4 | Reimbursement of expenses paid | - | 18.26 (17.27) | 45.47 (45.77) | - |
| 5 | Reimbursement of expenses receivable | - | - (0.95) | - | - |
| 6 | Loan received | - | 40.00 (682.00) | - | - |
| 7 | Loan repaid | - | 1,651.20 | - | - |
| | | - | - | - | - |

Notes to the financial statements for the year ended 31st March, 2019

| Sr. No. | Particulars | Beneficiary / Protector of Independent Media Trust | Enterprises Exercising Control | Fellow Subsidiaries | Associate of Holding Company |
|--------------------------------------|--|--|--------------------------------|---------------------|------------------------------|
| (ii) Balances at the year end | | | | | |
| 1 | Loans payable (Including interest accrued) | - | 40.03 (1,636.71) | - | - |
| 2 | Trade receivables | - | - | 2.02 (0.91) | 0.91 |
| 3 | Trade payables | 18.41 (12.28) | 3.69 | 75.15 (90.39) | - |

Figures in the brackets represents previous year amount.

28.3 Details of transactions and balances with related parties:

| | | | | ₹ in lakh | |
|--|---|--|----------|-----------|--|
| Sr. No. | Particulars | Relationship | 2018-19 | 2017-18 | |
| (i) Details of transactions during the year | | | | | |
| 1 | Income from operations and other Income | | | | |
| | e-Eighteen.Com Limited | Fellow Subsidiaries | 1.74 | - | |
| 2 | Expenditure for services received | | | | |
| | Reliance Industries Limited | Beneficiary / Protector of Independent Media Trust | 67.20 | 50.40 | |
| | TV18 Broadcast Limited | Fellow Subsidiaries | 84.00 | 84.00 | |
| | Reliance Jio Infocomm Limited | Fellow Subsidiaries | 0.32 | 0 | |
| | Reliance Corporate IT Park Limited | Fellow Subsidiaries | 2.40 | 0 | |
| 3 | Interest expense on borrowings | | | | |
| | Network18 Media & Investments Limited | Enterprises Exercising Control | 16.13 | 110.42 | |
| 4 | Reimbursement of expenses paid | | | | |
| | Network18 Media & Investments Limited | Enterprises Exercising Control | 18.26 | 17.27 | |
| | e-Eighteen.Com Limited | Fellow Subsidiaries | 3.80 | 2.24 | |
| | TV18 Broadcast Limited | Fellow Subsidiaries | 41.67 | 43.53 | |
| 5 | Reimbursement of expenses receivable | | | | |
| | Network18 Media & Investments Limited | Enterprises Exercising Control | - | 0.95 | |
| 6 | Loan received | | | | |
| | Network18 Media & Investments Limited | Enterprises Exercising Control | 40.00 | 682.00 | |
| 7 | Loan repaid during the year | | | | |
| | Network18 Media & Investments Limited | Enterprises Exercising Control | 1,651.20 | - | |
| (ii) Balances at the year end | | | | | |
| 1 | Loans payable (including interest accrued) | | | | |
| | Network18 Media & Investments Limited | Enterprises Exercising Control | 40.03 | 1,636.71 | |
| 2 | Trade receivables | | | | |
| | e-Eighteen.Com Limited | Fellow Subsidiaries | 2.02 | - | |
| | TV18 Home Shopping Network Limited | Fellow Subsidiary | - | 0.91 | |
| | TV18 Home Shopping Network Limited | Associates of Holding Company | 0.91 | - | |
| 3 | Trade payables | | | | |
| | Reliance Industries Limited | Beneficiary / Protector of Independent Media Trust | 18.41 | 12.28 | |
| | Network18 Media & Investments Limited | Enterprises Exercising Control | 3.69 | - | |
| | e-Eighteen.Com Limited | Fellow Subsidiaries | 4.21 | 0.54 | |
| | TV18 Broadcast Limited | Fellow Subsidiaries | 70.62 | 89.85 | |
| | Reliance Corporate IT Park Limited | Fellow Subsidiaries | 0.32 | - | |

Notes to the financial statements for the year ended 31st March, 2019

29 Contingent liabilities and commitments

The Company does not have any outstanding Contingent Liabilities and commitments as on 31st March, 2019 (Previous year NIL)

30 Financial Risk Management

The Company's activities exposes it mainly to credit risk and liquidity risk, The treasury team identifies and evaluates financial risk in close coordination with the Company's business teams.

(a) Credit risk

Credit risk is the risk that customers or counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities which is primarily trade receivables.

Customer credit risk is managed by each business team subject to the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive credit rating scorecard and individual credit limits are defined in accordance with this assessment. Outstanding customers receivables are regularly monitored.

An impairment analysis is performed at each reporting date for major customers. Receivables are grouped into homogenous groups and assessed for impairment collectively. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets.

(b) Liquidity Risk

The Company closely monitors its risk of shortage of funds. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of commercial papers and cash credit/ overdrafts from banks. The Company assessed the concentration of risk with respect to its debt as low. As at reporting date, all financial liabilities of the Company are short term. Further, the Company believes that carrying value of all of its financial liabilities including debt approximates its fair value.

31 Fair value measurement hierarchy:

₹ in lakh

| | As at March 31, 2019 | | | As at March 31, 2018 | | | | |
|------------------------------|----------------------|------------------------|---------|----------------------|-----------------|------------------------|---------|---------|
| | Carrying Amount | Level of input Used in | | | Carrying Amount | Level of input Used in | | |
| | | Level 1 | Level 2 | Level 3 | | Level 1 | Level 2 | Level 3 |
| Financial assets | | | | | | | | |
| At Amortised Cost | | | | | | | | |
| Trade receivables | 138.35 | - | - | - | 208.86 | - | - | - |
| Cash and Bank Balances | 9.96 | - | - | - | 29.43 | - | - | - |
| Other Financial Assets | 2.38 | - | - | - | 0.62 | - | - | - |
| Financial Liabilities | | | | | | | | |
| At Amortised Cost | | | | | | | | |
| Borrowings | 40.0 | - | - | - | 1,422.00 | - | - | - |
| Trade Payables | 162.66 | - | - | - | 127.05 | - | - | - |
| Other financial liabilities | 0.03 | - | - | - | 214.71 | - | - | - |

The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consist of the following three levels:

Level 1: Inputs are Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Inputs are other than the quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Notes to the financial statements for the year ended 31st March, 2019

- Level 3: Inputs are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a valuation model based on assumption that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.
- 32 Details of loan given, investment made and guarantee given covered u/s 186 (4) of the Companies Act, 2013
- (a) No loan has been given by the Company to body corporate as at 31st March 2019.
 - (b) No Investment has been made by the Company as at 31st March, 2019
 - (c) No Guarantee has been given by the Company as at 31st March, 2019
- 33 The Company is engaged in only one segment i.e. 'Digital Operations' and hence there is no separate reportable segment as per Ind AS 108 'Operating Segments'. Since the Company's operations are primarily in India, it has determined single geographical segment.
- Two customer represents more than 10% of the companies total revenue during the current year and one customer in previous year
- 34 Previous year's figures have been regrouped wherever necessary to make them comparable to current year's figures.
- 35 The financial statements were approved for issue by the Board of Directors on 12th April, 2019.

As per our Report of even date
For **Chaturvedi & Shah LLP**
Chartered Accountants
Registration No. **101720W/ W100355**

Vijay Napawaliya
Partner
Membership No. 109859

Place: Mumbai
Date: 12th April 2019

For and on behalf of the Board of Directors
Greycells18 Media Limited

Kshipra Jatana
Director
DIN: 02491225

Gagan Kumar
Director
DIN: 02989428

Vaibhav Mrinal Kher
Company Secretary

Place: Noida
Date: 12th April 2019

Manoj Vasant Karandikar
Chief Financial Officer

Place: Mumbai
Date: 12th April 2019