NAZARA

A Diversified, Glocal Gaming, Gamified Learning, & eSports Media Platform

Nazara™ TECHNOLOGIES LIMITED

21ST ANNUAL REPORT

2019-2020

SUBSIDIARIES

INVESTEE

Entertaining crores of cricket fans with over 5.2 CR installs in FY 19-20

(Source: Google Analytics)

Bringing smiles on crores of kids with over 5.1 CR installs in FY 19-20

(Source: Flurry Analytics)

Contents

From the desk of Chairman and Managing Director

Dear Shareholders,

For and on behalf of the Board of Directors, it is my great pleasure to welcome you all to the 21st Annual General Meeting of your Company and present to you the Annual Report for the financial year ended March 31, 2020.

We are all living in very unprecedented times and none of us have ever been trained to deal with situation unfolding in front of us in our day to day lives. I wish each one of you to build you own coping mechanism and stay physically and mentally fit in these challenging times.

With deep gratitude to entire team at Nazara, I am pleased to share that Nazara has strengthened its position even more as India's preeminent gaming company and Nazara family has grown many folds in 19-20 with additions of new companies into Nazara network and I welcome the new additions to "Friends of Nazara network". I will like to congratulate all the teams across Nazara group for having built a strong springboard for future growth.

I would personally like to thank consumers, external partners, shareholders who have backed Nazara and have shown great conviction in the story of Nazara as set out by Nitish and Manish. I look forward to an exciting future of gaming in India and Nazara playing a pivotal role and I urge each one of you to take care of physical & mental health of your family and yourself.

Your Sincerely,

Vikash Mittersain
Chairman and Managing Director

From the desk of Founder and Joint Managing Director

Dear Shareholders,

Nazara was started nearly two decades ago with a belief that gaming will become extremely popular in a young nation like ours & today we can see several instances that point to the coming age of gaming in India.

With over 560 Cr downloads a year, India is now topping the global charts when it comes to number of downloads and it is only a precursor of the things to come ahead.

Our core philosophy & DNA to succeed and build a long term business around gaming and establish a market leader as India transforms into a gaming nation is as follows:

- Operate an asset light business that can be nimble enough to quickly evolve fast changing technology and consumer preferences / expectations
- Own a diversified portfolio of gaming products that can meet the needs of diverse consumer base as well as provide significant cross synergies
- Remain debt free to be resilient to market disruptions that occur in our industry
- Build an ecosystem that can connect to multiple centres of innovation which we have now achieved through the "Friends of Nazara" ecosystem
- Run profitable, self sustaining businesses that do not chase vanity metrics and focus on building real value / cash flows / profitability

We are now at an inflection point in the gaming industry where I strongly believe the above DNA that is unique to Nazara will help us leverage and grow on the back of strong tailwinds in the gaming space propelled by macro level factors such as low cost android devices, faster and cheaper data and increasingly relevant content.

We also believe we will start seeing well known mobile gaming first IP get created out of India into large global franchises. The success of our IP such as "World Cricket Championship" and "Kiddopia" at a global stage including evolved markets such as North America are recent examples of the opportunities that are ahead.

Look forward to your continued support as we continue to build & grow the 100 million + monthly active users Nazara Gaming Platform into FY21 and beyond!

With Warm Regards,

Nitish Mittersain
Founder & Joint Managing Director

CEO's Message

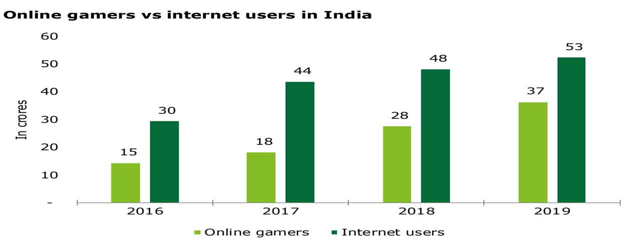
Dear Shareholders,

I share these *four lines* of Robert Frost which mirror my excitement about the possibilities which gaming industry presents with every new dawn to myself and to my team and motivates all of us to achieve a lot in too little time.

The woods are lovely, dark and deep,
But I have promises to keep,
And miles to go before I sleep,
And miles to go before I sleep.
"Stopping by Woods on a Snowy Evening"

- *from* The Poetry of Robert Frost

Tailwinds for gaming continue to remain strong with number of gamers in 2019 is estimated to be 365 millions up from 280 millions in 2018. India's game downloads, which reached 5600 millions in 2019, increased 12% over 2018 and amounted to 13% of total game downloads worldwide.



2019 was a very pivotal year in Indian gaming history as in 2019 in many ways and I am personally pleased with the following behaviors

- ✓ Indian gamers finally started buying virtual items within game at scale and virtual item purchases are not just limited to items impacting game play but also social status within the game
- ✓ Games are the new social community / hang out platforms for millennials & ZenZs and the time spent is competing with social platforms like Instagram, Snapchat etc
- ✓ Followership of Indian "Heroes" in mobile gaming / esports gives a glimpse of the massive fandom and gaming superstars culture in India
- ✓ Mobile gaming becoming mainstream across gender, age group and town class in India
- ✓ Gamification of learning across all segments to make learning fun

I am pleased to share that your company had spotted the above behaviors basis the perspective attained from the consumer behaviors witnessed in China and USA and hence has been able to build a very diversified interactive gaming, gamified early learning and new age sports media company within a span of 2-3 years with minimal capital allocation and smooth amalgamation of assets within the Nazara network.

I am further pleased to inform that your company has strengthened its leadership positions in esports and cricket simulation mobile games and has added leadership position in the gamified early learning space via majority investment in Paperboat Apps. All of these verticals have large addressable market with high growth potential because of disruption in sports and learning verticals.

Nodwin - 80% share In India
Sports Keeda - # 1 Esports news site in India
World Cricket Championship: 70% share In India;
Kiddopia : Leader in early leaner edutainment space

Revenue in FY 19-20 grew by 41.27% over FY 18-19 and FY 19-20 saw the culmination of Nazara's journey of pivoting from being just a telco subscription company to a diversified glocal gaming company. This growth has been triggered by gamified learning and a new age sports media offering, with in house capability to create original IPs - resulting in tangible drivers of revenue and EBITDA growth in the coming years.

Revenue ₹ Million	**FY 17-18***	**FY 18-19**	**FY 19-20****	**IPs**
Telco Subscription	1531.71	959.82	817.96	Rights to distribute aggregated gaming content
Freemium	152.29	245.63	197.79	World Cricket Championship
Early learning (Subscription)	-	-	191.33	Kiddopia
Esports	36.40	491.66	841.61	Nodwin + Sports Keeda
Real Money Gaming	-	1.20	426.40	Halaplay, Big PESA
Total Operational Revenue	1720.40	1698.31	2475.09	
Other Income	98.98	163.08	154.56	
Total Revenue	**1819.38**	**1861.39**	**2629.65**	41.27 % growth YOY in FY 19-20

**Only 3 months of Nextwave (freemium) and Nodwin gaming Pvt. Ltd. (esports) revenue considered FY 17-18;*

*** Only 3 months of Paperboat Apps (early learning) and 6 months of sportskeeda (esports) considered in FY 19-20.*

EBITDA Analysis: Nazara's business, which was carried forward from FY 18-19 into FY 19-20 – such as telco subscription, esports and freemium - have delivered a 25.85% EBITDA margin as compared to the previous 17.11% EBITDA margin in FY 18-19. The new acquisition of real money gaming (Halaplay and Big Paisa) and early learning (Paper Boat Apps) has delivered ₹ 617.3 Million of revenue while incurring a loss of ₹ 381.87 Million - on account of upfront investment in new player acquisition & brand building. The investment in new acquisitions has resulted in an overall EBITDA margin for FY 19-20 of 4.01% as compared to 15.75% in FY 18-19. Paperboat's app Kiddopia has long term retention & profitable unit economics with a 9-10 months breakeven of consumer acquisition cost and will demonstrate positive EBITDA in coming year/s.

₹ in Million	**FY 18-19**			**FY 19-20**		
	Revenue	**EBITDA**	**% Margin**	**Revenue**	**EBITDA**	**% Margin**
Existing Biz (Nz+ Nodwin +NW)	**1697.11**	**290.45**	**17.11%**	**1857.36**	**480.20**	**25.85%**
New Business (HP + PBA)	1.20	(22.95)	-1912.50%	617.73	(381.87)	-61.82%
Total	1698.31	267.50	15.75%	2475.09	98.33	4.01%

I am confident of an acceleration in the revenue growth as well consistent improvement in EBITDA margins on account of high retention rates of paying users across different offerings and the network effect of leadership position in the esports business.

India has entered the golden age of mobile gaming and Nazara is right at the centre of this India growth story. With the foundation of a high growth platform laid out in the last 2 years, the stage has been set for Nazara to embark on an exciting journey, harnessing the infinite potential of this growing sector to unlock value for our shareholders.

I am extremely thankful to Promotors, investor and Independent Directors on the board of Nazara for their trust and guidance during this period of transforming Nazara into a mobile gaming, gamified learning and new age sports media company

Your Sincerely,

Manish Agarwal
Chief Executive Officer

Corporate Information

BOARD OF DIRECTORS

Mr. Vikash Mittersain
Chairman & Managing Director
DIN: 00156740

Mr. Nitish Mittersain
Joint Managing Director
DIN: 02347434

Mr. Rajiv Agarwal[1]
Non-Executive Director
DIN: 00379990

Mr. Kuldeep Jain[2]
Non-Executive Independent Director
DIN: 02683041

Mr. Karan Bhagat[3]
Non-Executive Director
DIN: 03247753

Mr. Sasha Mirchandani
Non-Executive & Independent Director
DIN: 01179921

Ms. Shobha Jagtiani
Non-Executive & Independent Director
DIN: 00027558

Mr. Probir Roy
Non-Executive & Independent Director
DIN: 00111961

KEY MANAGERIAL PERSONNEL
Mr. Manish Agarwal
Chief Executive Officer (CEO)

Mr. Rakesh Shah
Chief Financial Officer (CFO)

Mr. Turabbhai Chimthanawala
Company Secretary (CS)

[1]*Appointed w.e.f. 22/06/2020*
[2]*Appointed as Independent Directior w.e.f. 23/11/2020*
[3]*Appointed w.e.f. 23/11/2020*

STATUTORY AUDITORS

Walker Chandiok & Co LLP
Chartered Accountants
11th Floor, Tower II ,One International Centre,
SB Marg, Prabhadevi (W),
Mumbai, Maharashtra 400013

BANKERS
Standard Chartered Bank
State Bank of India

REGISTERED & CORPORATE OFFICE
51-57, Maker Chambers 3, Nariman Point,
Mumbai – 400 021
Tel: +91-22-40330800
Fax: +91-22-22810606
Email: info@nazara.com
Website: corp.nazara.com

REGISTRAR & SHARE TRANSFER AGENTS:
Link Intime India Private Limited
C-101, 247, Park L.B.S. Marg, Vikhroli (West),
Mumbai – 400083
Tel: +91-22-49186000

Management Discussion and Analysis Report

OVERVIEW ON THE GAMING INDUSTRY:

India is amongst the top five mobile gaming markets in the world with 365 million gamers in 2019 (*Source Statista)*. This number is estimated to rise to 486 million by 2022. In 2019, around 5.6 billion mobile gaming apps were downloaded in India - the highest in the world that represents 13% of the total gaming app downloads as per App Annie estimates. Gaming contributed to nearly 6% of the time spent by users in 2019 across content categories on the mobile devices. Furthermore, a section of Indian consumers are looking to better utilize their leisure time & are spending that on playing games rather than watching OTT content. The overall gaming industry was $1.9 billion in 2019 and is expected to be $8.4 billion in 2024 (35% CAGR).

Games are new social community platforms for the millennials and ZenZs and is inculcating habit of in game item purchases which improve game play as well as social status. Recent lockdown which has augmented virtual item purchase behaviour within gaming apps and has created 80-100 million paying gamers in India. The number of paying gamers will rapidly penetrate rest of the 250 million gamers in coming years as gaming is the cheapest form of entertainment as compared to watching movies in theatres or on OTT platforms. Indian gaming market is already bigger than Bollywood in terms of revenue thought it is still much smaller than China or US markets.

The China gaming market is 14 billion USD in 2020 and in 2011 China gaming revenue was 0.9 billion USD *(Source Goldman Sachs)*. India gaming market size in 2020 is 0.9 billion USD and in terms of number of gamers China has 385 million gamers in 2013 while India has 365 million gamers in 2020.

India has potential to become global gaming powerhouse because of the large domestic market and ability to make India hub for global game development. Some of the key growth factors driving domestic consumption of gaming in India apart from cheaper data & availability of high performing smartphone at great prices are as follows:

- Growth of social Multiplayer games because of improved delivered speeds on devices over mobile network as well as wifi
- Growth microtransaction payment system in india
- Localized and India specific games developed to Indian consumer tastes (such as ludo, carrom and cricket)
- Entry of global game publishers in India to tap into India which is the largest open gaming market in the world given that entry in China is restricted for global players.
- Increased supply of talent pool of quality game developers which are developing global quality games while based in India.
- Advent of real money skill-based games offering instant gratification of winning real money.

All segments of gaming, as defined below, will grow explosively and gaming will dominate the entertainment sector in India.

Table: Current Market Size & Potential Market Size. Explosive growth in Market Size

	2018	2019
India Market Size ($Mn USD)	**400**	**900**
- RMG	*220*	*500*
- IAP	*80*	*300*
- Casual	*100*	*100*
Players (No. Monthly Active Players)		
- Non Internet Mobile Players	300-400mn	650mn
- Casual Gamers	250mn	400mn

Skill based Real Money games market has grown very fast however it is prone to binary regularity risks given that online real money games fall under state as well as central executive jurisdiction and different judicial courts have taken different views of definition of what constitutes game of skill versus game of chance.

Summary of the opportunity in gaming market from Nazara's perspective:

Nazara looks at following opportunities in gaming market leveraging its dominance in non-real money gaming business and its continued opinion of real money gaming being a binary risk on account of lack of clarity on nationwide uniform policy on online real money gaming.

1. **Build in India for India strong gamified sports IPs/ offerings**: Accelerate growth and strengthen dominance of Nazara in esports and virtual sports simulation mobile gamers catering to large addressable segment of sports fans which is looking at new age sports formats both as player as well as spectators.
2. **Create global brands out of India**: Target young learners (2-8 years old) and their parents across the world and build global brand and IP characters which provide edutainment to the early leaners.
3. **Expand India playbook to other emerging markets like Africa and Middle East** ; Leverage the distribution pipelines built over across 62 countries and harness the global advertiser and publisher relationships.
4. **Aggressive M&A and startup incubation:** Keep investing in the local ecosystem and always be on the lookout for inorganic growth opportunities to partner with amazing talent pool emerging from India.

How does Nazara generate its revenues?

Your company has successfully evolved from being a curation & distribution of mobile gaming content company to the developer and publisher of in house created gaming and media content IPs and leveraging distribution pipelines glocally covering India, Africa, Middle East and North America.

Your company has worked in FY 19-20 to strengthen the leadership in esports and cricket simulation mobile game in Indian market and added Sportskeeda (a multi sports news destination in its portfolio) and increased its stake in Halaplay –fantasy sports offering to ensure multiple touch points with new age sports fan in India.

Nazara further augmented its presence in kids vertical by acquiring majority in Paperboat Apps (51%) in FY 19-20. Paperboat Apps publishes a subscription app under brand name of Kiddopia in North America for preschool kids that teaches everything from math, language skills, general knowledge and social skills to creativity through fun & exciting game play thru in house created gamified learning content.

As of March 2020, your company has diverse business segments with revenue generation happening across subscription, advertisement, brand sponsorship, media rights licensing and purchase of virtual items within the game.

Sr. No.	Business Segment	Business Model	Content IP Ownership	% Rev Contribution (FY 18-19)	% Rev Contribution (FY 19-20)
1	Telco Subscription Business	Players subscribing to the daily/ weekly / monthly game subscription packs and Payment is collected by telecom carrier	No	57%	33%
2	Freemium	Ads & virtual items purchased within the games	Yes	14%	8%
3	Early learning*	Subscription paid by young parents	Yes	-	8%
4	Esports	Media rights licensing & events sponsorships, ad shown on the platform	Yes	29%	34%
5	Real Money Gaming	Platform fee collected from the games played on the platform	Yes	-	17%

SNAPSHOT OF FINANCIAL PERFORMANCE: FY 19-20 over FY 18-19:

Revenue Performance Snapshot

Nazara Technologies delivered total income of ₹ 2,629.65 million in FY 20 which is 41.30% growth over FY 19 (₹ 1,860.07 million). The revenue mix change has laid the perfect platform for achieving high growth in businesses which have higher user engagement and retention leading to predictable high growth revenue mix. Your company has built a great springboard for continued high growth in each of the underlying business offerings. Segment wise revenue breakup is as follows**:**

Revenue (₹) in Millions	FY 17-18*	FY 18-19	FY 19-20**	IPs
Telco Subscription	1,531.71	959.82	817.96	Rights to distribute aggregated gaming content
Freemium	152.29	245.63	197.79	World Cricket Championship
Early learning (Subscription)	-	-	191.33	Kiddopia
Esports	36.40	491.66	841.61	Nodwin + Sports Keeda
Real Money Gaming	-	1.20	426.40	Halaplay, Big PESA
Total Operational Revenue	***1,720.40***	***1,698.31***	***2,475.09***	**45.73% growth YOY in FY 19-20**
Other Income	98.98	163.08	154.56	
Total Revenue	**1,819.38**	**1,861.39**	**2,629.65**	**41.30% growth YOY in FY 19-20**

**only 3 months of Nextwave (freemium) and Nodwin (esports) revenue has been taken in FY 17-18*

***only 3 months of Paper boat apps (early learning) & 6 months of Sports Keeda (esports) revenue has been taken in FY 19-20*

Profitability Performance Snapshot

EBITDA Analysis: Nazara's business which were carried forward from FY 18-19 into FY 19-20 viz, telco subscription, esports and freemium, have delivered 25.85% EBITDA margin as compared to 17.11% EBITDA margin in FY 18-19. The new acquisition of real money gaming (Halaplay and Big Paisa) and early learning (PBA) have delivered ₹ 617.73 Million of revenue while incurring loss of ₹ 381.87 Million on account of upfront investment in new player acquisition & brand building. The investment in new acquisitions resulted in overall EBITDA margin for FY 19-20 of 4.01% as compared to 15.75% in FY 18-19. Paperboat's app Kiddopia has long term retention & profitable unit economics with 9-10 months breakeven of consumer acquisition cost and will demonstrate positive EBITDA in coming year/s.

INR ₹ in miilions	FY 18-19			FY 19-20		
	Revenue	EBITDA	% Margin	Revenue	EBITDA	% Margin
Existing Biz (Nz+ Nodwin +NW)	1,697.11	290.45	17.11%	1,857.36	480.20	25.85%
New Business (HP + PBA)	1.20	(22.95)	-1,912.50%	617.73	(381.87)	-61.82%
Total	1,698.31	267.50	15.75%	2,475.09	98.33	4.01%

Company wise Financial Reporting: (₹ in miilions)

Revenue	FY 17-18	FY 18-19	FY 19-20	% YOY Growth
Nazara and its foreign subsidiaries	1,638.88	1,054.46	933.88	(11.44%)
Nodwin Gaming Private Limited	170.43	495.17	746.61	50.77%
Paper Boat Apps Private Limited	35.53	182.50	572.17	213.52%
Next wave Multimedia Private Limited	117.75	150.87	136.76	(9.35%)
Absolute Sports Private Limited	132.48	154.48	142.21	(7.94%)
Halaplay Technologies Private Limited	25.46	223.49	396.76	77.53%

(₹ in miilions)

EBITDA	FY 17-18	FY 18-19	FY 19-20	IPs
Nazara	332.14	39.05	160.91	
Nodwin Gaming Private Limited	16.38	36.18	84.89	IndiaPremiership; ESPORTS MANIA
Paper Boat Apps Private Limited	4.12	(19.85)	(33.41)	Kiddopia
Next wave Multimedia Private Limited	53.71	60.88	46.00	World Cricket Championship
Absolute Sports Private Limited	18.44	8.30	13.47	Sportskeeda
Halaplay Technologies Private Limited	(20.96)	(276.41)	(308.12)	Halaplay

Commentary on Key Growth drivers & Investment Performance Snapshot:

Pls note: The revenue and EBITDA numbers are at the operating company level for the respective financial year and will not match with the Nazara consolidated numbers as time period of consolidation of revenue and % holding of will lead to difference in revenue as well as ebitda in company's SFS and Nazara CFS.

1. ***Paperboat apps(IP: Kiddopia) :*** Nazara acquired majority in early learning app Kiddopia in January 2020. Kiddopia is aimed at 2-7 year old kids and is very popular

in North America with majority of its revenue coming from USA. Kiddopia has shown 3 X growth in FY 20 in terms of revenues and has very strong unit economics with consumer acquisition cost getting recovered in 9 months and high life time value on account monthly subscriber retention being 14%. Long term retention makes it very high EBITDA margin at steady state of user acquisition spends and offers high growth annuity business with high EBITDA margins. The annual subscription revenue which is collected upfront has been amortized over 12 months and deferred revenue as of March 30,2020 is .. Crs which makes business cash EBITDA positive.

₹ in miilions	FY 2018	FY 2019	FY 2020
Revenue	35.53	182.50	572.17
EBITDA	4.12	(19.85)	(33.41)

Paying Subs Calendar year	2018	2019	2020
Avg Total Paying Subs/ month	27760	98228	279468
Avg Monthly Paying Subs/ month	19194	69602	202823
Avg Annual Paying Subs/ month	1277	3455	9082

2. **Esports (Nodwin/ Sportskeeda)**: Overall esports media grew by 40% in FY 20 over FY 19 and expected to surge in FY21 over FY20 due to momentum in the business. Esports revenues comprises of media rights licensing of own content, brands sponsorships for the offline and online events, licensing fee received from game publisher for the community activation and programmatic inventory selling on SportsKeeda.

   Esports is disrupting traditional sports worldwide and is an outcome of sports and gaming intersecting to create a fast paces high thrill spectator entertainment content. Number of registered players participating in tournaments organized by Nodwin in FY 19-20 zoomed to 2.2 mil from 0.45 mil in FY 18-19, Likewise, Live streams from the events got 28 million live stream views in FY 19-20 as compared to 6 mil views in 18-19 across OTT platforms. SportsKeeda registered average 47.3 Mil visits per month in FY 19-20 which is 38% growth over FY 18-19.

   2.1 **Nodwin** is into esports content business and dominates the esports business in India across esports content on OTT platforms, large scale esports IP, partnerships with global game publishers and brand sponsorships across endemic and non-endemic brands. Media rights licensing business contributes to over 55% of the overall revenues and Nodwin is now top 5 global esports company in terms of revenue scale and is leading mobile esports across the world. Esports content business grew by 60% in FY 20 over FY 19 and has grown 8.5 X in 3 years.

₹ in miilions	FY 2018	FY 2019	FY 2020
Revenue	170.43	495.17	746.61
EBITDA	16.38	36.18	84.89

   2.2 **Sportskeeda** is leading multi sports/ esports news destination with over 20 million monthly active users visiting the website to read the content across WWE, esports, cricket, soccer, basketball and it is the largest multi Sports news site in India. Revenue in FY 20 declined over FY 2019 on account of decline in advertising rates in India.

₹ in miilions	FY 2018	FY 2019	FY 2020
Revenue	132.48	154.48	142.21
EBITDA	18.44	8.30	13.47

3. ***Next Wave (IP: World Cricket Championship):*** World's largest cricket simulation game on mobile played for 51 minutes per day by over 15 miilions monthly active users. The game is a cult among mid core gamers who love virtual sports simulation genre. WCC revenue declined in FY 20 on account of drop in the advertising rates in India However, company expects new growth drivers such as in-app purchases and release of WCC3 – the new game which is scheduled to be launched in July 2020. and is being designed to drive IAPs – to contribute to revenue growth in FY21 and beyond.

₹ in miilions	FY 2018	FY 2019	FY 2020
Revenue	117.75	150.87	136.76
EBITDA	53.71	61.55	46.00

4. **Halaplay (Real Money Skill Gaming):** Due to potential regulatory risks, your company has modified its aggressive user acquisition led approach to this vertical towards a more conservative, profitability led growth model. The results of this new approach will be visible through the vertical delivering profitability in FY21 despite lack of live sports due to Covid-19 impact.

₹ in miilions	FY 2018	FY 2019	FY 2020
Revenue	25.46	223.49	396.76
EBITDA	(308.12)	(276.41)	(307.63)

Incubation of licensed sports betting in Kenya, Real money Trivia in India are still work in progress to find product market fit for scaling the # of users

Cash and Cash Equivalents:

Your Company has added ₹ 61.35 millions to cash and near cash reserves during the year under review aggregating to ₹ 2,233.58 million of total cash and near cash reserves as of March 31, 2020 as compared to ₹ 2,172.23 million as of March 31, 2019. The Company and all its subsidiaries continue to remain debt free from external borrowings

Details of the Investments Made by Nazara as on March 31, 2020

Investments made by the Company			
Name of the Party	**Amount (₹ in millions)**		
	Cash Consideration	**Share Swap**	**Nazara's Holding**
Next Wave Multimedia Pvt Ltd	300.30	227.94	52.38%
Nodwin Gaming Private Limited	355.32	414.31	54.99%
Halaplay Technologies Private Limited	318.48	-	38.40%
Crimzoncode Technologies Private Limited	16.85	13.1	100%
Khichadi Technologies Private Limited	7.50	-	15%
Sports Unity Private Limited	60.90	-	62.53%
Absolute Sports Private Limited	95.00	343.43	63.90%
Paper Boat Apps Private Limited	400.10	435.00	50.91%
Nazara Technologies FZ LLC	0.64	-	100%
Nazara Pro Gaming Pvt Ltd	0.1	-	100%
Nazara Pte Limited	0.05	-	100%
Instasportz Consultancy Private Limited	10.00	-	8.67%
Moong Labs Technologies Private Limited	10.00	-	24.41%
Mastermind Sports Limited	26.04	-	26.00%
Total	**1501.28**	**1533.78**	**-**

OUTLOOK

We at Nazara are very excited with the diversified platform which has been laid out to deliver high growth across diversified offerings and tailwinds in the gaming and esports and gamified learning will propel the momentum even faster.

Gaming & eSports Industry

- ✓ In 2023, gaming and esports will be a $ 3.5 Bln India opportunity. This growth will be driven by:
  - o Convergence of sports, virtual sports and eSports
  - o Gen Z and Millennials, playing games on their mobiles
- ✓ Nazara Owns content IPs, is well positioned to capitalize and benefit from this convergence:
  - o Through it's dominance in large TAM segments of eSports, Sports Simulation (cricket) and Early Learning
  - o In India, across Emerging and Developed economies such as the US
- ✓ Nazara is a unique and one of kind story:
  - ▪ Is the only annuity investment in India that offers scale without any regulatory risk
  - ▪ Has a diversified story with a presence across various large TAM segments / formats within gaming
  - ▪ Benefits from multiple value creators in its portfolio, where each can be a global force to reckon with
  - ▪ Has a track record of generating free cash flows & driving profitable growth
- ✓ Ultimately, Nazara offers a unique combination of high growth annuity (Early Learning) and high value creation (eSports + Sports Simulation).

BOARDS' REPORT

Dear Members,

The Board of Directors are pleased to present the 21st Annual Report on the business and operations of the Company together with the Audited Standalone and Consolidated Financial Statements for the financial year ended March 31, 2020.

RESULTS OF OPERATIONS FOR THE YEAR 2019-20:

Summary of the operations of the Company on standalone and consolidated basis for the financial year ended March 31, 2020 is as follows:

(₹ in Millions)

PARTICULARS	Standalone		Consolidated	
	2019-20	2018-19	2019-20	2018-19
Revenue from Operations	461.21	434.47	2475.09	1,698.31
Total Expenditure	422.79	522.63	2869.03	1,759.13
Profit before tax	104.73	31.44	(239.38)	102.26
Net Profit/Loss Before tax	104.73	31.44	(257.50)	92.79
Profit/ (Loss) for the year	75.91	22.18	(249.30)	43.79
Equity Share Capital	111.99	109.89	111.99	109.89
Other Equity	3322.08	2416.73	4974.83	3,969.20
Net Block	50.86	5.70	2139.76	860.94
Net Current Assets	249.44	831.08	2311.94	2,660.45
Cash and Cash Equivalents (including bank balances)	39.04	28.61	1867.04	1,332.67
Earnings/(Loss) per Share (Diluted) (in ₹)	2.68	0.79	0.18	5.42
Profit attributable to equityshare holders of the Company	75.91	22.18	5.01	151.37

BUSINESS OVERVIEW:

Standalone Financials

During the year under review, on Standalone basis the Company has registered a growth by achieving a turnover of ₹ 461.21 millions as against ₹ 434.47 millions in the previous year. The other income stood at ₹ 66.31 millions as against ₹ 119.59 million in the previous year. The total expenditure stood at ₹ 422.79 millions as against ₹ 522.63 millions in the previous year. Your Company had registered a total profit of ₹ 75.91 millions for the financial year ended on March 31, 2020 as against ₹ 22.18 millions in the previous year.

Consolidated Financials:

On consolidated basis, our revenue from operations stood at ₹ 2475.09 millions for FY 2019-2020 as against ₹ 1698.31 millions for FY 2018-2019. On consolidated basis, the Total Comprehensive Income attributable to the shareholders of the Company is ₹ 167.89 million in 2019-20 against ₹ 267.09 million in 2018-19.

The operating and financial performance of your Company has been covered in the Management Discussion and Analysis Report which forms part of the Annual Report.

AMOUNTS TRANSFERRED TO RESERVES:

The Company did not transfer any amount to the Reserves account of the Company during the year under review.

COVID- 19:

Gaming businesses worldwide have witnessed strong tailwinds during lockdown and opportunities generated thereof in gaming vertical further fueled growth of gaming in India. We have experienced a sharp increase in consumer interest for gamified learning, social virtual sports and multiplayers games and in esports viewership on OTT platforms as well as on TV. The Company's digital and interactive games have significantly helped Company's' market position as a diversified interactive gaming, gamified learning and new age sports media company. The Company has astutely deployed its capital to lay a very strong platform for growth in across all diversified offerings and has been very prudent in its investment decisions, while monitoring the evolving market conditions closely, to ensure high growth rates of revenue. The Company has ensured that it has considered the possible impact on its market position, business operations, and customer relations arising from the unfolding events of COVID-19 to this effect, your directors is of the opinion that presently the impact of COVID-19 pandemic may not adversely or significantly affect the company.

DIVIDEND:

In order to deploy the resources for the future business requirement of the Company, your Directors have decided not to recommend any dividend for the financial year ended March 31, 2020.

CHANGE IN NATURE OF BUSINESS

There was no change in the nature of the business in FY 19-20 however company expanded its offerings into the following adjacent spaces to mobile gaming and esports :

1. gamified learning space via its investment to take majority in Paperboat Apps Private Limited.
2. increase its shareholding in Halaplay Technologies Private Limited to make this a subsidiary of the Company
3. augment offering to sports fans by taking majority shareholding in Absolute sports Private Limited – a multi sports / esports new destination

CHANGES IN THE PAID- UP SHARE CAPITAL

Changes in paid up share capital during the financial year under review, the Company has made following allotments on preferential basis:

- 34,959 Equity Shares of ₹ 4/- each at a price of ₹ 728/- for cash aggregating to ₹ 25.40 millions on private placement basis to Azimuth Investments Limited by way of circular resolution passed by the Board of Directors on 18th July,2019.

- 4,71,740 Equity Shares of ₹ 4/- each at the price of ₹ 728/- aggregating to ₹ 343.40 millions to the shareholders of Absolute Sports Private Limited on private placement basis for consideration other than cash (i.e. by way of swap of 1,07,450 Equity shares of Absolute Sports Private Limited with the Equity shares of the Company) by way of circular resolution passed by the Board of Directors on September 16, 2019.
- 17,995 Equity Shares of ₹ 4/- each at the price of ₹ 728/- aggregating to ₹ 13.1 millions to Mr. Devavrat Jatia, shareholder of Crimzoncode Technologies Private Limited on private placement basis for consideration other than cash (i.e.by way of swap of 24,79,480 Equity shares of Crimzoncode Technologies Private Limited with the Equity shares of the Company by way of circular resolution passed by the Board of Directors on February 21, 2020.

As on March 31, 2020, the paid-up capital of the Company stood at ₹ 11,19,86,652/- (Rupees Eleven Crores Nineteen Lakhs Eighty-six Thousand Six hundred and fifty two Only)/- divided into 2,79,96,663 (Two Crores Seventy-Six Lakhs Ninety-Six Thousand Six Hundred and Sixty three) Equity Shares of ₹ 4/- each

Subsequent to the Balance sheet date, your Company has made the following allotments on preferential basis:

- 412,088 Equity shares of ₹ 4/- each at a premium of ₹ 724/- for cash aggregating to ₹ 300 millions to Ms. Anshu Dhanuka and Mr. Anupam Dhanuka, Founders of the Paper Boat Apps Private Limited on private placement basis for consideration other than cash (i.e by way of swap of 3818 Equity shares of Paper Boat Apps Private Limited with the Equity shares of the Company on January 17, 2020) being discharge of part payment of the purchase consideration received by Company by way of circular resolution passed by the Board of Directors on May 06, 2020.
- 201,020 Equity shares of ₹ 4/- each at a premium of ₹ 724/- aggregating to ₹ 146 Millions to KAE Capital Fund II and Kalysta Capital Fund II (Mauritius), shareholders of the Halaplay Technologies Private Limited on private placement basis for consideration other than cash (i.e by way of swap of 20 equity shares of Rs 100/- each and 26,065 Compulsory Convertible Preference Shares of ₹ 100/- each of Halaplay Technologies Private Limited with the equity shares of the Company) by way of circular resolution passed by the Board of Directors on June 22, 2020

The present paid-up share capital of the Company is ₹ 11,44,39,084/- (Rupees Eleven Crores Forty Four Lakhs Thirty Nine Thousand and Eighty four Only)/- divided into 2,86,09,771 (Two Crores Eighty Six Lakhs Nine Thousand Seven Hundred and Seventy One) Equity Shares of ₹ 4/- each.

EMPLOYEE STOCK OPTION (ESOP) DISCLOSURE:

The Company has formulated two Employee Stock Option Schemes i.e. Nazara Technologies Employee Stock Option Plan 2016 and Nazara Technologies Employee Stock Option Plan 2017 in accordance with the provisions of Sec 62(1)(b) of the Companies Act, 2013 with an objective to reward the Eligible Employees for their performance in the Company and to share the wealth created by the Company with them. A summary disclosure in compliance with Companies (Share Capital and Debentures) Rules, 2014 forms part of this report as **Annexure I** and the complete details have been disclosed under Notes to the financial statements which form part of the Annual Report. During the year under review, there has been no variation in the terms of ESOP schemes.

MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THIS FINANCIAL STATEMENT RELATES AND THE DATE OF THE REPORT:

There have been no other material changes and commitments that occurred after the close of financial year till the date of report, which may affect the financial position of the Company, except as stated in this report.

PUBLIC DEPOSITS:

During the year under review, your Company has not accepted any deposits within the meaning of Section 73 and 76 of the Companies Act, 2013 (the Act) read with Companies (Acceptance of Deposits) Rules, 2014.

INFORMATION ABOUT SUBSIDIARY AND ASSOCIATE COMPANIES:

As on March 31, 2020, the Company has the Seventeen Subsidiaries and three Associates Companies:

A. Direct Subsidiaries:

   i. Absolute Sports Private Limited (w.e.f September 16, 2019)
   ii. Nazara Technologies FZ LLC
   iii. Nazara Pte. Ltd
   iv. Nazara Pro Gaming Private Limited
   v. Next Wave Multimedia Private Limited
   vi. Nodwin Gaming Private Limited
   vii. Sports Unity Private Limited (w.e.f. July 09, 2019)
   viii. Paper Boat Apps Private Limited (w.e.f. January 17, 2020)
   ix. Crimzoncode Technologies Private Limited (w.e.f. February 21, 2020)

B. Step Down Subsidiaries:

   i. Nazara Technologies
   ii. NZMobile Nigeria Ltd
   iii. Nazara Zambia Ltd
   iv. NZ Mobile Kenya Ltd
   v. Nazara Uganda Ltd
   vi. Nazara Bangladesh Limited

vii. NZ World Kenya Limited

viii. Kiddopia USA, INC.

C. Associate Companies

i. Moong Labs Technologies Private Limited

ii. Halaplay Technologies Private Limited

iii. Mastermind Sports Limited (Associate of subsidiary)

Report on performance of subsidiaries, associate Companies and Joint Ventures:-

In accordance with the Section 129(3) of the Companies Act, 2013 read with Rule 5 of Companies (Accounts of Companies) Rules, 2014, the Company has prepared consolidated financial statements of the Company including all its subsidiaries, JV's and Associate companies which forms part of the Annual Report. A statement containing the salient features of the financial statement of the subsidiaries/JV's/Associates of the Company, pursuant to Rule 8(1) of the Companies (Accounts) Rules, 2014 in the prescribed format AOC-1 is appended as **Annexure II** to the Board's Report.

CORPORATE SOCIAL RESPONSIBILITY (CSR) INITIATIVES

In compliance with the requirements of Section 135 of the Act read with the Companies (Corporate Social Responsibility) Rules, 2014, the Board of Directors have constituted a Corporate Social Responsibility (CSR) Committee. The details of membership of the Committee and the meetings held during the year, are detailed in the Corporate Governance Report, forming part of this Report. The contents of the CSR Policy of the Company as approved by the Board on the recommendation of the CSR Committee are available on the website of the Company and can be accessed through the web link corp.nazara.com

The complete details on the CSR activities is enclosed as **Annexure III**

DIRECTORS AND KEY MANAGERIAL PERSONNEL:

As on March 31, 2020, the Board of Directors of your Company comprises of six (6) Directors consisting of a Managing Director, a Joint Managing Director and four (4) Non-Executive Directors, out of which three (3) are Independent Directors including one Woman Director. During the financial year 2019-20, there is no change in the composition of Board.

Based on the recommendation of Nomination, Remuneration & Compensation Committee, the Board of Directors at its meeting held on June 22, 2020 appointed Mr. Rajiv Ambrish Agarwal (DIN: 00379990) as an Additional (Non-Executive) Directors of the Company under Section 161 of the Companies Act, 2013. Also, on the recommendation of Nomination, Remuneration & Compensation Committee, the Board of Directors at its meeting held on November 23, 2020 appointed Mr. Karan Bhagat (DIN: 03247753) as an Additional (Non-Executive) Directors of the Company under Section 161 of the Companies Act, 2013 for a period of one year w.e.f 23rd November 2020 subject to regularisation of his appointment at the ensuing Annual General Meeting by the shareholder of the Company. Accordingly, the matter for regularization of Mr. Rajiv Agarwal and Mr. Karan Bhagat have been placed before the shareholders for their approval and forms part of the Notice of the Annual General Meeting.

Further, the Board of Directors in their meeting held on November 23, 2020 have approved re-designation of Mr. Kuldeep Jain as Non – Executive Independent Director from a Non – Executive Director, subject to the approval of shareholders in the ensuing Annual General Meeting. Accordingly, the matter of change in designation of Mr. Kuldeep Jain as an Independent Director, have been placed before the shareholders for their approval and forms part of the Notice of the Annual General Meeting.

KEY MANAGERIAL PERSONNEL

As on March 31, 2020, Mr. Vikash Mittersain, Chairman & Managing Director, Mr. Nitish Mittersain, Joint Managing Director, Mr. Manish Agrawal, Chief Executive Officer (CEO), Mr. Rakesh Shah, Chief Financial Officer (CFO) and Mr. Turabbhai Chimthanawala, Company Secretary (CS) are the Key Managerial Personnel (KMP's) of the Company.

DIRECTORS RETIRING BY ROTATION

Pursuant to the provisions of Section 152 of the Companies Act, 2013 read with the relevant rules made thereunder, out of the total Directors, two-third shall be liable to retire by rotation out of which one-third of the Directors shall retire by rotation every year and if eligible, can offer themselves for reappointment at the Annual General Meeting.

Mr. Nitish Mittersain (DIN: 02347434), Joint Managing Director of the Company, retires by rotation and being eligible, offers himself for re-appointment at the ensuing Annual General Meeting of the Company.

Accordingly, the matter for re-appointment of Mr. Nitish Mittersain has been placed before the shareholders for their approval and forms a part of the Notice of the Annual General Meeting.

DECLARATION OF INDEPENDENCE:

The Company has received declarations from all Independent Directors confirming that they meet the criteria of Independence as prescribed under Sec 149(6) of the Companies Act, 2013 and the Rules made thereunder. The Ministry of Corporate Affairs ("MCA") vide Notification No.G.S.R.804 (E) dated October 22, 2019 and effective from December 01, 2019 has introduced the provisions relating of inclusion of names of Independent Directors in the Data Bank maintained by Indian Institute of Corporate Affairs ("IICA"). All Independent Directors of your Company are registered with IICA. In the opinion of the Board, the Independent Directors possess the requisite integrity, experience, expertise, proficiency and qualification.

Number of Meetings of Board of Directors:

Five (5) meetings of the Board of Directors of the Company were held during the year under review. Detailed information of the meetings of the Board is included in the Report on Corporate Governance, which forms part of this Report.

Formal Annual Evaluation

The Nomination and Remuneration Committee of the Company has laid down the criteria for performance evaluation of the Board and individual directors including the Independent Directors and Chairperson covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its committees, Board Culture, execution and performance of specific duties, obligations and governance. It includes circulation of evaluation forms separately for evaluation of the Board, its Committees, Independent Directors / Non-Executive Directors / Executive Directors and the Chairman of your Company. In a separate meeting of independent directors which was held on November 23, 2020, performance of non-independent directors, the Board as a whole and the Chairman of the Company was evaluated, taking into account the views of executive directors and non-executive directors.

The Board reviewed and analyzed the responses to the evaluation forms and accordingly completed the Board evaluation process for the financial year 2019-20 and expressed their satisfaction with the evaluation process.

Company's Policy on Directors' Appointment and Remuneration

The Nomination and Remuneration Policy of the Company on Directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a Director and other matters provided under sub-section (3) of Section 178, is placed on the website of the Company and can be accessible at http://3.6.115.102/wordpress/wp-content/uploads/2019/12/2.-Nomination-and-Remuneration-Policy.pdf

DIRECTORS' RESPONSIBILITY STATEMENT:-

Pursuant to the requirement under Section 134(3)(c) of the Companies Act, 2013, the Directors hereby confirm and state that:

a) in the preparation of the annual accounts for the year ended March 31, 2020, the applicable accounting standards had been followed along with proper explanation relating to material departures, if any;

b) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year ended on March 31, 2020 and of the profit and loss and cash flow of the company for the period ended March 31, 2020;

c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

d) the directors have prepared the annual accounts for the year ended March 31, 2020 on a going concern basis; and

e) they have devised proper systems to ensure compliance with the provisions of all applicable laws sand that such systems were adequate and operating effectively.

COMMITTEES OF THE BOARD

a) **Audit Committee**

The Audit Committee comprises of Mr. Sasha Mirchandani, Mr. Probir Roy, Ms. Shobha Jagtiani and Mr. Nitish Mittersain as its Members. The Committee comprises of majority of Independent Directors with Mr. Sasha Mirchandani being the Chairman. The CFO of your Company is the permanent invitee for the Audit Committee meetings. Further details relating to the Audit Committee are provided in the Corporate Governance Report, which forms an integral part of this Annual Report.

b) **Nomination, Remuneration and Compensation Committee**

The Nomination and Remuneration Committee comprises of Mr. Probir Roy, Ms. Shobha Jagtiani and Mr. Kuldeep Jain as its members. Further details relating to the Nomination and Remuneration Committee are provided in the Corporate Governance Report, which forms an integral part of this Annual Report.

c) **Corporate Social Responsibility Committee**

The Corporate Social Responsibility Committee comprises of Mr. Probir Roy, Ms. Shobha Jagtiani, Mr. Nitish Mittersain and Mr. Vikash Mittersain as its members. Further details relating to the Corporate Social Responsibility Committee are provided in the Corporate Governance Report, which forms an integral part of this Annual Report.

d) **Stakeholders Relationship Committee**

Stakeholders' Relationship Committee looks into matters relating to transfer/transmission of securities; non-receipt of dividends; non-receipt of annual report etc. Further details pertaining to Stakeholders Relationship Committee are provided in the Corporate Governance Report, which forms an integral part of this Annual Report.

MANAGEMENT DISCUSSION AND ANALYSIS:

The Management Discussion and Analysis Report highlighting the financial performance of the Company, overview of Business, overview of Gaming industry etc. is furnished separately and forms part of this Directors' Report.

CORPORATE GOVERNANCE:

Your Company is fully committed to follow good Corporate Governance practices and maintain the highest business standards in conducting business. The Company continues to focus on building trust with shareholders, employees, customers, suppliers and other stakeholders based on the principles of good corporate governance viz. integrity, equity, transparency, fairness, sound disclosure practices, accountability and commitment to values.

The report on Corporate Governance prepared by the Company voluntarily is presented in a separate section and forms part of this Report.

INTERNAL FINANCIAL CONTROL:

Your Company has in place adequate internal financial control system commensurate with the size of its operations. Internal control systems comprising of policies and procedures are designed to ensure sound management of your Company's operations, safe keeping of its assets, prevention and detection of frauds and errors, optimal utilisation of resources, reliability of its financial information and compliance. Systems and procedures are periodically reviewed by the Audit

Committee to maintain the highest standards of Internal Control. During the year under review, no material or serious observation has been received from the Auditors of your Company citing inefficiency or inadequacy of such controls. An extensive internal audit is carried out by M/s. R. Jaitlia and Co., Chartered Accountants and post audit reviews are also carried out to ensure follow up on the observations made.

INTERNAL AUDITOR:

Pursuant to the provisions of Section 138 of the Companies Act, 2013 and The Companies (Accounts) Rules, 2014, on the recommendation of the Audit Committee, M/s. R. Jaitlia and Co., Chartered Accountants were re-appointed by the Board of Directors to conduct internal audit of the Company.

VIGIL MECHANISM/WHISTLE BLOWER POLICY:

The Company has established a Whistle Blower Policy for Directors and employees to report their genuine concern. The details of the same are explained in the Report on Corporate Governance.

RISK MANAGEMENT:

The Company has devised and adopted a Risk Management Policy and implemented a mechanism for risk assessment and management. The policy provides for identification of possible risks associated with the business of the Company, assessment of the same at regular intervals and taking appropriate measures and controls to manage, mitigate and handle them. The key categories of risk jotted down in the policy are strategic risks, financial risks, operational risks and such other risk that may potentially affect the working of the Company. A copy of the risk management policy is placed on the website of the Company.

STATUTORY AUDITORS:

M/s. Walker Chandiok & Co. LLP, Chartered Accountants, Mumbai (Firm Registration No.001076N/N500013) are the Statutory Auditors of the Company for the year ended March 31, 2020.In terms of provisions of Section 139 of the Companies Act, 2013 and the rules made thereunder, M/s. Walker Chandiok & Co. LLP, Chartered Accountants, (Firm Registration No. 001076N/N500013) were appointed as Statutory Auditors of your Company at the 20th Annual General Meeting held on December 23, 2019, for a term of five consecutive years from the conclusion of 20th Annual General Meeting of Company till the conclusion of its 25th Annual General Meeting to be held in the year 2024. The Company has received a certificate from the auditors confirming that they are not disqualified from continuing as Auditors of the Company.

Pursuant to the provisions of Section 139(1) of the Companies Act, 2013, as amended with effect from May 7, 2018, ratification of the appointment of the statutory auditors, by the Members at every Annual General Meeting during the period of their appointment, has been withdrawn from the Section 139(1) of the Companies Act, 2013 with effect from that date.

EXPLANATION OR COMMENTS ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS OR DISCLAIMERS MADE BY THE AUDITORS IN THEIR REPORT:

The auditors' have given their unqualified report on the standalone financial statements of the Company for the year ended 31st March,2020. In the Auditors' report on consolidated financial statement, the auditors have given one qualified opinion at point no 8 of the Annuexure to the Independent Auditor's Report in respect of Halaplay Technologies Private Limited (Halaplay) and the management of Halaplay have replied satisfactorily in their Directors' Report for the financial year 2019-2020 and also stated that they are taking adequate steps to have an appropriate internal control system in place.

INSTANCES OF FRAUD, IF ANY, REPORTED BY THE STATUTORY AUDITORS:

During the year under review, the statutory auditors have not reported to the Audit Committee under Section 143(12) of the Companies Act, 2013 any instances of fraud committed against your Company by its officers and employees, details of which would need to be mentioned in the Board's Report.

EXTRACT OF ANNUAL RETURN:

As per latest amendment in Section 92 of Companies Act, 2013, a copy of annual return will be displayed on Company's website i.e corp.nazara.com after filing annual return, on completion of ensuing annual general meeting, with Registrar of Companies within the time stipulated in said section 92 of Act. However, extract of annual return of your Company as on March 31, 2020 in MGT-9, is given in **Annexure-IV** of this Report.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186:

The particulars of loans, guarantees and investments made by the Company under the provisions of Section 186 of the Companies Act, 2013 are provided in the notes to Financial Statements.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES REFERRED TO IN SECTION 188(1) OF THE COMPANIES ACT, 2013:

All the transactions with related parties were in the ordinary course of the business and on the arm's length basis and are reported in the Notes to the Financial Statements. Accordingly, the disclosure of Related Party Transactions as required under Section 134(3) of the Act in Form AOC-2 is not applicable.

DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE:

No significant or material orders were passed by the regulators or courts or tribunals which impact the going concern status and Company's operations in future.

DISCLOSURE UNDER THE SEXUAL HARRASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

Your Company has in place a Policy on prevention, prohibition and Redressal of sexual harassment at workplace in line with the provisions of The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules made thereunder. The Company has zero tolerance approach for sexual harassment at workplace. While maintaining the highest governance norms, the Company has in place Internal Complaint Committee in terms of Section 4 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

The details of complaints pertaining to sexual harassment that were filed, disposed of and pending during the financial year are provided in the Report of Corporate Governance.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING & OUTGO:

The particulars regarding the provisions of Section 134(3)(m) of the Companies Act, 2013 with respect to conservation of energy, technology absorption and foreign exchange earning & outgo are furnished in **Annexure-V** which forms part of the Report.

MAINTAINENCE OF THE COST RECORDS:

During the period under review, provisions of Rule 8(5)(ix) of The Companies (Accounts) Rules, 2014 read with Section 148(1) and rule 3 and 4 of The Companies (Cost Records and Audit) Rules, 2014 are not applicable on the Company.

COMPLIANCE WITH SECRETARIAL STANDARDS ON BOARD AND GENERAL MEETINGS:

The Company has devised proper systems to ensure compliance with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India and the Company complies with all the applicable provisions of the same during the year under review.

GREEN INITIATIVES:

Electronic copies of the Annual report 2020 for the 21st Annual General Meeting are sent to all members whose email addresses are registered with the Company/depository participant(s). For members who have not registered their email addresses, physical copies are sent in the permitted mode. Members may note that this Annual Report will also be available on the Company's website viz.corp.nazara.com. To support the "Green Initiative", Members who have not registered their email addresses are requested to register the same with their respective depositories, in respect of shares held in physical/electronic mode respectively.

CAUTIONARY STATEMENT:

Statements in this Report, particularly those which relate to Management Discussion and Analysis as explained in a separate Section in this Report, describing the Company's objectives, projections, estimates and expectations may constitute 'forward looking statements' within the meaning of applicable laws and regulations. Actual results might differ materially from those either expressed or implied in the statement depending on the circumstances.

ACKNOWLEDGEMENT:

Your Directors would like to express their gratitude to the shareholders for reposing unstinted trust and confidence in the management of the Company and will also like to place on record their sincere appreciation for the continued co-operation, guidance, support and assistance extended by our users, bankers, customers, Government & Non-Government Agencies & various other stakeholders.

The Board of Directors wishes to express its appreciation for the valuable contribution made by the employees at all levels during the year under report. Their dedicated efforts and enthusiasm have been pivotal to your Company's growth.

By order of the Board of Directors
For **Nazara Technologies Limited**

Vikash Mittersain	**Nitish Mittersain**
Chairman & Managing Director	Joint Managing Director
DIN: 00156740	DIN: 02347434
Place : Mumbai	Dubai
Date : November 23, 2020	November 23, 2020

ANNEXURE-I

PARTICULARS OF EMPLOYEE STOCK OPTIONS SCHEMES

As required under Rule 12 of Companies (Share capital and Debentures) Rules, 2014

Nature of Disclosure	Nazara Technologies ESOP 2016 (ESOP, 2016)	Nazara Technologies ESOP, 2017 (ESOP, 2017)
a. No of Options outstanding at the beginning of the year	2,43,284	5,62,733
b. Options granted during the year	Nil	Nil
c. Options Vested during the year	Nil	Nil
d. Options exercised during the year	Nil	Nil
e. The total number of shares arising as a result of exercise of option	Nil	Nil
f. Option lapsed during the year	10,238	Nil
g. The exercise price	₹ 234.32/- per Option	₹ 282.91/- per Option
h. Variation of terms of options	NA	NA
i. Money realized by exercise of options	Nil	NA
j. Total number of options in force at the end of the year	2,33,046	5,62,733
k. Total number of options exercisable at the end of the year	2,33,046	5,62,733
l. Employee wise details of options granted to:-		
1. Key Managerial Personnel	No Options were granted during the year	
2. Any other employee who receives a grant in any other options in any one year of option amounting to five per cent or more of options granted during that year	No Options were granted during the year	
3. Identified employees who were granted option, during any one year, equal to or exceeding one per cent of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant.	No Options were granted during the year	

By order of the Board of Directors
For **Nazara Technologies Limited**

Vikash Mittersain
Chairman & Managing Director
DIN: 00156740

Place : Mumbai
Date : November 23, 2020

ANNEXURE - II

FORM AOC-1

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

(₹ in millions.)

Part "A": Subsidiaries

Name of the Subsidiary Company	Nazara Technologies FZ LLC	Nazara Bangladesh Ltd	Nazara Pte Ltd	Nazara Technologies	NZMobile Nigeria Ltd	Nazara Zambia Ltd	NZ mobile Kenya Ltd	Nazara Uganda Ltd	NZworld Kenya LTD	Kiddopia USA, Inc.
Reporting period for the subsidiary concerned, if different from the holding company's reporting period.	31.03.2020	31.03.2020	31.03.2020	31.03.2020	31.03.2020	31.03.2020	31.03.2020	31.03.2020	31.03.2020	31.03.2020
Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	AED Rate:20.4650	BDT Rate : 0.86	USD Rate : 75.1600	USD Rate :75.1600	NGN Rate : 0.2011	ZMW Rate : 4.2200	KES Rate : 0.7198	UGX Rate : 0.1929	KES Rate : 0.7198	US Dollar ($) Rate: 75.3859
Share capital	50 Shares of AED 1000 each	1,00,000 Ordinary Shares of Taka 100 each.	1000 Shares of USD 0.80 each	380 Shares of USD 10 each	1,000,000 Shares of NGN 1 each	15000 Ordinary Shares of ZK 1 each	1000 Share of KES 100	100 shares of UGX 100,000	100 shares of Kshs 1000 each	1000 Shares of USD 0.1 each
Reserves & surplus	777.31	(2.60)	331.00	934.34	(48.40)	(2.72)	134.18	(22.88)	(71.33)	0.68
Total assets	839.81	48.27	416.07	1,160.41	202.75	6.52	276.20	212.45	53.36	17.14
Total Liabilities	60.96	50.45	88.51	2255.13	250.95	9.18	141.95	233.41	124.62	16.45
Investments	89.01	-	28.95	1.01	-	-	-	-	-	-
Turnover	191.59	0.21	262.46	103.80	19.30	2.22	62.58	77.55	44.28	17.25
Profit before taxation	29.71	0.05	32.87	27.54	6.64	(0.49)	18.22	6.66	(76.25)	0.86
Provision for taxation	-	(0.19)	(4.99)	(4.13)	(8.92)	(0.19)	(5.42)	(2.00)	22.88	(0.18)
Profit after taxation	29.71	(0.13)	27.87	23.41	(2.29)	(0.68)	12.80	4.66	(53.38)	0.68
Proposed Dividend	-	-	-	-	-	-		-	-	-
% of shareholding	100%	100%	100%	100%	100.00%	100.00%	100.00%	100.00%	70%	50.91%
Date on which it became the Subsidiary of the Company	07.08.2011	24.07.2014	11.03.2013	29.03.2013	15.05.2013	27.05.2013	04.06.2013	31.10.2013	01.04.2018	07.06.2019

(₹ in millions)

Name of the Subsidiary Company	Nazara Pro Gaming Private Limited	Nextwave Multimedia Private Limited	Nodwin Gaming Private Limited	Halaplay Technologies Private Limited	Absolute Sports Private Limited	Paper Boat Apps Private Limited	Crimzoncode Technologies Private Limited
Reporting period for the subsidiary concerned, if different from the holding company's reporting period.	31.03.2020	31.03.2020	31.03.2020	31.03.2020	31.03.2020	31.03.2020	31.03.2020
Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	INR	INR	INR	INR	INR	INR	INR
Share capital	10,000 shares of ₹ 10 each	33,335 shares of ₹ 100 each	13,414 shares of ₹ 10 each	50,000 equity shares of ₹ 1 each and 89,429 equity shares of ₹ 100 each 44,352 CCPS of ₹ 100 each	214,664 shares of ₹1 each	10,650 shares of ₹ 10 each	38,46,208 shares of ₹ 10 each
Reserves & surplus	(7.02)	168.93	396.55	(89.9)	163.59	44.12	(32.33)
Total assets	6.86	203.96	795.66	26.76	187.30	471.41	13.53
Total Liabilities	13.79	31.69	398.98	100.23	23.50	427.19	7.40
Investments	-	40.44	5.75	-	-	0.02	-
Turnover	5.56	136.76	746.61	396.76	142.21	572.17	9.09
Profit before taxation	(7.00)	19.40	18.11	-354.58	7.09	(39.20)	(9.38)
Provision for taxation	-	(5.27)	(4.73)	-	(1.74)	-	(0.14)
Profit after taxation	(7.00)	14.14	13.38	-354.58	5.34	(39.20)	(9.24)
Proposed Dividend	-	-	-	-	-	-	-
% of shareholding	100%	52.38%	54.99%	38.40%	63.90%	50.91%	100%
Date on which it became the Subsidiary of the Company	16.05.2017	22.12.2017	10.01.2018	08.04.2019	16.09.2019	17.01.2020	21.02.2020

By order of the Board of Directors
For **Nazara Technologies Limited**

Vikash Mittersain
Chairman &Managing Director
DIN No. 00156740

Nitish Mittersain
Joint Managing Director
DIN No. 02347434

Place : Mumbai — Dubai
Date : November 23, 2020 — November 23, 2020

Notes: The following information shall be furnished at the end of the statement:

1. Names of subsidiaries which are yet to commence operations: **N.A.**

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Name of associates/Joint Ventures	Mastermind Sports Limited	Moongs Labs Technologies Private Limited	Sports Unity Private Limited
1. Latest audited Balance Sheet Date	March 31, 2020	March 31, 2020	March 31, 2020
2. Shares of Associate/Joint Ventures held by the company on the year end			
(i) No. of Shares	83,526 ordinary shares	4,392 Equity Shares of ₹ 10 each	48,70,000 shares of ₹ 10 each
(ii) Amount of Investment in Associates/Joint Venture (₹ in millions)	₹ 26.04	₹ 10	₹ 60.90
(iii) Extend of Holding%	26%	24.41%	62.53%
3. Description of how there is significant influence	Associate of subsidiary	Associate Company	Associate Company
4. Reason why the associate/joint venture is not consolidated	N.A	N.A	N.A.
5. Net worth attributable to shareholding as per latest audited Balance Sheet (Amt. in millions)	₹ 58.51	₹ (6.28)	₹ 23.65
6. Profit/Loss for the year (₹. in millions)	₹ 0.96	₹ (4.52)	₹ (31.30)
i. Considered in Consolidation	Yes	Yes	Yes

By order of the Board of Directors
For **Nazara Technologies Limited**

Vikash Mittersain
Chairman &Managing Director
DIN No. 00156740

Place : Mumbai
Date : November 23, 2020

Nitish Mittersain
Joint Managing Director
DIN No. 02347434

Dubai
November 23, 2020

Annexure III

Annual Report on Corporate Social Responsibility (CSR) Activities

(*Pursuant to Rule 8 (1) of Companies (Corporate Social Responsibility Policy) Rules, 2014*)

Sr. No.	Particulars	Details
1	A brief outline of the company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs	The CSR policy of the Company lays down the guidelines to make CSR a key business process for sustainable development of the society. The CSR policy also encompasses the scope of CSR activities of the Company. The CSR Policy of the Company is uploaded on the website of the Company at corp.nazara.com
2	The Composition of the CSR Committee.	1. Mr. Vikash Mittersain- Chairman 2. Mr. Nitish Mittersain 3. Mr. Probir Roy 4. Ms. Shobha Jagtiani
3	Average net profit of the company for last three financial years	₹ 175.90 Millions
4	Prescribed CSR Expenditure (two per cent. of the amount as in item 3 above)	₹ 3,523,000/-
5	Details of CSR spent during the financial year. a) Total amount to be spent for the financial year b) Amount unspent , if any	 ₹ 3,523,000/- ₹ 10,00,000/-
	c) Manner in which the amount spent during the financial year is detailed below:	

Sr. No.	CSR Project or activity identified	Sector in which the project is covered	Projects or Programs 1. Local Area or other 2. Specify the State and district where projects or programs was taken	Amount Outlay (Budget) project or program wise (Amount in ₹)	Amount spent on the projects or programs Sub-heads (1) Direct expenditure on projects or programs (2) Overheads (Amount in ₹)	Cumulative Expenditure upto the reporting period (Amount in ₹)	Amount spent: Direct or through implementing agency
A.	Contribution to Make-a-wish Foundation of India	Promotion of children diagnosed with life-threatening medical condition	Mumbai (Maharashtra)	7,22,000	7,22,000	7,22,000	Direct
B.	Contribution to Dr. B.K Goyal Heart Foundation	Helping economically disadvantage receive treatment for heart disease	Mumbai (Maharashtra)	15,00,000	15,00,000	22,22,000	Direct
C	Contribution to Somaiya Vidyavihar Trust	Education	Mumbai (Maharashtra)	1,00,000	1,00,000	23,22,000	Direct
D.	Contribution to Priyadarshni Academy	Education	Mumbai (Maharashtra)	201,000	201,000	25,23,000	Direct
	Total			**25,23,000**	**25,23,000**	**25,23,000**	

Sr. No.	Particulars	Details
6	In case the company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the reasons for not spending the amount:	The Company had spent INR 10,00,000 under contribution to Chief Minister Relief Fund COVID 19 as a CSR activity in the month of March 2020. However, basis the clarification issued by the Ministry of Corporate Affairs of India, vide their General Circular No 15/2020 F.No. CSR-01/4/2020-CSR-MCA dated 10th April, 2020 the said expenditure does not qualify under CSR activity
7.	CSR Responsibility Statement	Implementation and monitoring of the CSR policy is in compliance with CSR objectives and policy of the Company.

By order of the Board of Directors
For **Nazara Technologies Limited**

Vikash Mittersain
Chairman & Managing Director & Chairman of CSR Committee
DIN:- 00156740

Probir Roy
Member of CSR Committee
DIN: 00111961

Date: November 23, 2020
Place: Mumbai

Annexure IV

FORM MGT 9

EXTRACT OF ANNUAL RETURN

(as on financial year ended on March 31, 2020)

(Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management & Administration) Rules, 2014

I. REGISTRATION & OTHER DETAILS:

1.	CIN	U72900MH1999PLC122970
2.	Registration Date	08/12/1999
3.	Name of the Company	**NAZARA TECHNOLOGIES LIMITED**
4.	Category/Sub-category of the Company	Company Limited by Shares / Non-Government Company
5.	Address of the Registered office & contact details	51-57, Maker Chambers 3, Nariman Point, Mumbai - 400021 +91 22-40330800
6.	Whether listed company	No
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	**Link Intime India Private Limited** C-101, 247, Park LBS Marg Vikhroli, Mumbai-400083 Contact Detail:+91 22 49186000

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated:

Sr. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1.	Telecommunication	61	100.00

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name & Address of the company	CIN / GLN	Holding / Subsidiary / Associate	% of shares held	Applicable Section
1.	Nazara Technologies FZ LLC Bldg 9, G46, Dubai Media City, Dubai, UAE, P. O. Box: 283753	-	Subsidiary	100%	2(87)
2.	Nazara PTE Limited 20, Maxwell Road, #09-17, Maxwell House, Singapore (069113)	-	Subsidiary	100%	2(87)
3.	Nazara Pro Gaming Private Limited 51-57, Maker Chambers, 3, Nariman Point Mumbai Mumbai City-400021	U74999MH2017PTC294895	Subsidiary	100%	2(87)
4.	Sports Unity Private Limited Flat No. 805, Madhuban, 55, Nehru Place, New Delhi -110019, India	U72900DL2016PTC299842	Joint Venture	62.53%	2(87)
5.	Absolute Sports Private Limited First Floor, Tower A1, Golden Enclave, Old Airport Road, Vimanpura Post Bangalore -560017, Karnataka, India	U92412KA2010PTC093814	Subsidiary	63.90%	2(87)
6.	Paper Boat Apps Private Limited 23, Happy Home Society, Nehru Road, Vile Parle East, Mumbai-400057, Maharashtra	U74120MH2013PTC246788	Subsidiary	50.91%	2(87)

Sr. No.	Name & Address of the company	CIN / GLN	Holding / Subsidiary / Associate	% of shares held	Applicable Section
7.	Crimzoncode Technologies Private Limited 701, Floor 7 , Plot 212, East Wing, Tulsiani Chambers ,Free Press Journal Marg, Nariman Point, Mumbai, Maharashtra-400021	U74120MH2015PTC267935	Subsidiary	100%	2(87)
8.	Nextwave Multimedia Private Limited First floor, Old No.98, New No.165 Avvai Shanmugam Salai,Royapettah, Chennai, Tamil Nadu - 600014	U72300TN1995PTC030106	Subsidiary	52.83%	2(87)
9.	Nodwin Gaming Private Limited Flat No-1004 Ivory Court-1 Essel Tower M.G. Road , Iffco Chowk, Gurgaon, Haryana- 122001	U93000HR2014PTC051557	Subsidiary	54.99%	2(87)
10.	NZWorld Kenya Limited L.R. No. 209/65/14 West Park Suites Ojijo Road P.O. Box 175-00606 Nairobi, Kenya.	-	Stepdown Subsidiary Company	70%	2(87)
11.	Nazara Technologies, Mauritius 3rd Floor Harbour front Building, President John Kennedy Street, Port Louis, Mauritius	-	Stepdown Subsidiary Company	100%	2(87)
12.	Nazara Bangladesh Limited 45, Bijoynagar, Dhaka, Bangladesh.	-	Stepdown Subsidiary Company	100%	2(87)
13.	NZMobile Nigeria Ltd 5 Shagamu Avenue, Off Association Avenue, Ilupeju, Lagos, Nigeria.	-	Stepdown Subsidiary Company	100%	2(87)
14.	Nazara Zambia Ltd Plot No. 20, Mwatusanga Road, Woodlands, Lusaka, Zambia	-	Stepdown Subsidiary Company	100%	2(87)
15.	NZ Mobile Kenya Ltd Plot No. L.R. No. 1870/VI/260, 1st Floor, New Rehema House, Raphta Road, Nairobi, P.O. Box 67486-00200	-	Stepdown Subsidiary Company	100%	2(87)
16.	Nazara Uganda Ltd 30 Regency Plaza, Lugogo by-pass P.o.s.t Box 1239, Kampala, Uganda	-	Stepdown Subsidiary Company	100%	2(87)
17.	Kiddopia USA, Inc. 2035 Sunset leke raod, suite D-2 New ARK - 19702	-	Stepdown Subsidiary Company	50.91%	2(87)
18.	Mastermind Sports Limited Studio 011 2 Michael Road, London, England, SW6 2AD	08433732	Associate	26%	2(6)
19.	Halaplay Technologies Private Limited No. 14, 9th Main, 13th Cross, Sector 6, HSR Layout, Bangalore 560102	U74999KA2016PTC096173	Subsidiary	38.40%	2(6)
20.	Moong labs Technologies Private Limited 55, Vaishali Enclave, Pitam Pura, New Delhi – 110 034	U72900DL2013PTC251144	Associate	24.41%	2(6)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity):

(i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year*				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) **Indian**									
a) Individual/ HUF	1,134,153	-	1,134,153	4.13	1,011,703	-	1,011,703	3.61	(0.51)
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt (s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	5,955,125	-	5,955,125	21.68	5,955,125	-	5,955,125	21.27	(0.41)
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any Other	-	-	-	-	-	-	-	-	-
Sub-Total (A)(1)	**7,089,278**	**-**	**7,089,278**	**25.81**	**6,966,828**	**-**	**6,966,828**	**24.88**	**(0.92)**
(2) Foreign									
a) NRIs -Individuals	-	-	-	-	-	-	-	-	-
b) Other -Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other	-	-	-	-	-	-	-	-	-
SUB Total (A)(2)	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A)=(A)(1) + (A)(2)	**7,089,278**	**-**	**7,089,278**	**25.81**	**6,966,828**	**-**	**6,966,828**	**24.88**	**(0.92)**
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI/Alternate Investment Limited	6,202,150	-	6,202,150	22.58	6,251,800		6,251,800	22.33	(0.25)
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	13,891	-	13,891	0.05	0.05
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs/ Foreign Portfolio Investor	-	-	-	-	-				
h) Foreign Venture Capital Funds	6,121,210	-	6,121,210	22.28	- 6,121,210	-	- 6,121,210	- 21.86	(0.42)
i) Others (Asset Management Company)	-	-	-	-	-	-	-		
Sub-Total (B)(1)	**12,323,360**	**-**	**12,323,360**	**44.86**	**12,386,901**		**12,386,901**	**44.24**	**(0.61)**

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year*				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	859,366	-	859,366	3.13	833,800	-	833,800	2.98	(0.15)
ii) Overseas	-	1,035,828	1,035,828	3.77	367,269	1,035,828	1,403,097	5.01	1.24
b) Individuals									
i) Individual shareholders holding nominal share capital up to ₹ 2 lakh	1,364,301	-	1,364,301	4.97	1,604,428	-	1,604,428	5.73	0.76
ii) Individual shareholders holding nominal share capital in excess of ₹ 2 Lakh	4,442,846	-	4,442,846	16.17	4,441,346	-	4,441,346	15.86	(0.31)
c) Others (specify)	356,990		356,990	1.30	3,60,263		3,60,263	1.29	(0.01)
Sub-total (B)(2)	**7,023,503**	**1,035,828**	**8,059,331**	**29.34**	**7,607,106**	**1,035,828**	**8,642,934**	**30.87**	**1.53**
Total Public Shareholding (B)=(B)(1)+(B)(2)	**19,346,863**	**1,035,828**	**20,382,691**	**74.19**	**19,994,007**	**1,035,828**	**21,029,835**	**75.12**	**0.92**
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-					
Grand Total (A+B+C)	**26,436,141**	**1,035,828**	**27,471,969**	**100**	**26,960,835**	**1,035,828**	**27,996,663**	**100**	**-**

(ii) Shareholding of Promoters and Promoters' Group-

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year*			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1.	Mr. Vikash Mittersain	250	0.00	-	250	0.00	-	0.00
2.	Mr. Nitish Mittersain	1,133,903	4.13	-	1,011,453	3.61	-	(0.51)
3.	Mitter Infotech LLP	5,955,125	21.68	-	5,955,125	21.27	-	(0.41)*

** Change in percentage is due to increase in share capital of the Company during the year*

(iii) Change in Promoters' Shareholding (please specify, if there is no change)

Sr. No	Name	Date	Transaction	Shareholding at the beginning of the year		Cumulative Shareholdings during the year	
				No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1.	**Mr. Vikash Mittersain**						
	At the beginning of the year	April 01, 2019	-	250	-	250	-
	Increase/ Decrease during the year	-	Nil	-	-	-	-
	At the end of the year	March 31,2020	-	250	-	250	-

Sr. No	Name	Date	Transaction	Shareholding at the beginning of the year		Cumulative Shareholdings during the year	
				No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
2.	**Mr. Nitish Mittersain**						
	At the beginning of the year	April 01, 2019	-	1,133,903	4.13	1,133,903	4.13
	Increase/ decrease during the year	July 04, 2019	Transfer	(122,450)		1,011,453	3.16
	At the end of the year	March 31,2020	-	1,011,453	3.16	1,011,453	3.16
3.	**Mitter Infotech LLP**						
	At the beginning of the year	April 01, 2019	-	5,955,125	21.68	5,955,125	21.68
	Increase/ decrease during the year	-	Nil	-	-	-	-
	At the end of the year	March 31,2020	-	5,955,125	21.68	5,955,125	21.27*

** Change in percentage is due to increase in share capital of the Company during the year*

(iv) Shareholding Pattern of top ten Shareholders:

(Other than Directors, Promoters and Holders of GDRs and ADRs):

Sr. No	For Each of the Top 10-Shareholders	Date	Transaction	Shareholding at the beginning of the year		Cumulative Shareholdings during the year	
				No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1.	**Westbridge Venture II Investments Holding**						
	At the beginning of the year	April 1,2019	-	6,121,210	22.28	6,121,210	22.28
	Increase/ decrease during the year	-	Nil	-	-	-	-
	At the end of the year	March 31,2020	-	6,121,210	21.86*	6,121,210	21.86*
2.	**Rakesh Jhunjhunwala**					-	-
	At the beginning of the year	April 1,2019	-	3,294,310	11.99	3,294,310	11.99
	Increase/ decrease during the year	-	Nil	-	-	-	-
	At the end of the year	March 31,2020	-	3,294,310	11.76*	3,294,310	11.76*
3.	**IIFL Special Opportunity Fund**						
	At the beginning of the year	April 1,2019	-	1,748,185	6.36	1,748,185	6.36
	Increase/ decrease during the year	-	Nil	-	-	-	-
	At the end of the year	March 31,2020	-	1,748,185	6.24*	1,748,185	6.24*
4	**IIFL Special Opportunity Fund- Series 4**						
	At the beginning of the year	April 1,2019	-	14,29,360	5.20	14,29,360	5.20
	Increase/ decrease during the year	-	Nil	-	-	-	-
	At the end of the year	March 31,2020	-	14,29,360	5.11*	14,29,360	5.11*

Sr. No	For Each of the Top 10-Shareholders	Date	Transaction	Shareholding at the beginning of the year		Cumulative Shareholdings during the year	
				No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
5.	**IIFL Special Opportunity Fund 5**						
	At the beginning of the year	April 1,2019	-	1,205,502	4.39	1,205,502	4.39
	Increase/ decrease during the year		Nil				
	At the end of the year	March 31,2020	-	1,205,502	4.31*	1,205,502	4.31*
6.	**IIFL Special Opportunity Fund-Series 2**						
	At the beginning of the year	April 1,2019	-	1,126,625	4.10	1,126,625	4.10
	Increase/ decrease during the year	-	Nil	-	-	-	-
	At the end of the year	March 31,2020	-	1,126,625	4.02*	1,126,625	4.02*
7.	**Emerging Investments Limited**						
	At the beginning of the year	April 1, 2019	-	5,50,810	2.01	5,50,810	2.01
	Increase/ decrease during the year	-	Nil	-	-	-	-
	At the end of the year	March 31,2020	-	5,50,810	1.96*	5,50,810	1.96*
8.	**IIFL Special Opportunity Fund-Series 3**						
	At the beginning of the year	April 1,2019	-	5,42,551	1.97	5,42,551	1.97
	Increase/ decrease during the year		Nil	-	-	-	-
	At the end of the year	March 31,2020	-	5,42,551	1.94*	5,42,551	1.94*
9.	**Turtle Entertainment GmbH**						
	At the beginning of the year	April 1,2019		485,018	1.77	485,018	1.77
	Increase/ decrease during the year	-	Nil	-	-	-	-
	At the end of the year	March 31,2020		485,018	1.73*	485,018	1.73*
10.	**Manish Agarwal**						
	At the beginning of the year	April 1,2019	-	436,741	1.59	436,741	1.59
	Increase/ decrease during the year	-	Nil	-	-	-	-
	At the end of the year	March 31,2020		436,741	1.56*	436,741	1.56*

** Change in percentage is due to increase in share capital of the Company during the year*

(v) **Shareholding of Directors and Key Managerial Personnel:**

Sr. No.	Name	Date	Transaction	Shareholding at the beginning of the year		Cumulative Shareholdings during the year	
				No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1.	**Mr. Vikash Mittersain**						
	At the beginning of the year	April1,2019	-	250	-	250	-
	Increase/ Decrease during the year	-	Nil	-	-	-	-
	At the end of the year	March 31, 2020	-	250	-	250	-
2.	**Mr. Nitish Mittersain**						
	At the beginning of the year	April1,2019	-	1,133,903	4.13	1,133,903	4.13
	Increase/ Decrease during the year	July 04, 2019	Transfer	(1,22,450)		1,011,453	3.61
	At the end of the year	March 31,2020	-	1,011,453	3.61	1,011,453	3.61
3.	**Mr. Kuldeep Jain**						
	At the beginning of the year	April 1,2019		-	-	-	-
	Increase/ decrease during the year	-	Nil	-	-	-	-
	At the end of the year	March 31,2020		-	-	-	-
4	**Mr. Sasha Mirchandani**						
	At the beginning of the year	April 1,2019	-	-	-	-	-
	Increase/ decrease during the year	-	-	-	-	-	-
	At the end of the year	March 31,2020	-	-	-	-	-
5	**Ms. Shobha Jagtiani**						
	At the beginning of the year	April 1,2019	-	-	-	-	-
	Increase/ decrease during the year	-	-	-	-	-	-
	At the end of the year	March 31,2020	-	-	-	-	-
6	**Mr. Probir Roy**						
	At the beginning of the year	April 1,2019	-	-	-		
	Increase/ decrease during the year	-	-	-	-	-	-
	At the end of the year	March 31,2020	-			-	-
7	**Mr. Manish Agarwal**						
	At the beginning of the year	April 1,2019	-	436,741	1.58	-	-
	Increase/ decrease during the year	-	Nil	-	-	-	-
	At the end of the year	March 31,2020	-	436,741	1.56*	436,741	1.56*
8	**Mr. Rakesh Shah**						
	At the beginning of the year	April 1,2019	-	33,058	0.12	-	-
	Increase/ decrease during the year	-	Nil			-	-
	At the end of the year	March 31,2020	-	33,058	0.12	33,058	0.12*
9	**Mr. Turabbhai Chimthanawala**						
	At the beginning of the year	April 1,2019	-	-	-		
	Increase/ decrease during the year	-	-	-	-	-	-
	At the end of the year	March 31,2020	-			-	-

** Change in percentage is due to increase in share capital of the Company during the year*

V. INDEBTEDNESS:

Indebtedness of the Company including interest outstanding/accrued but not due for payment:

(₹ in Millions)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year	-	-	-	-
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-
Change in Indebtedness during the financial year	-	-	-	-
* Addition	-	-	-	-
* Reduction	-	-	-	-
Net Change	-	-	-	-
Indebtedness at the end of the financial year	-	-	-	-
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

A. Remuneration to Managing Director, Whole-time Directors and/or Manager: (₹ in millions)

Sr. No.	Particulars of Remuneration	Name of MD/WTD/Manager		Total Amount
		Vikash Mittersain	Nitish Mittersain	
		Chairman & Managing Director	Joint Managing Director	
1	**Gross salary**			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	4.14	24.15	28.29
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0.91	2.74	3.65
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
2	**Stock Option**	-	-	-
3	**Sweat Equity**	-	-	-
4	**Commission** **- as % of profit** **- others, specify…**	-	-	-
5	**Others, please specify: Employer PF Contribution**	0.18	1.46	1.64
6	**Others, PA**	0.36	0.13	0.49
7	**Others (Exceptional employee benefit expense) (Bonus)**	-	-	-
8	**Total (A)**	**5.60**	**28.48**	**34.08**
	Ceiling as per the Act			

B. **Remuneration to other directors:**

(₹ in Millions)

Sr. No	Name of the Director	Designation	Sitting Fees	Commission	Others	Total Payment
1.	Mr. Probir Roy	Independent Director	0.27	-	-	0.27
2.	Ms. Shobha Jagtiani	Independent Director	0.27	-	-	0.27
3.	Mr. Sasha Mirchandani	Independent Director	0.18	-	-	0.18
4.	Mr. Kuldeep Jain	Non- Executive Director	0.11	-	-	0.11
Total			**0.83**	-	-	**0.83**

C. **Remuneration to key managerial personnel other than MD/Manager/WTD**

(₹ in Millions)

Sr. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO Mr. Manish Agarwal	CS Mr. Turabbhai Chimthanawala	CFO Mr. Rakesh Shah	Total
1	**Gross salary**				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	18.43	0.45	6.79	**25.67**
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-			
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-
2	**Stock Option**	-	-	-	-
3	**Sweat Equity**	-	-	-	-
4	**Commission**	-	-	-	-
	- as % of profit	-	-	-	-
	others, specify (Exceptional Employee Benefit expense)	-	-	-	-
5	**Others, Contribution to Provident Fund**	1.31	0.02	0.48	**1.81**
	Total	**19.74**	**0.47**	**7.27**	**27.48**

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty	NONE				
Punishment					
Compounding					
B. DIRECTORS					
Penalty	NONE				
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty	NONE				
Punishment					
Compounding					

For and on behalf of the Board of Directors
Nazara Technologies Limited

Vikash Mittersain
Chairman &Managing Director
DIN No. 00156740

Place : Mumbai
Date : November 23, 2020

Nitish Mittersain
Joint Managing Director
DIN No. 02347434

Dubai
November 23, 2020

ANNEXURE-V

DISCLOSURE PURSUANT TO SECTION 134(3)(m) of the COMPANIES ACT, 2013 READ WITH RULE 8 OF THE COMPANIES (ACCOUNTS), RULES 2014

(A) Conservation of Energy

(i)	the steps taken or impact on conservation of energy	Your Company, being a leading gaming company requires minimal energy consumption and every attempt is made to ensure optimal use of energy, avoid wastages and conserve energy as far as possible.
(ii)	the steps taken by the company for utilizing alternate sources of energy	
(iii)	the capital investment on energy conservation equipment's	

(B) Technology absorption, adaptation and innovation

(i)	the efforts made towards technology absorption	The Company continues to take prudential measures in respect of technology absorption, adaptation and take innovative steps to use the scarce resources effectively.
(ii)	the benefits derived like product improvement, cost reduction, product development or import substitution	
(iii)	in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)- (a) the details of technology imported (b) the year of import; (c) whether the technology been fully absorbed (d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof	
(iv)	the expenditure incurred on Research and Development	NIL

(C) Foreign Exchange Earnings and Outgo:

(₹ in millions)

Particulars	***2019-20***	***2018-19***
Foreign Exchange Earnings:		
Export of services at FOB value	227.00	248.93
Foreign Exchange Expenditure:		
Expenditure	15.32	31.44

For and on behalf of the Board of Directors
Nazara Technologies Limited

Vikash Mittersain
Chairman &Managing Director
DIN No. 00156740

Nitish Mittersain
Joint Managing Director
DIN No. 02347434

Place : Mumbai
Date : November 23, 2020

Dubai
November 23, 2020

CORPORATE GOVERNANCE

OUR CORPORATE GOVERANCE PHILOSOPHY

Effective Corporate Governance practice is about commitment to values, ethical business conduct and constitutes strong fundamentals on which a successful commercial enterprise is built to last. The Company strives to follow the best corporate governance practices, develop best policies/guidelines. The Company believes that good Corporate Governance is much more than complying with legal and regulatory requirements. Our Company being an Unlisted Public Limited Company, the disclosures required to be made on Corporate Governance in the Annual Report in terms of Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements), 2015 is not applicable to the Company. The disclosures reported under this section has been made on voluntary basis and contains the details of Corporate Governance systems and processes at Nazara Technologies Limited.

I. BOARD OF DIRECTORS

Your Company has a balanced and diverse Board, which includes independent professionals in confirmity with the provisions of the Companies Act, 2013 ("the Act"). Your Board represents a confluence of varied skills, experience and expertise from diverse background. The directors possess requisite qualification, experience and expertise in their respective functional areas, which enable them to discharge their responsibilities and provide effective leadership to the management.

The Composition of the Board complies with the provisions of the Companies Act, 2013 (the Act) and the rules made thereunder. The total Board strength comprises of 6 (Six) Directors, out of which 2 (two) are Executive Directors (i.e. 33.33% of the Board strength), 4 (Four) are Non-Executive Director (i.e. 66.67% of the Board strength) which include 3 (three) Independent Directors (i.e. 50% of the Board strength) including 1 (One) Women Independent Director. The Chairman of the Board is Executive Director.

There is no change in the composition of Board during the year under review.

Except Mr. Nitish Mittersain, being son of Mr. Vikash Mittersain, none of the other Directors are related to any other Director on the Board.

The Composition and category of the Board of Directors, relationship between directors inter se, shareholding of Directors in the Company as on 31st March 2020, the attendance at Board meetings held during the said period and at the last Annual General Meeting, number of Directorship, memberships/chairmanships of Board and Committees of public Companies as on 31st March 2020 are as under::

Name of the Director	Category	Shareholding in the Company	Attendance at the Board Meeting	Attendance at the last AGM held on December 23, 2019
Mr. Vikash Mittersain (DIN: 00156740)	Chairman & Managing Director	250	3/5	Yes
Mr. Nitish Mittersain (DIN: 02347434)	Joint Managing Director	1,011,453	5/5	Yes
Mr. Kuldeep Jain (DIN: 02683041)	Non-Executive Director	-	3/5	No
Ms. Shobha Jagtiani (DIN: 00027558)	Non-Executive and Independent Director	-	5/5	Yes
Mr. Probir Roy (DIN: 00111961)	Non-Executive and Independent Director	-	5/5	Yes
Mr. Sasha Mirchandani (DIN: 01179921)	Non-Executive and Independent Director	-	4/5	Yes

All Independent Directors are free from any business or other relationship that could materially influence their judgement. The Company has issued the formal letter of appointment to all the Independent Directors as prescribed under Schedule IV of the Act. The terms and conditions of their appointment is also available on the Company's website corp.nazara.com. The Company has received declarations from all the Independent Directors confirming that they meet the criteria of independence as specified under Section 149(6) of the Act and they are qualified to act as Independent Directors.

Directors' Profile

A brief resume of Directors, nature of their expertise in specific functional areas are available on Company website and can be accessible at https://corp.nazara.com/?page_id=2718.

Separate Meeting of Independent Directors

A separate meeting of Independent Directors of the Company without the presence of Non-Independent Directors and the management was held on 23rd November, 2020 as required under Schedule IV of the Act. The Independent Directors reviewed and evaluated the performance of Non-Independent Directors and the Board of Directors as a whole; evaluated the performance of the Chairman of the Company, taking into account the views of the Executive and Non-Executive Directors; evaluation of the quality, quantity and timelines of flow of information between the Management and the Board, that is necessary for the Board to effectively and reasonably perform its duties.

II. BOARD MEETINGS

Scheduling and Selection of agenda items for Board and Committee Meetings

Minimum five pre-scheduled Board meetings are held annually. Additional Board meetings are convened to address the Company's specific needs. In case of business exigencies or urgency resolutions are passed by circulation. The Meetings are generally held at the Company' office at 51-57, Maker Chambers, Nariman Point, Mumbai-400021

The agenda and notes are circulated to Directors in advance. All material information is incorporated in agenda for facilitating meaningful and focused discussions at the meeting. Where it is not practicable to attach any document to the agenda, it is tabled before the meeting with specific reference to this effect in the agenda. In special and exceptional circumstances, additional or supplementary item(s) on the agenda are permitted. All Board and Committee meetings' agenda papers are disseminated electronically by email on real time basis.

During the year under review, the Board met 5 (five) times on the 28th June, 2019, 20th September, 2019, 13th November, 2019, 06th January, 2020 and 02nd March, 2020.The intervening gap between two consecutive meetings was within the period prescribed under the Companies Act, 2013.

Recording Minutes of Proceedings at Board and Committee Meetings

The Chairman records minutes of proceedings of each Board and Committee meeting. Draft minutes are circulated to Board/Committee members for their comments as prescribed under the Secretarial Standard-1. The minutes are entered in the minutes Book within 30 days from the conclusion of the meeting.

Post Meeting follow–up mechanism

The guidelines for Board/Committee meetings facilitate an effective post meeting follow-up, review and reporting process for decisions taken by the Board and Committees thereof. Action taken on decisions/minutes of the previous meetings(s) is placed at the succeeding meeting of the Board/Committee for noting.

Compliance

The agenda, notes on agenda and minutes are prepared in adherence to all applicable laws and regulations, including the Companies Act, 2013 read with rules framed thereunder and Secretarial Standards issued by the Institute of Company Secretaries of India.

Board Evaluation

Details of methodology adopted for Board evaluation have been provided in the Board's Report.

III. STATUTORY BOARD COMMITTEES

The Board has constituted various Committees with specific terms of reference in line with the provisions of the Act. The Committees operate as empowered agents of the Board as per their Charter/terms of reference. The Board Committees play a vital role in improving the Board effectiveness in the areas where more focused and extensive discussions are required. As on March 31, 2020, the Company has 4 Committees of the Board, namely

- Audit Committee;
- Nomination Remuneration & Compensation Committee;
- Stakeholders' Relationship Committee;
- Corporate Social Responsibility Committee;

Meeting of each Board Committee is convened by the respective Committee Chairman. The Board had accepted recommendations of all the committees of the Board, during the financial year 2019-20 which were mandatorily required. Matters requiring the Board's attention / approval, as emanating from the Committee meetings, are placed before the Board with clearance of the Committee Chairman. Minutes of Board Committee meetings are placed before the Board for its information.

The role and composition of these committees, including the number of meetings held during the financial year and the related attendance are as follows:

A. AUDIT COMMITTEE OF THE BOARD

Composition

The Committee is governed by a Charter which is in line with the regulatory requirements mandated by Section 177 of the Act. The members of the Audit Committee possess financial / accounting expertise / exposure. As on March 31, 2020, the Audit Committee consisted of the four (4) directors, with Independent directors forming a majority:

i. Mr. Sasha Mirchandani

ii. Mr. Nitish Mittersain,

iii. Mr. Probir Roy

iv. Ms. Shobha Jagtiani

Mr. Sasha Mirchandani, Independent Director, is the Chairman of the Audit Committee.

During the year under review, the Audit Committee met 3 (Three) times i.e September 20, 2019, November 13, 2019 and March 02, 2020.

The details of the attendance of members of the Audit Committee at their meetings held on the above dates are given hereunder:

Name of the Director	Categories	No. of Meetings		% of Attendance
		Held	Attended	
Mr. Sasha Mirchandani	Independent Director	3	3	100
Mr. Nitish Mittersain	Joint Managing Director	3	3	100
Mr. Probir Roy	Independent Director	3	3	100
Ms. Shobha Jagtiani	Independent Director	3	3	100

The representatives of the Statutory Auditors, Internal Auditors, Chief Executive Officer and Chief Financial Officer are invitees to the Audit Committee Meetings.. The Company Secretary of the Company acts as the secretary to the Audit Committee.

Mr. Sasha Mirchandani, Chairman, of the Audit Committee was present at the AGM of the Company held on December 23, 2019

Brief description of terms of Reference:

a. Overseeing our Company's financial reporting process and disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;

b. Recommending to the Board, the appointment, re-appointment, and replacement, remuneration and terms of appointment of the statutory auditor and the fixation of audit fee;

c. Review and monitor the auditor's independence and performance and the effectiveness of audit process;

d. Approval of payments to the statutory auditors for any other services rendered by statutory auditors;

e. Reviewing with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:

   i) Matters required to be stated in the Director's responsibility statement to be included in the Board's report in terms of Section 134(3)(c) of the Companies Act, 2013;

   ii) Changes, if any, in accounting policies and practices and reasons for the same;

   iii) Major accounting entries involving estimates based on the exercise of judgment by management;

   iv) Significant adjustments made in the financial statements arising out of audit findings;

   v) Compliance with listing and other legal requirements relating to financial statements;

   vi) Disclosure of any related party transactions; and

   vii) Qualifications and modified opinions in the draft audit report.

f. Reviewing with the management, the quarterly, half-yearly and annual financial statements before submission to the Board for approval;

g. Scrutiny of inter-corporate loans and investments;

h. Valuation of undertakings or assets of our Company, wherever it is necessary;

i. Evaluation of internal financial controls and risk management systems;

j. Approval or any subsequent modification of transactions of our Company with related parties;

k. Reviewing with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/ notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;

l. Approving or subsequently modifying transactions of our Company with related parties;

m. Evaluating undertakings or assets of our Company, wherever necessary;

n. Establishing a vigil mechanism for directors and employees to report their genuine concerns or grievances;

o. Reviewing, with the management, the performance of statutory and internal auditors and adequacy of the internal control systems;

p. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;

q. Discussion with internal auditors on any significant findings and follow up thereon;

r. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;

s. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

t. Looking into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

u. Approval of appointment of the chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;

v. Reviewing the functioning of the whistle blower mechanism, in case the same is existing;

w. Carrying out any other functions as provided under the Companies Act, the SEBI Listing Regulations and other applicable laws; and

x. To formulate, review and make recommendations to the Board to amend the Audit Committee charter from time to time."

Powers of the Audit Committee:

a. To investigate any activity within its terms of reference;

b. To seek information from any employees;

c. To obtain outside legal or other professional advice; and

d. To secure attendance of outsiders with relevant expertise, if it considers necessary

Audit Committee shall mandatorily review the following information:

a. Management discussion and analysis of financial condition and result of operations;

b. Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;

c. Management letters/letters of internal control weaknesses issued by the statutory auditors;

d. Internal audit reports relating to internal control weaknesses;

e. The appointment, removal and terms of remuneration of the chief internal auditor; and

f. Statement of deviations:

   i) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of the SEBI Listing Regulations; and

   ii) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7) of the SEBI Listing Regulations"

B. NOMINATION, REMUNERATION & COMPENSATION COMMITTEE (NRCC):

The Committee's constitution and terms of reference are in compliance with the provision of Section 178 of the Companies Act, 2013. As on March 31, 2020, the committee consisted of the following three (3) directors:

i. Mr. Probir Roy

ii. Mr. Kuldeep Jain

iii. Ms. Shobha Jagtiani

Mr. Probir Roy is the Chairman of the Nomination, Remuneration & Compensation Committee.

The Nomination, Remuneration & Compensation Committee ('NRCC') is led by an Independent Director and is primarily responsible for recommending candidates for appointment as Directors and KMPs and their remuneration, evaluation of performance of Directors and formulation of remuneration policy.

During the year under review, one (1) meeting of the Nomination, Remuneration & Compensation Committee was held on November 13, 2019. All the recommendations of the NRCC was accepted by the Board.

The details of the attendance of members of the Nomination, Remuneration & Compensation Committee at their meetings held on the above dates are given hereunder:

Name of the Director	Categories	No. of Meeting		% of Attendance
		Held	Attended	
Mr. Probir Roy	Independent Director	1	1	100
Ms. Shobha Jagtiani	Independent Director	1	1	100
Mr. Kuldeep Jain	Non-Executive Director	1	1	100

Brief description of the terms of Reference

a. Formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;

b. Formulation of criteria for evaluation of independent directors and the Board;

c. Devising a policy on Board diversity;

d. Identify persons who are qualified to become directors or who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every director's performance. Our Company shall disclose the remuneration policy and the evaluation criteria in its annual report;

e. Analysing, monitoring and reviewing various human resource and compensation matters;

f. Determining our Company's policy on specific remuneration packages for executive directors including pension rights and any compensation payment, and determining remuneration packages of such directors;

g. Determine compensation levels payable to the senior management personnel and other staff (as deemed necessary), which shall be market-related, usually consisting of a fixed and variable component;

h. Reviewing and approving compensation strategy from time to time in the context of the then current Indian market in accordance with applicable laws;

i. Perform such functions as are required to be performed by the compensation committee under the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;

j. Framing suitable policies and systems to ensure that there is no violation, by an employee of any applicable laws in India or overseas, including:

   i. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; or

   ii. The Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003;

k. Determine whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors; and

l. Perform such other activities as may be delegated by the Board of Directors and/or are statutorily prescribed under any law to be attended to by such committee.

Remuneration Policy:

Pursuant to provisions of Section 178 of the Companies Act, 2013 read with Rules made thereunder, the Board has adopted a Policy on criteria for appointment of Directors, Key Managerial Personnel, Senior Management and their remuneration. The Remuneration Policy is available on the website of the Company at https://corp.nazara.com/?page_id=4015

Remuneration of Directors

Based on the recommendation of Nomination and Remuneration Committee, all decisions relating to the remuneration of the Directors are taken by the Board in accordance withthe Shareholders' approval. .

The details of remuneration paid to Executive Directors and to Non-Executive Directors for the Financial Year ended March 31, 2020 is provided hereinafter:

Details of Remuneration paid to the Executive Directors for the Financial Year 2019-20

(₹ in Million)

Name	Salary	Sitting Fees	Commission	Benefits Perquisites & Allowances	Total
Mr. Vikash Mittersain	4.14	-	-	1.46	**5.60**
Mr. Nitish Mittersain	16.65	-	-	11.83	**28.48**

Details of Remuneration paid to the Non-Executive Directors for the financial year 2019-20

Name of the Directors	Sittings Fees (for attending the meeting of the Board and its Committees) (Amount in Lakhs)
Mr. Probir Roy	2.70
Mr. Sasha Mirchandani	1.80
Ms. Shobha Jagtiani	2.70
Mr. Kuldeep Jain	1.10
Total	**8.30**

C. STAKEHOLDERS RELATIONSHIP COMMITTEE (SRC):

The Stakeholders Relationship Committee is primarily responsible to review all matters connected to the Company's transfer of securities, satisfactory redressal of shareholders' / investors' / security holders' complaints and recommends measures for overall improvement in the quality of investor services. The Stakeholders Relationship Committee composition and the terms of reference meet the requirements of provisions Section 178(5) of the Act. As on March 31, 2020, the Committee consisted of the following three (3) directors:

i. Mr. Probir Roy,

ii. Ms. Shobha Jagtiani

iii. Mr. Vikash Mittersain

Ms. Shobha Jagtiani is the Chairperson of the SRC Committee.

During the year under review, Stakeholders Relationship Committee met only once on 13th November, 2019. All the members of the Committee were present at the meeting. All the recommendations made by SRC was accepted by the Board.

Ms. Shobha Jagtiani, Chairman, of the Committee was present at the AGM of the Company held on 23rd December, 2019

The details of the attendance of members of the Stakeholders Relationship Committee at their meetings held on the above dates are given hereunder:

Name of the Director	Categories	No. of Meetings		% of Attendance
		Held	Attended	
Mr. Probir Roy	Independent Director	1	1	100
Ms. Shobha Jagtiani	Independent Director	1	1	100
Mr. Vikash Mittersain	Managing Director	1	1	100

Brief description of the Terms of reference

a. Redressal of grievances of shareholders, debenture holders and other security holders, including complaints related to the transfer of shares;

b. Allotment of shares, approval of transfer or transmission of shares, debentures or any other securities;

c. Issue of duplicate certificates and new certificates on split/consolidation/renewal;

d. Non-receipt of declared dividends, balance sheets of our Company, annual report or any other documents or information to be sent by our Company to its shareholders; and

e. Carrying out any other function as prescribed under the SEBI Listing Regulations, Companies Act, 2013 and the rules and regulations made thereunder, each as amended or other applicable law.

Investor Grievance Redressal

All complaints have been redressed to the satisfaction of the shareholders. The detailed particulars of investors' complaints handled by the Company and its Registrar & Share Transfer Agent during the year are as under:

Type of Complaint	No of Complaints
Non- receipt of Annual Report	0
Non-receipt of dividend warrants	0
Non- receipt of shares lodged for transfer	0
Others	0
Total	**0**

As on March 31, 2020, no complaints were outstanding.

Reconciliation of Share Capital Audit:

Your Company has engaged M/s. Manish Ghia & Associates, Company Secretaries, for conducting Share Capital Audit as per Rule 9A of Companies (Prospectus and Allotment of Securities Regulation) 2014. The report on Reconciliation of Share Capital Audit has been submitted to the Registrar of Companies in the prescribed e-form within the stipulated period of time.

D. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE(CSR):

The Company has constituted a CSR Committee as required under Section 135 of the Act. The CSR Committee comprises of four (4) members as stated below:

i. Mr. Probir Roy

ii. Ms. Shobha Jagtiani

iii. Mr. Vikash Mittersain and

iv. Mr. Nitish Mittersain

Mr. Vikash Mittersain is the Chairman of the Corporate Social Responsibility Committee.

During the year under review, the Corporate Social Responsibility Committee met once on 13th November, 2019. All the members of the Committee were present in the meeting. The recommendations of CSR Committee have been accepted by the Board.

The CSR Committee recommends to the Board the activities to be undertaken during the year and the amount to be spent on these activities. The CSR Report forms part of this Annual Report.

The details of the attendance of the members at the foregoing Committee Meeting are as follows:

Name of the Director	Categories	No. of Meetings		% of Attendance
		Held	Attended	
Mr. Probir Roy	Independent Director	1	1	100
Ms. Shobha Jagtiani	Independent Director	1	1	100
Mr. Vikash Mittersain	Managing Director	1	1	100
Mr. Nitish Mittersain	Joint Managing Director	1	1	100

Brief description of the Terms of Reference:

a. Formulating and recommending to the Board the corporate social responsibility policy of the Company, including any amendments thereto in accordance with Schedule VII of the Companies Act, 2013 and the rules made thereunder;

b. Identifying corporate social responsibility policy partners and corporate social responsibility policy programmes;

c. Recommending the amount of corporate social responsibility policy expenditure for the corporate social responsibility activities and the distribution of the same to various corporate social responsibility programmes undertaken by the Company;

d. Identifying and appointing the corporate social responsibility team of the Company including corporate social responsibility manager, wherever required;

e. Delegating responsibilities to the corporate social responsibility team and supervise proper execution of all delegated responsibilities;

f. Reviewing and monitoring the implementation of corporate social responsibility programmes and issuing necessary directions as required for proper implementation and timely completion of corporate social responsibility programmes; and

g. Performing such other duties and functions as the Board may require the corporate social responsibility committee to undertake to promote the corporate social responsibility activities of the Company."

The CSR Policy is available on website of the Company at https://corp.nazara.com/?page_id=4015

SUBSIDIARY COMPANIES

The financials of the subsidiary companies have been duly reviewed by the audit committee and the Board and also forms as part of consolidated financial statements. The Company's Board is also periodically informed about all significant transactions and arrangements entered into by the subsidiary companies.

GENERAL BODY MEETINGS/POSTAL BALLOT

I. General Meetings

a. Annual General Meeting ("AGM"):

Financial Year	Venue	Date and time	No of Special Resolution passed
2016-17	51-57, Maker Chambers 3, Nariman Point, Mumbai-400021	December 09, 2017 at 11.00 a.m	None
2017-18	Rangaswar Auditorium, Y B Chavan Centre, 7/8, General Jagannath Bhosale Marg, Opp Mantralaya, Nariman Point, Mumbai, Maharashtra- 400021	September 26, 2018 at 10:30 a.m	None
2018-19	51-57, Maker Chambers 3, Nariman Point, Mumbai-400021	December 23, 2019 at 11:00 a.m	1. Increase in limits of loans, Investments and Guarantees not exceeding ` 400 Crores pursuant to section 186 of the Companies Act, 2013. 2. Issue of Equity shares for consideration other than cash ((i.e Swap of shares of Crimzoncode Technologies Private Limited with the Equity shares of the Company) on private placement basis to Identified persons 3. Issue of Equity shares for consideration other than cash (i.e swap of sale shares of Paper Boat Apps Private Limited with equity shares of the Company) on private placement basis to Identified persons

b. Extra-Ordinary General Meeting:

No extra-ordinary general meeting of the members was held during FY 2019-2020

c. Postal Ballot

During the financial year 2019-2020, the Company conducted a postal ballot exercise for seeking approval of members for the following business:

i) Increase in limit of Loan and investments by the Company not exceeding sum of ₹ 250 Crore pursuant to Section 186 of the Companies Act, 2013

ii) Issue of 34,959 Equity Shares on Private placement basis to Azimuth Investment Limited on cash basis

iii) Issue of 315,923 Equity Shares for consideration other than cash (i.e; Swap of shares of Halaplay Technologies Private Limited with the Equity shares of the Company) on private placement basis to identified persons

iv) Issue of 491,216 Equity Shares for consideration other than cash (i.e; Swap of shares of Absolute Sports Private Limited with the Equity shares of the Company) on private placement basis to identified persons

Shareholders of the Company were provided e-voting facility for casting their votes electronically on the resolutions proposed through postal ballot process.

CS Manish L. Ghia, Partner, M/s. Manish Ghia & Associates, Company Secretaries, Mumbai was appointed as Scrutinizer for submitting report on voting pattern on the resolutions proposed to be passed through postal ballot carried out during the financial year 2019-2020.

The details of postal ballot exercise undertaken by the Company during the financial year 2019-2020 are as follows:

Postal Ballot Notice dated	May 08, 2019
Cut Off date	April 26, 2019
Date of dispatch of notice	May 10, 2019
Date of publication of dispatch of notice in newspapers	May 11, 2019
Commencement of E-voting	May 11, 2019
Last date of receiving of postal ballot/ e-voting by Scrutinizer	June 09, 2019
Date of declaration of results	June 11, 2019

MEANS OF COMMUNICATION

The Company regularly interacts with shareholders through various mediums of communication such as, Annual Report, Press releases and Company's website etc.

1. **Website:** The Company's website, (https://corp.nazara.com/) has a dedicated section for investor relations containing the financial results, shareholding pattern, annual reports, various policies adopted by the Board. Other general information like history of the Company, business carried out by the Company, its subsidiary(ies) and associate(s), details of the Board of Directors and Key Managerial Personnel of the Company. The Company's Annual Report is also available on the website in user-friendly and downloadable form.

2. **Communication to shareholders on Email**: As mandated by the Ministry of Corporate Affairs (MCA) documents like Notices, Annual Report, etc. were sent to the shareholders at their email address, as registered with their Depository Participants/ Company/ Registrar and Transfer Agents (RTA), which helped in prompt delivery of document, reduce paper consumption and avoid loss of documents in transit.

3. **Annual Report:** The Annual Report containing, inter alia, Audited Financial Statements, Consolidated Financial Statements, Directors' Report, Auditors' Report and other important information is circulated to the members and others entitled thereto. The Management's Discussion and Analysis (MD&A) Report forms part of the Annual Report and is displayed on the Company's website (https://corp.nazara.com/).

DISCLOSURES

1. **Related Party Transactions**

During the financial year under review, all Related Party Transactions are approved by the Audit Committee prior to the transaction. The Audit Committee has, after obtaining approval of the Board of Directors, laid down the criteria for granting omnibus approval for such transactions which are of repetitive nature and are approved by the Audit Committee on omnibus basis for one financial year at a time. The detail of the transactions with related parties is disclosed in the financial statements for the financial year ended March 31, 2020.

2. **Vigil Mechanism**

The Board has, pursuant to the provisions of Section 177(9) of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014 framed "Whistle Blower Policy and Vigil Mechanism" ("the Policy"). Your Company believes in the conduct of the affairs of its constituents in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity and ethical behavior. The Policy has been framed with a view to provide a mechanism for reporting of unethical behavior and frauds to the management. The mechanism provides for adequate safeguards against victimization of employees who avail of the mechanism and also provides for direct access to the Chairman of the Audit Committee, in the exceptional cases. Specifically, employees can raise concerns regarding any discrimination, harassment, victimization, any other unfair practice being adopted against them or any instances of fraud by or against your Company. The said policy is also available on the Company's website https://corp.nazara.com/.

3. **Accounting Treatment in preparation of Financial Statements**

The guidelines and accounting standards laid down by the Institute of Chartered Accountants of India (ICAI) and prescribed under Section 133 of the Companies Act,2013 have been followed in preparation of the financial statements of the Company in all material respects.

4. **Recommendation by any Committee of the Board of Directors of the Company**

During the financial year 2019-2020, the Board of Directors of the Company has accepted all recommendations, if any, received from its Committees.

5. **Status of complaints in relation to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013**

Number of Complaints received during the FY 2019-2020	NIL
Number of Complaints disposed of during the FY 2019-2020	NIL
Number of Complaints pending as on the end of FY 2019-2020	NIL

GENERAL SHAREHOLDER INFORMATION

The Company is registered in Mumbai, Maharashtra. The Corporate Identification Number (CIN) allotted by the Ministry of Corporate Affairs (MCA) is U72900MH1999PLC122970

Annual General Meeting for FY 19-20

Date, time and venue of Annual General Meeting of the Shareholders	Wednesday, December 30, 2020 at 3.30 PM through Video Conferencing (VC)/other audio-visual means (OAVM)
Registered and Corporate Office	Nazara Technologies Limited, 51-57, Maker Chambers 3, Nariman Point, Mumbai -400021
Financial Year	The Company follows April- March as its financial year
Dividend Payment date	The Board of Directors of the Company have not recommended any dividend for the financial year ended March 31, 2020
Registrar and Share Transfer Agents	Link Intime India Private Limited C-101, 247, Park LBS Marg Vikhroli, Mumbai- 400083. Tel: (022) 49186000 Fax : (022) 49186060 All shareholders 'correspondence relating to share transfer/ dematerialization of shares, transmission, dividend payment and any other queries should be forwarded to them or to the Company Secretary at the registered office of the Company.
ISIN Number	INE418L01021
Payment of Depository Fees:	Annual Custody / Issuer fee for the year 2019-20 has been paid by the Company to NSDL and CDSL
Registering of e-mail Address	Shareholders who have not yet registered their e-mail address for availing the facility of e-communication, are requested to register the same with the RTA (in case the shares are held in physical form) or their DP (in case the shares are held in dematerialized form) so as to enable the Company to serve them fast.

Transfer of shares in Physical Form

The Company's shares are compulsorily traded in the dematerialized form. In accordance with the circular of Ministry of Corporate Affairs, requests for effecting transfer of securities in physical form shall not be processed unless the securities are held in dematerialized form with the depositories i.e National Securities Depository Limited and Central Depository Services (India) Limited. Requests for transmission/transposition of shares held in physical form will however be attended to. In view of the above and the inherent benefits of holding securities in electronic form, we request the shareholders holding shares in physical form to opt for dematerialization.

Shareholders Voting

Shareholders are requested to cast their votes on the resolution mentioned in the Notice of 21st Annual General Meeting of the Company by using any of the following options:-

Vote in advance of the meeting	Remote e-voting at https://instavote.linkintime.co.in/

Vote during the meeting	Please refer to the Notes section in the *Notice* for voting during the Annual General Meeting through InstaMeet.

SHAREHOLDING AS ON MARCH 31, 2020

a. Distribution of Shareholding as on March 31, 2020

Range	No of Shareholders	% of Total shareholders	TOTAL SHARES	Share Amount (₹)	% of Total Share Capital
1-1000	1191	79.453	306860	1,227,440	1.0961
1001-2000	98	6.5377	148157	592,628	0.5292
2001-3000	49	3.2688	126841	507,364	0.4531
3001-4000	23	1.5344	80768	323,072	0.2885
4001-5000	23	1.5344	102791	411,164	0.3672
5001-6000	5	0.3336	27769	111,076	0.0992
6001-7000	12	0.8005	79911	319,644	0.2854
7001-8000	3	0.2001	22594	90,376	0.0807
8001-9000	3	0.2001	25088	100,352	0.0896
9001-****	92	6.1374	27075884	108,303,536	96.7111
Total	**1499**	**100**	**27996663**	**111,986,652**	**100**

b. Categories of equity shareholding as on March 31, 2020

Sr. No.	Category	No. of shares held	% of shareholding
A	**Promoters' holding :**		
1	**Indian:**		
	Individual	1,011,703	3.61
	Bodies Corporate	5,955,125	21.27
	Sub Total:	**6,966,828**	**24.88**
B	**Non Promoters' holding:**		
1	Institution Investors	12,386,901	44.24
2	Non- Institution:		
A	Body Corporate	2,236,897	7.99
B	Indian Public	6,045,774	21.59
C	Others	3,60,263	1.29
	Sub Total	**21,029,835**	**75.12**
	Total(A+B)	**27,996,663**	**100.00**

Dematerialisation of Shares

The shares of the Company are compulsorily in demat segment. We have established connectivity with the National securities Depository Limited (NSDL) and Central Depository Services Limited (CDSL) through Link Intime India Pvt. Ltd our registers and share transfer agents.

As on March 31 2020, 96.30% of the issued share capital of the Company were held in dematerialised form and the rest in physical form.

Shares held in demat and physical mode (folio-based) as on March 31, 2020:-

Category	Number of		% to total equity
	Cases	Shares	
Demat mode	1497	26,960,835	96.30%
Physical mode	2	1,035,828	3.69%
Grand Total	**1499**	**27,996,663**	**100%**

We request shareholders whose shares are in the physical mode to dematerialise their shares and update their Bank accounts and email IDs with the respective depository participants to enable us to provide better service.

By order of the Board of Directors
For **Nazara Technologies Limited**

Vikash Mittersain
Chairman &Managing Director
DIN No. 00156740

Nitish Mittersain
Joint Managing Director
DIN No. 02347434

Place : Mumbai
Date : November 23, 2020

Dubai
November 23, 2020

STANDALONE FINANCIAL STATEMENTS

INDEPENDENT AUDITOR'S REPORT

To the Members of Nazara Technologies Limited

Report on the Audit of the Standalone Financial Statements

Opinion

1. We have audited the accompanying standalone financial statements of Nazara Technologies Limited ('the Company'), which comprise the Balance Sheet as at 31 March 2020, 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 standalone financial statements give the information required by the Companies Act, 2013 ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India 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 2020, 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 Companies Act, 2013. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('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 unmodified opinion.

Information other than the Standalone financial statements and Auditor's Report thereon

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

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

   In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact.

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

Responsibilities of Management for the Standalone Financial Statements

5. The accompanying standalone 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 standalone 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 Standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error and the timely preparation of reliable financial information, as required under the Act.

6. In preparing the standalone 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 Standalone Financial Statements

8. Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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 standalone 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 standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;

   - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to standalone 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 standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern;

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

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.

11. 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.

Other Matter

12. The standalone financial statements of the Company for the year ended 31 March 2019 were audited by the predecessor auditor, S.R. Batliboi & Associates LLP, who have expressed an unmodified opinion on those standalone financial statements vide their audit report dated 13 November 2019.

Report on Other Legal and Regulatory Requirements

13. 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.

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

15. Further to our comments in Annexure I, as required by section 143(3) of the Act, based on our audit we report, to the extent applicable, that:

    a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the accompanying standalone 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 standalone financial statements dealt with by this report are in agreement with the books of account;

d) In our opinion, the aforesaid standalone 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 2020 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 standalone financial statements of the Company as on 31 March 2020 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date and our report dated November 25, 2020 as per Annexure II expressed unmodified opinion; and

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

   i. The Company does not have any pending litigations which would impact its financial position as at 31 March 2020;

   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 2020;

   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 2020; 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 Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Sanjay Banthia
Partner
Membership No. 061068
UDIN: XXXXXXXXXXXXXXXX

Place: Mumbai
Date: November 25, 2020

Annexure I to the Independent Auditor's Report of even date to the members of Nazara Technologies Limited, on the standalone financial statements for the year ended 31 March 2020

Independent Auditor's Report on the Companies (Auditor's Report) Order, 2016 ('the Order') under Sub-section 11 of Section 143 of the Companies Act, 2013 ('the Act')

Based on the audit procedures performed for the purpose of reporting a true and fair view on the standalone 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 granted unsecured loans to companies covered in the register maintained under Section 189 of the Act; and with respect to the same:

(a) in our opinion the terms and conditions of grant of such loans are not, prima facie, prejudicial to the company's interest.

(b) the schedule of repayment of principal and interest has been stipulated wherein the principal and interest amounts are repayable on demand and since the repayment of such loans and interest has not been demanded, in our opinion, repayment of the principal amount is regular,

(c) there is no overdue amount in respect of loans granted to such companies.

iv) In our opinion, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of loans, investments, guarantees and security.

(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 products/ services. Accordingly, the provisions of clause 3(vi) of the Order are not applicable.

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

(b) There are no dues in respect of income-tax, sales-tax, goods and 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.

(xi) Managerial remuneration has been paid (and)/ 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 Sections 177 and 188 of Act, where applicable, and the requisite details have been disclosed in the standalone financial statements etc., as required by the applicable Ind AS.

(xiv) During the year, the company has made private placement of shares. In respect of the same, in our opinion, the Company has complied with the requirement of Section 42 of the Act and the Rules framed thereunder. Further, in our opinion, the amounts so raised have been used for the purposes for which the securities were issued, though surplus funds which were not required for immediate utilisation have been invested in liquid investments, payable on demand. During the year, the Company did not make preferential allotment/ private placement of fully/ 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 Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Sanjay Banthia
Partner
Membership No.: 061068
UDIN: XXXXXXXX

Place: Mumbai
Date: November 25, 2020

Annexure II to the Independent Auditor's Report of even date to the members of Nazara Technologies Limited on the standalone financial statements for the year ended 31 March 2020

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

In conjunction with our audit of the standalone financial statements of Nazara Technologies Limited ('the Company') as at and for the year ended 31 March 2020, we have audited the internal financial controls with reference to standalone financial statements of the Company as at that date.

Responsibilities of Management for Internal Financial Controls

The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on control criteria in accordance with the Internal Control Framework defined in Appendix I to Standard on Auditing (SA) 315, "Identifying and Assessing the Risks of Material Misstatements Through Understanding the Entity and its Environment" (the framework).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 Standalone financial statements

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 standalone 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 standalone financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone 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 standalone financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls with Reference to Standalone financial statements

A company's internal financial controls with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to standalone 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 standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the standalone financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Standalone financial statements

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

Opinion

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 2020, based on the framework.

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

Sanjay Banthia
Partner
Membership No.: 061068
UDIN: XXXXXXXX

Place: Mumbai
Date: November 25, 2020

STANDALONE BALANCE SHEET AS AT MARCH 31, 2020

(All amounts in ₹ million, except share and per share data, unless otherwise stated)

Particulars	Notes	As at March 31, 2020	As at March 31, 2019
ASSETS			
Non-current assets			
Property and equipment	3	1.09	2.37
Right-of-use of assets	4 (a)	46.62	-
Intangible assets	4 (b)	3.15	3.33
Financial assets			
Investments	5	3,033.03	1,603.32
Loans	6	29.35	15.58
Other financial assets	7	40.19	40.19
Deferred tax assets (net)	30	25.54	22.95
Other non-current assets	8	17.72	23.47
Total non-current assets		**3,196.69**	**1,711.21**
Current assets			
Financial assets			
Investments	5	326.10	801.51
Loans	6	17.64	1.94
Trade receivables	9	84.55	71.54
Cash and cash equivalents	10	39.04	26.96
Bank balances other than cash and cash equivalents	10	-	1.65
Other current financial assets	11	40.84	39.81
Other current assets	12	18.78	42.46
Total current assets		**526.95**	**985.87**
Total Assets		**3,723.64**	**2,697.08**
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	13	111.99	109.89
Other equity	14	3,322.08	2,416.73
Total Equity		**3,434.07**	**2,526.62**
LIABILITIES			
Non-current liabilities			
Provisions	15	12.07	15.68
Total non-current liabilities		**12.07**	**15.68**
Current liabilities			
Financial liabilities			
Trade payables due to	16		
Micro and Small Enterprises		0.07	-
Other than Micro and Small Enterprises		84.26	102.26
Lease liabilities	27	39.94	-
Other financial liabilities	17	132.32	36.52
Other current liabilities	18	13.67	13.19
Provisions	15	6.27	2.81
Current tax liabilities (net)		0.97	-
Total current liabilities		**277.50**	**154.78**
Total Equity and Liabilities		**3,723.63**	**2,697.08**

The accompanying notes are an integral part of the standalone financial statements

As per our report of even date

For Walker Chandiok & Co LLP
Chartered Accountants
ICAI Firm Registration Number : 001076N/N500013

Sanjay Banthia
Partner
Membership no: 061068

Place of Signature: Mumbai
Date : November 25, 2020

For and on behalf of the Board of directors of Nazara Technologies Limited

Vikash Mittersain
Chairman Cum
Managing Director
DIN-00156740

Nitish Mittersain
Joint Managing Director
DIN-02347434
Place of Signature: Dubai

Manish Agarwal
Chief Executive Officer

Rakesh Shah
Chief Financial Officer

Turabbhai Chimthanawala
Company Secretary
Membership No : A52320

Place of Signature: Mumbai
Date : November 23, 2020

STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2020

(All amounts in ₹ million, except share and per share data, unless otherwise stated)

Particulars	Notes	For the year ended March 31, 2020	For the year ended March 31, 2019
Income			
Revenue from operations	19	461.21	434.47
Other income	20	66.31	119.59
Total income		**527.52**	**554.06**
Expenses			
Content		32.22	43.14
Advertising		74.60	69.70
Employee benefits	21	140.17	159.86
Depreciation and amortisation	22	51.05	7.59
Finance costs	23	5.16	-
Other expenses	24	119.59	242.33
Total expenses		**422.79**	**522.62**
Profit before tax		**104.73**	**31.44**
Tax expense			
Current tax		31.47	6.82
Deferred tax (credit) / expense		(2.65)	2.44
Total tax expense		**28.82**	**9.26**
Profit for the year		**75.91**	**22.18**
Other comprehensive income			
Item that will not be reclassified subsequently to the statement of profit and loss			
Remeasurements of post-employment benefit obligation		0.24	0.97
Income tax relating items that will not be reclassified to profit or loss		(0.06)	(0.27)
Item that will be reclassified subsequently to the statement of profit and loss			
Change in fair value of FVOCI debt instruments		14.38	(0.66)
Income tax relating to items that will be reclassified to profit or loss		-	-
Other comprehensive income for the year, net of tax		**14.56**	**0.04**
Total Comprehensive Income for the year attributable to equity shareholders		**90.47**	**22.22**
Earnings per equity share (Face value of ₹ 4 per share each)	28		
Basic		2.74	0.81
Diluted		2.68	0.79

The accompanying notes are an integral part of the standalone financial statements

As per our report of even date

For Walker Chandiok & Co LLP
Chartered Accountants
ICAI Firm Registration Number : 001076N/N500013

Sanjay Banthia
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Company Secretary
Membership No : A52320

Place of Signature: Mumbai
Date : November 23, 2020

STANDALONE STATEMENT OF CASH FLOW FOR THE YEAR ENDED MARCH 31, 2020

(All amounts in ₹ million, except share and per share data, unless otherwise stated)

Particulars	For the year ended	
	March 31, 2020	March 31, 2019
Cash flow from operating activities		
Profit after tax	75.91	22.18
Adjustments for :		
Tax expense	28.82	9.26
Fair value gain on financial instruments at fair value through profit and loss	(21.94)	(33.49)
Sundry balances written back	(13.98)	(4.33)
Depreciation and amortisation	51.05	7.59
Bad debts	0.80	2.71
Provision for doubtful debts	-	88.75
Interest on others	(1.57)	-
Interest on lease liability	5.16	-
Unrealised foreign exchange (gain)/loss, net	(3.46)	36.09
Net gain on sale of current investments	(15.03)	(11.16)
Fair value gain on non current investments	-	(59.81)
Fair value loss on non current investments	9.63	-
Impairment on investments in subsidiary	26.19	-
Interest income	(5.93)	(5.41)
Dividend income	-	(4.18)
Operating profit before working capital changes	135.65	48.20
Working capital adjustments :		
(Decrease) in trade payables	(4.74)	(39.93)
Increase in long-term provisions	0.10	1.68
(Decrease) in other current liabilities	(1.85)	(7.90)
(Increase) / decrease in trade receivables	(10.20)	24.50
(Increase) in loans and advances	(38.20)	(2.03)
(Increase) in other non-current assets	(2.04)	(36.45)
Decrease in other current assets	24.99	69.20
Cash generated from operations	103.71	57.27
Direct taxes paid (net of refunds)	(22.71)	(24.50)
Net cash flow from operating activities (A)	**81.00**	**32.77**
Cash flow from investing activities		
Purchase of property and equipment, including intangible assets	(3.11)	(0.90)
Acquisition of shares in subsidiary/associates	(566.50)	(227.35)
Purchase of non-current investments	(7.50)	(8.50)
Purchase of current investments	(293.91)	(248.64)
Proceeds from redemption/maturity of current investments	820.67	328.89
Interest received on fixed deposits, bonds and loans given to subsidiary	5.80	5.41
Dividends received on current Investments	-	4.18
Increase/(decrease) in other bank balances	1.65	(1.65)
Net cash flow (used in) investing activities (B)	**(42.90)**	**(148.56)**

STANDALONE STATEMENT OF CASH FLOW FOR THE YEAR ENDED MARCH 31, 2020

(All amounts in ₹ million, except share and per share data, unless otherwise stated)

Particulars	For the year ended	
	March 31, 2020	March 31, 2019
Cash flow from financing activities		
Issue of equity shares (including premium)	25.45	117.29
Repayment of lease liabilities	(51.47)	-
Net cash flow (used in)/from financing activities (C)	**(26.02)**	**117.29**
Net increase in cash and cash equivalents (A)+(B)+(C)	**12.08**	**1.50**
Cash in hand at the beginning of the year	0.55	0.19
Balances with bank at the beginning of the year	26.41	25.27
Cash and cash equivalents at the end of the year (refer note 10)	**39.04**	**26.96**
Cash and cash equivalents as above comprises of the following		
Cash in hand	0.80	0.55
Balances with bank	38.24	26.41
Total cash and cash equivalents (refer note 10)	**39.04**	**26.96**

The accompanying notes are an integral part of the standalone financial statements

As per our report of even date

For Walker Chandiok & Co LLP
Chartered Accountants
ICAI Firm Registration Number : 001076N/N500013

Sanjay Banthia
Partner
Membership no: 061068

Place of Signature: Mumbai
Date : November 25, 2020

For and on behalf of the Board of directors of Nazara Technologies Limited

Vikash Mittersain
Chairman Cum
Managing Director
DIN-00156740

Nitish Mittersain
Joint Managing Director
DIN-02347434
Place of Signature: Dubai

Manish Agarwal
Chief Executive Officer

Rakesh Shah
Chief Financial Officer

Turabbhai Chimthanawala
Company Secretary
Membership No : A52320

Place of Signature: Mumbai
Date : November 23, 2020

STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2020

(All amounts in ₹ million, except share and per share data, unless otherwise stated)

(a) Equity shares:

of ₹ 4 each issued, subscribed and fully paid

	No. of shares	Amount
As at April 1, 2018	**26,972,619**	**107.89**
Add : Issued during the year	499,350	2.00
As at March 31, 2019	**27,471,969**	**109.89**
As at April 1, 2019	**27,471,969**	**109.89**
Add :Issued during the year (*)	524,694	2.10
As at March 31, 2020	**27,996,663**	**111.99**

(b) Other equity

Particulars	Capital redemption reserve	Securities premium	Retained earnings	Share based payment reserve	Capital contribution from shareholder	Total reserves and surplus	Debt instruments through other comprehensive income	Other equity (refer note 5A)	Total other reserves	Total
As at April 1, 2018	**1.30**	**1,186.67**	**369.96**	**194.59**	**357.18**	**2,109.70**	**5.27**	**-**	**5.27**	**2,114.97**
Profit for the year	-	-	22.18	-	-	**22.18**	-	-	**-**	**22.18**
Other comprehensive income for the year	-	-	0.70	-	-	**0.70**	(0.66)	-	**(0.66)**	**0.04**
Addition during the year	-	115.01	-	-	-	**115.01**	-	-	**-**	**115.01**
Transfer to securities premium on exercise of options	-	103.19	-	(103.19)	-	**-**	-	-	**-**	**-**
Expense on employee stock option scheme (refer note 31 (d))	-	-	-	164.53	-	**164.53**	-	-	**-**	**164.53**
As at March 31, 2019	**1.30**	**1,404.87**	**392.84**	**255.93**	**357.18**	**2,412.12**	**4.61**	**-**	**4.61**	**2,416.73**
As at April 1, 2019	**1.30**	**1,404.87**	**392.84**	**255.93**	**357.18**	**2,412.12**	**4.61**	**-**	**4.61**	**2,416.73**
Profit for the year	-	-	75.91	-	-	**75.91**	-	-	**-**	**75.91**
Other comprehensive income for the year	-	-	0.18	-	-	**0.18**	14.38	-	**14.38**	**14.56**
Addition during the year (*)	-	379.88	-	-	-	**379.88**	-	435.00	**435.00**	**814.88**
As at March 31, 2020	**1.30**	**1,784.75**	**468.93**	**255.93**	**357.18**	**2,868.09**	**18.99**	**435.00**	**453.99**	**3,322.08**

(*) Issued equity shares for acquisition of Investments totalling ₹ 356.53 million (March 31, 2019 ₹ Nil) (refer note 5)

Notes:

1) **Capital redemption reserve**
Capital redemption reserve was created on buyback of equity shares of the company in accordance with Provisions of Companies Act 2013

2) **Securities premium**
Securities premium reserve is used to record premium on issue of shares. The reserve is utilised in accordance with provisions of Companies Act, 2013.

3) **Retained earnings**
Retained earnings comprise of the Company's accumulated undistributed earnings.

4) **Shared based payment reserve**
The Company has share option schemes under which options to subscribe for the Company's shares have been granted to certain executives and senior employees. The share-based payment reserve is used to recognise the value of equity-settled share-based payments provided to employees, including key management personnel, as part of their remuneration.

5) **Capital contribution from shareholder**
Share based payment made by a shareholder.

6) **Other equity**
This represents, share pending issuance towards purchase consideration, including contingent consideration, to be paid in the form of equity shares on account of purchase of investment in subsidiaries (refer note 5A).

7) **Debt instrument**
This reserve represents cumulative gains and losses arising on the fair valuation of debt instruments on the balance sheet date measured at FVOCI. The reserves accumulated will be reclassified to retained earnings and profit and loss respectively, when such instruments are disposed.

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As per our report of even date

For Walker Chandiok & Co LLP
Chartered Accountants
ICAI Firm Registration Number : 001076N/N500013

Sanjay Banthia
Partner
Membership no: 061068

Place of Signature: Mumbai
Date : November 25, 2020

For and on behalf of the Board of directors of Nazara Technologies Limited

Vikash Mittersain
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DIN-00156740

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Place of Signature: Dubai

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Chief Executive Officer

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Chief Financial Officer

Turabbhai Chimthanawala
Company Secretary
Membership No : A52320

Place of Signature: Mumbai
Date : November 23, 2020

Significant accounting policies and other explanatory information to the standalone financial statements

(All amounts in ₹ million, except share and per share data, unless otherwise stated)

1. Significant accounting policies

i) Corporate information

Nazara Technologies Limited (the "Company") incorporated in India on December 8, 1999 as a Private Limited 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 51-57, Maker chambers 3, Nariman point, Mumbai-400021.

The standalone financial statements (SFS) were authorized for issue in accordance with a resolution of Board of Directors on November 23, 2020.

ii) Basis of preparation

The standalone 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 standalone 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 millions, except for earning per share. 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 Companies Act, 2013.

The standalone 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.

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 standalone 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.

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

Significant accounting policies and other explanatory information to the standalone financial statements

(All amounts in ₹ million, except share and per share data, unless otherwise stated)

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 judgments, 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 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 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.

• **Estimation of defined benefit obligation**

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.

• **Impairment of non-financial assets**

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.

• **Estimation of fair value of unlisted securities**

The Company follows the guidance of Ind AS 109 – Financial Instruments: to determine the fair value of its investment in equity instruments, using market and income approaches. The market approach includes the use of financial metrics and ratios of comparable companies, such as revenue, earnings, comparable performance multiples, recent financial rounds and the level of marketability of the investments. The selection of comparable companies requires management judgment and is based on a number of factors, including comparable company sizes, growth rates and development stages. The income approach includes the use of discounted cash flow model, which requires significant estimates regarding the investees’ revenue, costs, and discount rates based on the risk profile of comparable companies. Estimates of revenue and costs are developed using available historical and forecast data. These estimates may vary from the actual prices that would be achieved in an arm’s length transaction at the reporting date.

• **Non-cash and contingent consideration**

Estimating fair value of non-cash consideration, including contingent consideration, in respect of acquisition of investment in subsidiary/s or associate/s involves management judgement. Fair value of the equity shares of the Company is determined based on weighted average price at which the most recent financials rounds occurred in the past one year.

The fair value of the contingent consideration, when the arrangement involves future delivery of fixed number of equity shares, is estimated to be acquisition date fair value of equity shares of the Company and those payable in cash are discounted using incremental borrowing rate (IBR) of the Company.

The estimate also includes probability of achieving the performance target/s. These measurements are based on information available at the acquisition date and are based on expectations and assumptions that have been deemed reasonable by management.

Changes in these judgments, estimates, and assumptions can materially affect the results of operations.

• **Share based payment**

Significant accounting policies and other explanatory information to the standalone financial statements

(All amounts in ₹ million, except share and per share data, unless otherwise stated)

The Company is required to evaluate the terms to determine whether share-based payment is equity settled or cash settled. Judgment is required to do this evaluation. Further, the Company is required to measure the fair value of equity settled transactions with employees at the grant date of the equity instruments. The basis and assumptions used in these calculations are disclosed within Note 32. The aforementioned inputs entered in to the option valuation model that we use to determine the fair value of our share awards are subjective estimates, changes to these estimates will cause the fair value of our share-based awards, and related share-based compensations expense we record to vary.

• Expected credit loss

The Company determines the allowance for credit losses based on historical loss experience adjusted to reflect current and estimated future economic conditions. The Company considered current and anticipated future economic conditions relating to industries the Company deals with and the countries where it operates. In calculating expected credit loss, the Company has also considered credit reports and other related credit information for its customers to estimate the probability of default in future and has taken into account estimates of possible effect from the pandemic relating to COVID-19.

• 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 several lease contracts that include 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.

The Company cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The Company has taken indicative rates from its bankers and used them for Ind AS 116 calculation purposes.

• 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). While the Company has quickly adopted to alternate business continuity scenario, the uncertainly still prevails regarding the timelines of resuming to normal work conditions. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company has used credit reports and related information, economic forecasts and consensus estimates from market sources on the expected future performance of the Company, including in respect of each long-term investments that the Company has invested into.

From business perspective, the Company is buoyed with the resilience of digital and interactive gaming market in these challenging times and are confident of its ability to maintain Company's market share as a leading gaming organization. This included launching of several new games and products which are received positive response from the users/ subscribers.

While there is a sharp surge in demand for digital and interactive games, primarily on account of work from home restrictions, the management of the Company will remain committed to further investing into our business and that of our investee entities to drive top line profitable growth in business. In addition, the Company has been quite frugal in its financial matters and prudent in its investment decisions, while monitoring the evolving market conditions closely, to ensure its own continuity and mitigating the risk impacting the business segment it operates in.

Management has evaluated short-term as well as long-term impact of the Covid-19 pandemic on the gaming and e-sports industry, and in particular on the Group and believes that the pandemic will not have a significant negative effect on the Company's financial position and results of its operation. In preparation of these financial statements, the Group 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 Group has sufficient liquidity and expects to fully recover the carrying amount of its assets. In addition, the management has reasonable expectation that the Group 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 Group therefore continues to adopt the going concern basis in preparing its financial statements.

However, in view of the volatility in the global economic conditions pursuant to this pandemic; the impact of Covid-19 on the Group's financial statements may differ from the estimate as on the date of the approval of the financial statements. The Group will continue to closely monitor any material changes to future economic conditions.

vi) **Revenue recognition**

Revenue arises mainly from Income from services, other operating income, other income and dividends.

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

Income from services

Revenue from subscription / download of games / other contents, including gamified early learning application is recognized when a promise in a customer contract (performance obligation) has been satisfied, usually over the period of subscription. The amount of revenue to be recognized (transaction price) is based on the consideration expected to be received in exchange for services, net of credit notes, discounts etc. If a contract contains more than one performance obligation, the transaction price is allocated to each performance obligation based on their relative standalone selling price.

Revenue from advertising services, including performance-based advertising, is recognized after the underlying performance obligations have been satisfied, usually in the period in which advertisements are displayed.

Revenue from online skill based real money games is recognised over the period of league or match.

Revenue is reported on a gross or net basis based on management's assessment of whether the Group is acting as a principal or agent in the transaction. The Group is unable to determine the amount on a gross basis, usually in respect of arrangement with telco service providers, revenue is reported on net basis. The determination of whether the Group act as a principal or an agent in a transaction is based on an evaluation of whether the good or service are controlled prior to transfer to the customer.

The Group derives its advertising revenue from advertisement contracts with online advertising networks, and exchanges. Advertising revenues are net of amounts due to advertising network and exchanges. The Group is not the primary obligor in the relevant arrangements, since the Group do not have pricing discretion, and establishes or maintains a direct relationship with the advertiser.

Revenue is measured at the fair value of the consideration received or receivable, considering contractually defined terms of payment, and excluding variable considerations such as volume or cash discounts and 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.

A contract liability is an entity's obligation to transfer goods or services to a customer for which the entity has received consideration (or the amount is due) from the customer and presented as 'Deferred revenue'. Advance payments received from customers for which no services have been rendered are presented as 'Advance from customer's'.

Unbilled revenues are classified as a financial asset where the right to consideration is unconditional upon passage of time.

Other operating income

Other operating revenue mainly consists Technology Platform/ Digital Marketing / Administrative & Business Supporting/Recharge services to subsidiaries and is recognized in the period in which services are rendered.

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

Other income

Interest income is recorded using the effective interest rate ('EIR') method. EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or over a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortized cost of the financial liability. Interest income is included under the head "finance income" in the statement of profit and loss account.

Interest income is recognised using the effective method as set out in Ind AS 109 - Financial Instrument.

Recognition and Measurement, when it is possible that the economic benefits associated with the transaction will flow to the Company and the amount of the revenue can be measured reliably. The effective interest method of calculating the amortised cost of a financial asset or a financial liability (or group of financial assets or financial liabilities) and of allocating the interest income or interest expense over the relevant period.

Dividends

Dividend income is recognized when the Company's right to receive dividend is established by the reporting date. The right to receive dividend is generally established when shareholders approve the dividend.

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 asset at fair value through other comprehensive income (FVOCI)
- financial asset at fair value through profit and loss (FVTPL)

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Financial asset 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 finance 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 asset 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 FVTOCI 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 and reversals and foreign exchange gain or loss in the statement of profit and loss. On derecognition of the asset, cumulative gain or loss previously recognized in OCI is reclassified from the equity to statement of profit and loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

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

FVTPL is a residual category and any financial asset 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 the 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’).

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 and 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. 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 asset 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.

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 net profit 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.

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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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.

ix) **Property 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 standalone 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.

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
Furniture and fixtures	5 years
Office equipment	3 years
Computer equipment	3 years
Motor car	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 capitalised development costs, are not capitalised and the related expenditure is charged to 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.

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.

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 building. 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.

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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.

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

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 and its subsidiary 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 or debited to investment in subsidiary (in respect of employee stock options granted to an employee rendering services to a subsidiary), 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 or an increase in investment in subsidiary 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.

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**

The Company presents standalone Ind AS financial statements along with the consolidated Ind AS financial statements. In accordance with Ind AS 108, segment reporting, the Company has disclosed the segment information in the consolidated financial statements

xix) **Investment in subsidiaries, associates and joint venture**

The Company has accounted for its investment in subsidiaries or associates or joint venture at cost less impairment. The Company assesses investments in subsidiaries, associates and joint venture for impairment whenever events or changes in circumstances indicate that the carrying amount of the investment may not be recoverable. If any such indication exists, the Company estimates the recoverable amount of the investment in subsidiary, associate or joint venture. The recoverable amount of such investment is the higher of its fair value less cost of disposal (FVLCD) and its value-in-use (VIU). The VIU of the investment is calculated using projected future cash flows. If the recoverable amount of the investment is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the statement of profit and loss.

Investment in a subsidiary or an associate or a joint venture acquired in stages are accounted after re-measuring the equity interest held up to the date on which control or significant influence was first achieved, at its fair value on date of obtaining control or significant influence.

xx) **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 the Company carries those instruments where in level 1 inputs of the above-mentioned fair value hierarchy is used.

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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 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 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 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.

xxi) **Corporate Social Responsibility (CSR) Expenditure**

CSR expense is recognized as it is incurred by the Company or when Company has entered into any legal or constructive obligation for incurring such an expense.

xxii) **Recent accounting pronouncement adopted as on April 1, 2019**

On April 1, 2019, the Company adopted Ind AS 116, Leases, which applied to all lease contracts outstanding as at April 1, 2019, using modified retrospective method by recording the cumulative effect of initial application as an adjustment to opening retained earnings. The Company has made use of the following practical expedients available in its transition to Ind AS 116 –

(a) The Company will not reassess whether a contract is or contains a lease. Accordingly, the definition of lease in accordance with Ind AS 17 will continue to be applied to lease contracts entered by the Company or modified by the Company before April 1, 2019,

(b) The Company has applied a single discount rate to a portfolio of leases of similar assets in similar economic environment. Consequently, the Company has recorded its lease liability using the present value of remaining lease payments, discounted using the incremental borrowing rate at the date of initial application and the right-of-use asset at its carrying amount as if the standard had been applied since the commencement date of the lease, but discounted using the incremental borrowing rate at the date of initial application,

(c) The Company excluded the initial direct costs from measurement of the ROU asset,

(d) The Company does not recognize RoU assets and lease liabilities for leases with less than twelve months of lease term and low value assets on the date of initial application.

On adoption of Ind AS 116,

(a) the Company has recognized ROU asset of ₹ 86.25 million and corresponding lease liability of the same value,

(b) prepaid rent (including a portion of interest free security deposit) amounting ₹ 8.72 million on leasehold assets, which were earlier classified under "other current assets" have been reclassified to ROU assets

(c) lease escalation liability amounting ₹ 1.87 million, which were earlier classified under 'other current liabilities' have been adjusted to ROU assets

During the year ended March 31, 2020, the Company recognized in the statement of profit and loss –

(a) Depreciation expense from ROU assets [refer note 22]

(b) Interest expenses on lease liabilities (refer note 23)

Refer note 4 (a) for additions to ROU assets during the year ended March 31, 2020 and carrying amount of ROU assets as at March 31, 2020 by class of underlying asset. Lease payments during the period are disclosed under financing activities in the statement of cash flows. The comparatives as at and for the year ended March 31, 2019 have not been retrospectively restated.

The adoption of Ind AS 116 did not have any material impact on the Company's statement of profit and loss and earnings per share. The difference between the lease obligation as of April 1, 2019 under Ind AS 17 and the value of the lease liabilities as of that date is primarily on account of measurement and discounting the lease liabilities to the present value in accordance with Ind AS 116.

	Amount (₹ million)
Operating lease commitments as at March 31, 2019	99.11
(Less): Impact of discounting on opening lease liability	(12.86)
Lease liability recognized as at April 1, 2019	86.25

New accounting standards not yet adopted by the Company.

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There are no standards that are issued but not yet effective on March 31, 2020.

Summary of significant accounting policies and other explanatory information to the standalone financial statements
(All amounts in ₹ million, except share and per share data, unless otherwise stated)

3 Property and equipment

	Computer equipments	Office equipments	Furniture and fixtures	Vehicles	Total
Gross Block (at cost)					
As at April 1, 2018	**28.57**	**4.17**	**1.51**	**3.76**	**38.01**
Additions	0.16	0.74	-	-	0.90
Deletions	-	-	-	-	-
As at March 31, 2019	**28.73**	**4.91**	**1.51**	**3.76**	**38.91**
Additions	0.25	-	-	-	0.25
Deletions	-	-	-	-	-
As at March 31, 2020	**28.98**	**4.91**	**1.51**	**3.76**	**39.16**
Accumulated Depreciation					
As at April 1, 2018	**26.58**	**3.56**	**1.29**	**1.61**	**33.04**
For the year	1.94	0.57	0.10	0.89	3.50
Deletions	-	-	-	-	-
As at March 31, 2019	**28.52**	**4.13**	**1.39**	**2.50**	**36.54**
For the year	0.13	0.41	0.10	0.89	1.53
Deletions	-	-	-	-	-
As at March 31, 2020	**28.65**	**4.54**	**1.49**	**3.39**	**38.07**
Net block					
As at March 31, 2019	**0.21**	**0.78**	**0.12**	**1.26**	**2.37**
As at March 31, 2020	**0.33**	**0.37**	**0.02**	**0.37**	**1.09**

4 (a) Right-of-use of assets

Particulars	**Right-of-use of assets**	**Total**
Gross Block (at cost)		
As at April 1, 2018	**-**	**-**
Additions	-	-
Deletions	-	-
As at March 31, 2019	**-**	**-**
Additions (refer note 27)	93.10	93.10
Deletions	-	-
As at March 31, 2020	**93.10**	**93.10**
Accumulated Depreciation		
As at April 1, 2018	**-**	-
For the year	-	-
Deletions	-	-
As at March 31, 2019	**-**	**-**
For the year	46.48	46.48
Deletions	-	-
As at March 31, 2020	**46.48**	**46.48**
Net block		
As at March 31, 2019	**-**	**-**
As at March 31, 2020	**46.62**	**46.62**

Summary of significant accounting policies and other explanatory information to the standalone financial statements
(All amounts in ₹ million, except share and per share data, unless otherwise stated)

4 (b) Intangible assets

	Computer software	NGDP Platform	Mygamma and Djuzz platform	Total
Gross Block (at cost)				
As at April 1, 2018	16.01	**11.40**	**3.64**	**31.05**
Additions	-	-	-	**-**
Deletions	-	-	-	**-**
As at March 31, 2019	**16.01**	**11.40**	**3.64**	**31.05**
Additions	2.86	-	-	2.86
Deletions	-	-	-	-
As at March 31, 2020	**18.87**	**11.40**	**3.64**	**33.91**
Accumulated Amortisation				
As at April 1, 2018	**15.72**	**4.27**	**3.64**	**23.63**
For the year	0.29	3.80	-	4.09
Deletions	-	-	-	-
As at March 31, 2019	**16.01**	**8.07**	**3.64**	**27.72**
For the year	0.57	2.47	-	3.04
Deletions	-	-	-	-
As at March 31, 2020	**16.58**	**10.54**	**3.64**	**30.76**
Net block				
As at March 31, 2019	**-**	**3.33**	**0.00**	**3.33**
As at March 31, 2020	**2.29**	**0.86**	**0.00**	**3.15**

5 Non current and current Investments

		As at			
		March 31, 2020		March 31, 2019	
		No. of shares	Amount	No. of shares	Amount
a.	**Non-current investments**				
	Investment in subsidiaries				
	Unquoted equity and preference shares (at cost)				
	Equity instruments at cost				
	Nazara Technologies FZ LLC	5,000	0.64	5,000	0.64
	Equity shares of AED 10 each, fully paid up				
	Nazara Pro Gaming Private Limited	9,999	0.10	9,999	0.10
	Equity shares of ₹ 10 each, fully paid up				
	Nazara Pte Limited	1,000	0.05	1,000	0.05
	Equity shares of SGD 1 each, fully paid up				
	Next Wave Multimedia Private Limited	17,460	528.24	17,460	528.24
	Equity shares of ₹ 100 each, fully paid up				
	Nodwin Gaming Private Limited	7,376	769.63	7,376	769.63
	Equity shares of ₹ 10 each, fully paid up				
	Paper Boat Apps Private Limited (refer note A below)	5,422	835.10	-	-
	Equity shares of ₹ 10 each, fully paid up				
	Absolute Sports Private Limited (refer note B below)	137,173	438.43	-	-
	Equity shares of ₹ 10 each, fully paid up				
	Crimzoncode Education Private Limited (refer note C below)	3,846,208	20.32	-	-
	Equity shares of ₹ 10 each, fully paid up				
	Halaplay Technologies Private Limited (refer note F below)				
	Equity shares of ₹ 100 each, fully paid up	47,867	230.50	-	-
	Compulsorily convertible preference share instruments (at cost)				

Summary of significant accounting policies and other explanatory information to the standalone financial statements
(All amounts in ₹ million, except share and per share data, unless otherwise stated)

5 Non current and current Investments (Cont'd)

		As at			
		March 31, 2020		March 31, 2019	
		No. of shares	Amount	No. of shares	Amount
	Halaplay Technologies Private Limited (refer note F below) 0.1% cumulative compulsorily convertible preference shares of ₹ 100 each, fully paid up	30,500	147.81	-	-
	Investment in associates **Unquoted equity instrument (at cost)**				
	Crimzoncode Technologies Private Limited Equity shares of ₹ 10 each, fully paid up	-	-	1,366,728	16.85
	Halaplay Technologies Private Limited (refer note F below) Equity shares of ₹ 100 each, fully paid up	-	-	16,522	80.00
	Moonglab Technologies Private Limited (refer note D below) Equity shares of ₹ 10 each, fully paid up	4,392	10.00	-	-
	Compulsorily convertible preference share instruments (at cost)				
	Halaplay Technologies Private Limited 0.1% cumulative compulsorily convertible preference shares of ₹ 100 each, fully paid up	-	-	30,500	147.81
	Unquoted equity instrument (at cost) Share Application money given to Halaplay Technologies Private Limited	-	-	-	42.50
	Investment in Joint venture **Unquoted equity instrument (at cost)**				
	Sports Unity Private Limited (refer note H below) Equity shares of ₹ 10 each, fully paid up	3,045,000	60.90	-	-
	Total (a)		**3,041.72**		**1,585.82**
b.	**Investment in others** **Unquoted equity and preference shares (at fair value through profit and loss)**				
	Moonglab Technologies Private Limited Equity shares of ₹ 10 each, fully paid up	-	-	3,294	7.50
	Instasportz Consultancy Private Limited (refer note E below) Equity shares of ₹ 10 each, fully paid up	1,171	10.00	1,171	10.00
	Compulsorily convertible preference share instruments (at fair value through profit and loss)				
	Khichadi Technologies Private Limited (refer note G below) 0.01% compulsorily convertible preference shares of ₹ 100 each, fully paid up	2,143	7.50	-	-
	Total (b)		**17.50**		**17.50**
c.	**Impairment on investments**				
	Halaplay Technologies Private Limited (refer note 33) (Loss on fair value of investment)		26.19		-
	Total (c)		**26.19**		**-**
	Total (a+b-c)		**3,033.03**		**1,603.32**

Summary of significant accounting policies and other explanatory information to the standalone financial statements
(All amounts in ₹ million, except share and per share data, unless otherwise stated)

5 Non current and current Investments (Cont'd)

A In case of Paper Boat Apps Private Limited ('Paperboat'), consideration towards acquisition of Paper Boat is as follows;

	No. of shares	Fair value of shares	Total Consideration
Issuance of equity	597,528	728	435.00
Cash consideration	NA	NA	400.10

(*) consideration (i.e. 185,440 equity share and cash of ₹ 100.00 million) shall be payable on target revenue being achieved by the acquiree during the agreed time period.

B A portion of total includes cash consideration as ₹ 95.00 million and issued 471,740 fully paid-up equity share to the shareholders of Absolute Sports Private Limited.

C During the year, on further investment in equity shares relationship has changed from associate to subsidiary (Includes issuance of 17,995 fully paid-up equity share to the shareholders of Crimzoncode Technologies Private Limited [Crimzoncode]). Accordingly, investment in equity shares were fair valued on the date the Company acquired control and recorded a loss of ₹ 9.63 million. The adjusted fair value is considered as revised cost of investment in equity shares of Crimzoncode.

D During the year ended March 31, 2019, the Company has invested ₹ 2.50 millions in one or more tranches in cash by acquiring a total 1,098 equity shares of ₹ 2,277 each in Moonglab Technologies Limited ('Moonglab'). Post this investment, the Company owns 19.50% of equity shares in Moonglab as at March 31, 2019.

During the year ended March 31, 2020, the Company further invested ₹ 2.50 million for acquisition of additional equity (1,098 equity shares @ ₹ 2,277 per equity share). Post the acquisition of additional equity in Moonglab in April 2019, the Company holds 24.41% in Moonglab, therefore providing right of significant influence. Accordingly, the Company has disclosed the investment in Moonglab within 'Investment in associates' for the year ended March 31, 2020.

E During the previous year, the Company had agreed to invest ₹ 10.00 million for a 8.67% stake in Instasportz Consultancy Private Limited (Instasportz) pursuant to Agreement dated July 11, 2018. Instasportz is engaged in the business of running sports and virtual reality entertainment zones across India and abroad.

F The Company made following investment in the Halaplay :

During the year ended March 31, 2019, the Company invested ₹ 84.00 million in Halaplay Technologies Private Limited ("Halaplay" or "investee Company") by subscribing 14,104 Compulsorily Convertible Preference Shares ('CCPS') through rights issue pursuant to Agreement dated July 11, 2018 and July 27, 2018. In addition, the Company invested ₹ 80 million by subscribing 16,522 Seed Equity Shares of Series A through Private Placement in March 2019. Further, the Company invested share application money pending allotment amounting ₹ 42.50 million for additional investment in Seed Equity Shares.

Pursuant to agreement dated July 11, 2018 and July 27, 2018, each CCPS is entitled to cumulative dividend of 0.1% (zero point one percent) per annum ("Preferential Dividend"). In the event, dividend is announced on equity shares, the preferred shareholders will be entitled to dividend on those shares on as if converted basis. As of March 31, 2019, CCPS shall be converted into fixed ratio (6,910 CCPS in 1:1 ratio and 10,644 CCPS in 1:2.2162 ratio), subject to anti-dilution rights and appropriate adjustment in the event of any stock dividend, stock split, combination, anti-dilution or any other similar recapitalisation.

Accordingly, the Company has acquired 24.37% of voting rights in the Halaplay become an associate on March 1, 2019. Accordingly, the Company has fair valued the investment and recorded the gain of ₹ 59.81 million in the year ended March 31, 2019 within "Fair value gain on Investment at fair value through profit or loss".

During the current year, the Company invested additional ₹ 108.00 million in Halaplay and 31,345 Seed Equity Shares were issued in lieu of the additional investment and share application money pending allotment. As at March 31, 2020, the Company holds 38.40% in Halaplay.

The Company invested in Halaplay and had interest in associate till April 8, 2019. From April 8, 2019, the Company acquired control over Halaplay after co-investor Delta Corp Limited relinquished its decision making rights over significant and relevant matters.

G In April 2019, the Company invested ₹ 7.50 million in cash for acquiring 2,143 equity shares of ₹ 3,500 each of Khichadi Technologies Private Limited ('Khichadi'), a company engaged in vernacular social contest platform, namely Bakbuck. As at March 31, 2020, the Company holds 16.67% in Khichadi (on a diluted basis).

H During the year ended March 31, 2020, the Company invested ₹ 60.90 million in cash for acquiring 3,045,000 equity shares of ₹ 20 per equity shares of Sports Unity Private Limited ('Sports Unity'), a company engaged in online multiplayer quiz platform, namely Qunami, which provides experience of simulating a real cricket match. The Company holds 62.53% in Sports Unity.

The Company had control over sports unity from May 10, 2019 to January 15, 2020, however this control was transitionary in nature and hence the Company had accounted for Sports Unity as joint control since inception. Accordingly, the Company has disclosed the investment in Sports Unity Private Limited within 'Investment in Joint Ventures' for the year ended March 31, 2020.

Summary of significant accounting policies and other explanatory information to the standalone financial statements
(All amounts in ₹ million, except share and per share data, unless otherwise stated)

5 Non current and current Investments (Cont'd)

		As at			
		March 31, 2020		March 31, 2019	
		No of units	Amount	No of units	Amount
b	**Current investments**				
	Investments in mutual funds at FVTPL (unquoted)				
	Aditya Birla SL Short Term Opp Fund (G)	368,370	12.22	368,370	11.39
	ICICI Prudential Gilt Fund	254,376	18.22	670,604	42.79
	IDFC Bond Fund Short Term Plan Reg (G)	641,350	26.64	641,350	24.42
	Reliance Short Term Fund	853,280	32.23	853,280	29.64
	SBI Banking and PSU Fund Reg (G)	18,977	43.28	18,977	39.45
	SBI Credit Risk Fund Reg (G)	881,261	27.94	2,858,784	85.34
	SBI Magnum Medium Duration Fund Reg (G) (refer below note 1)	1,402,279	50.53	3,470,651	112.32
	SBI Magnum Income Fund	238,959	12.10	1,577,816	70.92
	SBI Short Term Fund	1,210,302	28.22	1,210,302	25.89
	Kotak Gilt Investment Regular Growth	-	-	627,212	39.46
	BNP Paribas Flexi Debt Fund	-	-	413,979	13.02
	Tata Short Term Bond Fund	-	-	351,136	11.40
	UTI Short Term Income Fund	-	-	1,075,645	24.21
	SBI debt fund series B – 33	-	-	2,000,000	25.07
	DSP Credit Risk Fund - Regular Plan Growth	-	-	808,157	22.68
	L and T Credit Risk Fund (G)	-	-	1,722,655	36.33
	Tata short term bond fund	-	-	351,136	11.40
	Aditya Birla SL Credit Risk Fund Reg (G)	-	-	799,316	10.93
	Reliance Strategic Debt Fund (G)	-	-	732,295	10.77
	Aditya Birla SL Dynamic Bond Fund Reg (G)	-	-	339,552	10.73
	Total investment in mutual funds at FVTPL (a)		**251.38**		**658.16**
	Investments in debentures at amortised cost (quoted)				
	IIFL wealth finance market linked debentures	-	-	780	83.01
	Total investment in debentures at amortised cost (b)		**-**		**83.01**
	Investments in tax free bonds at FVOCI				
	7.39% HUDCO tax free bond series IIA	7,007	8.14	7,007	7.54
	7.39% HUDCO bond tax free bond series IIA	7,529	8.40	7,529	8.30
	7.35% IRFC tax free bond series IIA	5,878	6.63	5,878	6.56
	7.35% NABARD tax free bond series IIA	5,010	5.58	5,010	5.38
	7.35% NHAI tax free bond series IIA	14,285	16.14	14,285	15.29
	7.39% NHAI tax free bond series IIA	15,419	29.83	15,419	17.27
	Total investment in tax free bonds at FVOCI (c)		**74.72**		**60.34**
	Aggregate amount of unquoted investments (a+c)		326.10		718.50
	Aggregate amount of quoted investments (b)		-		83.01
	Grand Total		**326.10**		**801.51**

Note:

1) Out of the above investment in mutual funds, investments having cost of ₹ 9.18 million (March 31, 2019: ₹ 9.18 million) pertaining to SBI Magnum Medium Duration Fund Reg (G) (previous name SBI regular saving fund) has been marked as lien against the bank guarantee of the Company.

6 Loans

	As at	
	March 31, 2020	March 31, 2019
Non-current		
Unsecured, considered good		
Security deposits	15.36	13.58
Loan to Inbox Digital Private Limited (*)	2.00	2.00
Loan to employees (#)	11.99	-
Total	**29.35**	**15.58**

Summary of significant accounting policies and other explanatory information to the standalone financial statements
(All amounts in ₹ million, except share and per share data, unless otherwise stated)

6 Loans (Cont'd)

	As at	
	March 31, 2020	**March 31, 2019**
Current		
Unsecured, considered good		
Loan given to related party, repayable on demand (refer note 25)		
Crimzoncode Education Private Limited (Interest @ 13% p.a.)	4.78	-
Halaplay Technologies Private Limited (Interest @ 13% p.a.)	2.50	-
Nazara Pro Gaming Private Limited (Interest @ 13% p.a.)	4.27	-
Loan to employees (#)	6.09	1.94
Total	**17.64**	**1.94**

(*) The Company has an option to convert loan into fully paid equity share at any time from the date of loan agreement, wherein the Company is not expecting to exercise the option.

(#) includes ₹ 13.29 million receivable from related party (refer note 25)

7 Other non-current financial assets

	As at	
	March 31, 2020	**March 31, 2019**
Expenses recoverable from related parties (refer note 25)	40.19	40.19
Total	**40.19**	**40.19**

8 Other non-current assets

	As at	
	March 31, 2020	**March 31, 2019**
Prepaid expense	1.50	1.05
Prepaid employee perquisite	1.59	-
Advance income-tax, net of provision for tax (refer note 30)	14.63	22.42
Total	**17.72**	**23.47**

9 Trade receivables (Unsecured)

	As at	
	March 31, 2020	**March 31, 2019**
Considered good (*)	84.55	71.54
Considered having significant increase in credit risk	96.52	159.09
Less: Allowance for receivables having significant increase in credit risk	(96.52)	(159.09)
Total	**84.55**	**71.54**
(*) includes receivable from related party (refer note 25).	**54.06**	**40.96**

10 Cash and cash equivalents

		As at	
		March 31, 2020	**March 31, 2019**
i)	**Cash and cash equivalents**		
	Cash on hand	0.80	0.55
	Balances with banks		
	- in current accounts	38.24	26.41
		39.04	**26.96**
ii)	**Bank balances other than cash and cash equivalents**		
	- in fixed deposits with remaining maturity of less than 12 months	-	1.65
		-	**1.65**
	Total	**39.04**	**28.61**

Note:

The fixed deposit aggregating to March 31, 2020 : Nil (March 31, 2019 : ₹ 1.65 million) is under lien to bank for issuing bank guarantee as security towards the due observance and performance of the terms and conditions of agreement executed with a customer.

Summary of significant accounting policies and other explanatory information to the standalone financial statements

(All amounts in ₹ million, except share and per share data, unless otherwise stated)

10 Cash and cash equivalents (Cont'd)

For the purpose of the statement of cash flows, cash and cash equivalents comprise the following:

	As at	
	March 31, 2020	**March 31, 2019**
Balances with banks:		
-On Current accounts	38.24	26.41
-Cash on hand	0.80	0.55
Total	**39.04**	**26.96**

11 Other current financial assets

	As at	
	March 31, 2020	**March 31, 2019**
Current		
Unsecured, considered good		
Unbilled revenue (**)		
- considered good	38.18	37.28
- considered having significant increase in credit risk	6.02	6.02
- Less: Allowance for receivables having significant increase in credit risk	(6.02)	(6.02)
Interest accrued but not due		
- from banks	-	0.25
- from tax free bond	2.05	2.04
- from loan given (*)	0.61	0.24
Total	**40.84**	**39.81**
(**) includes unbilled revenue from related parties (refer note 25)	**2.29**	**-**
(*) includes interest accrued but not due from loan given to related party (refer note 25)	**0.23**	**0.12**

12 Other current assets

	As at	
	March 31, 2020	**March 31, 2019**
Advances recoverable in cash or kind or for value to be received	-	0.35
Advance to vendors	0.11	2.42
Prepaid expenses	4.93	9.25
Prepaid rent (refer note 27)	-	8.72
Prepaid employee perquisite	0.79	-
Balances with government authorities	12.95	21.72
Total	**18.78**	**42.46**

13 Share capital

	As at	
	March 31, 2020	**March 31, 2019**
Share capital		
Authorised shares		
34,371,990 (March 31, 2019: 34,371,990) equity shares of ₹ 4 each	137.49	137.49
1,251,204 (March 31, 2019: 1,251,204) preference shares of ₹ 10 each	12.51	12.51
	150.00	**150.00**
Issued, subscribed and fully paid up		
27,996,663 (March 31, 2019: 27,471,969) equity shares of ₹ 4 each	111.99	109.89
	111.99	**109.89**

(a) Details of shareholders holding more than 5% share in the Company

Equity shares of ₹ 4 each

Name of the shareholder	As at			
	March 31, 2020		**March 31, 2019**	
	No. of Shares	**% Holding**	**No. of Shares**	**% Holding**
Mitter Infotech LLP	5,955,125	21.27%	5,955,125	21.68%
West Bridge Venture II Investment Holdings	6,121,210	21.86%	6,121,210	22.28%
Rakesh Jhunjhunwala	3,294,310	11.77%	3,294,310	11.99%
IIFL Special Opportunity Fund	1,748,185	6.24%	1,456,320	5.30%
IIFL Special Opportunity Fund - Series 4	1,429,360	5.11%	1,059,429	(*) 3.86%

As per records of the Company, including its register of shareholders / members, the above shareholding represents both legal and beneficial ownerships of shares.

(*) less than 5% in previous year, presented for comparative purpose.

Summary of significant accounting policies and other explanatory information to the standalone financial statements

(All amounts in ₹ million, except share and per share data, unless otherwise stated)

13 Share capital (Cont'd)

(b) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

Equity shares of ₹ 4 each	No. of Shares	Amount
As at April 1, 2018	26,972,619	107.89
Add : Issued during the year	499,350	2.00
As at March 31, 2019	**27,471,969**	**109.89**
As at April 1, 2019	**27,471,969**	**109.89**
Add : Issued during the year	524,694	2.10
As at March 31, 2020	**27,996,663**	**111.99**

(c) Terms / rights attached to equity shares

1. Voting rights:

   Each shareholder is entitled to one vote per equity share.

2. Right as to dividend:

   The equity share holder is entitled to receive dividend as and when declared by the Board of Directors.

3. Rights on further issue including anti dilution rights:

   In the event the Company proposes to make preferential issue of shares then 'West Bridge Ventures II Investment Holdings' ('Investor') have first right to subscribe on a pro-rata percentage of the entire issue on the basis of existing holding on a fully diluted basis so that the existing shareholding percentage in the Company remain same.

   In addition to above, the investor have anti dilution rights including right to be allotted proportionate shares without consideration in case of certain events as defined in shareholder's agreement.

4. Right of first offer, right of refusal and tag along rights:

   In the event Investor propose to transfer all or part of their securities to any person, it shall first offer to Mitter Infotech LLP and two individual shareholders ('Founders'), a pro rata right to purchase all their shares. Investor shall have the right to exercise certain specified tag along rights in case the Founders proposes to transfer any securities to any person in certain cases as defined in Articles of Association (AOA).

   In the event, Emerging Investments Limited and other two company shareholders and one individual shareholders ('Other Shareholders') propose to transfer all or part of their securities to any person, investor and founders have pro rata right to purchase all their Shares.

5. Drag along rights:

   In case, the investor receives an offer for sale to third party, the Investor has the right to call upon the founders to sell their part of shareholding subject to certain specified conditions as defined in the AOA of the Company.

6. Liquidation preference:

   In the Event of "Liquidation Event" as defined in shareholders agreement, equity shareholders will be entitled to receive consideration or proceed on a pro rata basis in the proportions of their ownership in the total paid up capital of the Company on a fully diluted basis as defined in the AOA of the Company, after distribution of all preferential amounts.

   "Liquidation event" shall (except for the issue of shares under an IPO) be deemed to include the following:-

   (a) Commencement of any proceedings for the voluntary winding up of the Company in accordance with the Act or the passing of an order of any court appointing a provisional liquidator or administrator in any other proceeding seeking the winding up of the Company; or

   (b) The consummation of a consolidation, merger, reorganization or other similar transaction (whether in one or a series of transactions) of the Company resulting in its Shareholders, collectively, retaining less than a majority of the voting power of the Company or the surviving entity immediately following such transaction after giving effect to any conversion exercise or exchange of any Securities convertible into or exercisable or exchangeable for, such voting Securities; or

   (c) Sale or transfer of more than 50% [fifty percent] of the then outstanding Shares by the Shareholders, such that the Shareholders, which shall include the Investor, prior to any such transaction, retain after such transaction less than 50% of voting power of the Company; or

   (d) The sale of, transfer of or creation of an encumbrance of any nature whatsoever or the appointment of a receiver in any proceedings, in more than 50% of the value of the assets and properties of the Company, including but not restricted to tangible and intangible assets of the Company, or any order of any court resulting in the sale of, transfer of or creation of an encumbrance of any nature whatsoever in more than 50% of the value of the assets and properties of the Company including but not restricted to tangible and intangible assets of the Company (whether in one or a series of transactions), which has not been vacated within 15 days of the passing of such order by the court. Subsection (d) would not apply to a case of consolidation, merger, reorganisation or other similar transaction referred to in sub-section (b).

7. Termination agreement:

   The parties to the Waiver and Termination Agreement dated January 17, 2018 and as amended by Amendment Agreement dated June 29, 2018 ("Termination Agreement"), waived and amended certain rights as available to Westbridge from the date of the execution of the Termination Agreement, including (i) the right of first refusal of our Promoters and Westbridge under the Westbridge SHA in relation to the equity shares proposed to be transferred by Westbridge in the Offer; (ii) the right of first refusal of Westbridge under the Westbridge SHA in relation to the equity shares proposed to be transferred by Mitter Infotech LLP in the Offer; and (iii) the drag along right of Westbridge under the Westbridge SHA in relation to the equity shares proposed to be transferred by Westbridge in the Offer. Further, as per Termination Agreement, in case the initial public offering of the equity shares of the Company was not concluded by the IPO cut off date (i.e. September 30, 2018), the provisions of Westbridge SHA that were waived or amended pursuant to the Termination Agreement were reinstated in their entirety and are operative and binding upon parties. Further, the Company was required to carry out re-organisation of board, change in constitution of the Company and amendment of articles of association of the Company.

Summary of significant accounting policies and other explanatory information to the standalone financial statements

(All amounts in ₹ million, except share and per share data, unless otherwise stated)

13 Share capital (Cont'd)

In June 24, 2019, the parties have entered into a Waiver and Termination Agreement wherein West bridge has waived the requirement of the Termination Agreement till December 31, 2019 related to appointment of directors and change in constitution of the Company. Further, in terms of the said agreement, certain provisions to Westbridge rights were amended, including (i) deletion of quorum requirements for the Board Meeting and (ii) approval of Westbridge in writing for certain reserved matters.

Management has not yet decided the IPO cut-off date, accordingly, the matter on further waiver of the requirements of Termination agreement dated June 24, 2019 as mentioned above is under the discussion among the parties, and until that time the requirements of the aforesaid termination agreement has not been given effect to.

8. Other rights:

Investor have right to have their representation on the board of the Company with an affirmative voting right and decision on certain reserved matters such as change or alteration in the rights of any class of shareholders, change in share capital of the Company, undertaking any merger, acquisition, consolidation / amalgamation, change in the composition of board of directors and change in scope of business activity.

Pursuant to the Share purchase agreement, Rakesh Jhunjhunwala and Utpal Seth acquired 263,545 and 2,780 equity shares on December 8, 2017 of the Company respectively from Westbridge. Accordingly, Rakesh Jhunjhunwala and Utpal Seth have been given the following rights in the event the Company does not undertake an initial public offering and listing of our equity shares by December 7, 2018:

(i) the first right to participate or the right to subscribe to all the equity shares in the fund raising by the Company with effect from December 7, 2018;

(ii) the Company shall not without the affirmative written consent of Rakesh Jhunjhunwala and Utpal Seth take certain actions such as raising new capital, change in scope of business, related party transactions, change in rights associated with the equity shares and acquisition of any company;

(iii) tag along right in the event our Promoters transfer any equity shares with effect from December 7, 2018; and

(iv) execution of a restated shareholders agreement. Further, in the event the initial public offering of the Company is not completed within two years from the date of execution of the share purchase agreement, Rakesh Jhunjhunwala and Utpal Seth shall have the right to appoint a nominee director on the Board. Such right have not been exercised by them.

(d) Shares reserved for issue under options

For details of shares reserved for issue under the employee stock option (ESOP) plan of the Company refer note 31.

(e) Aggregate number of shares bought back during the period of five years immediately preceding the reporting date:

	March 31, 2020	March 31, 2019
	No. of shares	
Equity shares bought back by the Company		
Financial Year 2014-2015	45,400	45,400
	45,400	**45,400**

(f) Aggregate number of equity shares issued as bonus during the period of five years immediately preceding the reporting date:

	March 31, 2020	March 31, 2019
	No. of shares	
Equity shares allotted as fully paid bonus shares by capitalization of reserve	19,925,088	19,925,088
	19,925,088	**19,925,088**

(g) Aggregate number of equity shares issued for consideration other than cash during the period of five years immediately preceding the reporting date:

	March 31, 2020	March 31, 2019
	No. of shares	
Equity shares allotted for consideration other than cash		
Financial Year 2019-20 (refer note 5B and 5C)	489,735	-
Financial Year 2017-18	794,641	794,641
	1,284,376	**794,641**

14 Other equity

	As at	
	March 31, 2020	March 31, 2019
Reserves and surplus		
Capital redemption reserve account		
Opening balance	1.30	1.30
Addition / deletion during the year	-	-
Closing balance	**1.30**	**1.30**
Securities premium		
Opening balance	1,404.87	1,186.67
Addition during the year	379.88	-
Addition during the year on exercise of ESOP	-	115.01
Transfer from share based payment reserve on exercise of option	-	103.19
Closing balance	**1,784.75**	**1,404.87**

Summary of significant accounting policies and other explanatory information to the standalone financial statements

(All amounts in ₹ million, except share and per share data, unless otherwise stated)

14 Other equity (Cont'd)

	As at	
	March 31, 2020	**March 31, 2019**
Surplus in the statement of profit and loss and other comprehensive income		
Opening balance	392.84	369.96
Add: Profit for the year	75.91	22.18
Other comprehensive income for the year	0.18	0.70
Closing balance	**468.93**	**392.84**
Debt instrument through Other Comprehensive Income		
Opening balance	4.61	5.27
Other comprehensive income / (loss) for the year	14.38	(0.66)
Closing balance	**18.99**	**4.61**
Share based payment reserve		
Opening balance	255.93	194.59
Additions during the year	-	164.53
Less: Transfer to securities premium on exercise of options	-	(103.19)
Closing balance	**255.93**	**255.93**
Other equity		
Opening balance	-	-
Additions during the year (refer note 5A)	435.00	-
Closing balance	**435.00**	**-**
Capital contribution from shareholder		
Opening balance	357.18	357.18
Additions during the year	-	-
Closing balance	**357.18**	**357.18**
Total reserve and surplus	**3,322.08**	**2,416.73**

15 Provisions

	As at	
	March 31, 2020	**March 31, 2019**
Non-current		
Provisions for employee benefits		
Gratuity (refer note 29)	12.07	15.68
Total	**12.07**	**15.68**
Current		
Provision for employee benefits		
Compensated absences	2.62	2.81
Gratuity (refer note 29)	3.65	-
	6.27	**2.81**

16 Trade payables

	As at	
	March 31, 2020	**March 31, 2019**
Trade payable (*)		
Micro enterprises and small enterprises	0.07	-
Other than micro enterprises and small enterprises	84.26	102.26
Total	**84.33**	**102.26**
(*) includes payable to related party (refer note 25)	**9.76**	**8.28**

Summary of significant accounting policies and other explanatory information to the standalone financial statements

(All amounts in ₹ million, except share and per share data, unless otherwise stated)

16 Trade payables (Cont'd)

16.1 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 March 31, 2020 and March 31, 2019

		As at	
		March 31, 2020	**March 31, 2019**
a)	Principal amount due to suppliers under MSMED Act	0.07	-
b)	Interest accrued and due to suppliers under MSMED Act on the above amount	-	-
c)	Payment made to suppliers (other than interest) beyond appointed day during the year	-	-
d)	Interest paid to suppliers under MSMED Act	-	-
e)	Interest due and payable to suppliers under MSMED Act towards payments already made	-	-
f)	Interest accrued and remaining unpaid at the end of the accounting year	-	-
g)	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.	-	-

Disclosure of payable to vendors as defined under the "Micro, Small and Medium Enterprise Development Act, 2006" is based on the information available with the Company regarding the status of registration of such vendors under the said Act, as per the intimation received from them on requests made by the company.

17 Other financial liabilities

	As at	
	March 31, 2020	**March 31, 2019**
Payable to employees	18.33	22.51
Acquisition related liability (refer note 5A)	100.00	-
Deposit from customers (refer note below)	13.99	14.01
Total	**132.32**	**36.52**

17.1 Deposit represents the entertainment tax (on revenue recognised till June 2017) amount of ₹ 13.99 million as at March 31, 2020 (March 31, 2019 : ₹ 13.99 million) refunded by a customer against bank guarantee of ₹ 15.58 million. The tax levy on entertainment is still not clear by the relevant authority. Therefore once the matter resolved or any clarification issued, the Company is required to either retain or pay this amount to the customer.

18 Other current liabilities

	As at	
	March 31, 2020	**March 31, 2019**
Tax deducted at source payable	2.66	5.44
Statutory dues	1.18	1.16
Lease equalisation reserve (refer note 27)	-	1.87
Payable for expenses	9.83	4.72
Total	**13.67**	**13.19**

19 Revenue from operations

	For the year ended	
	March 31, 2020	**March 31, 2019**
Revenue from contract with customers		
Telco subscription	228.40	183.09
Advertising	63.02	93.44
Platform fees	4.29	-
Other operating revenue (refer note 25)		
Technology platform fees	80.13	76.42
Digital marketing fees	44.45	45.24
Administrative and business support services	40.92	36.28
Total	**461.21**	**434.47**

Geographical and type of service disaggregation of revenue

	Telco subscription	Advertising	Platform fees	Total
As at March 31, 2020				
India	204.13	63.02	4.29	**271.44**
Rest of the world	24.27	-	-	**24.27**
Total	**228.40**	**63.02**	**4.29**	**295.71**
As at March 31, 2019				
India	136.10	93.44	-	**229.54**
Rest of the world	46.99	-	-	**46.99**
Total	**183.09**	**93.44**	**-**	**276.53**

Pattern of revenue recognition disaggregation of revenue

	Telco subscription	Advertising	Platform fees	Total
As at March 31, 2020				
Recognised at a point in time	228.40	63.02	-	**291.42**
Recognised over the period of time	-	-	4.29	**4.29**
Total	**228.40**	**63.02**	**4.29**	**295.71**
As at March 31, 2019				
Recognised at a point in time	183.09	93.44	-	**276.53**
Recognised over the period of time	-	-	-	**-**
Total	**183.09**	**93.44**	**-**	**276.53**

Summary of significant accounting policies and other explanatory information to the standalone financial statements

(All amounts in ₹ million, except share and per share data, unless otherwise stated)

20 Other income

	For the year ended	
	March 31, 2020	March 31, 2019
Interest income on		
- bank deposits	0.14	1.36
- tax free bonds	4.07	4.05
- Loan given	0.37	-
- Income tax refund	1.35	-
Unwinding of interest on security deposits	1.01	-
Unwinding of interest on loan to employee(*)	0.56	-
Dividend income on current investments	-	4.18
Net gain on sale of current investments	15.03	11.16
Fair value gain on financial instruments at fair value through profit or loss	21.94	33.49
Fair value gain on non-current investment	-	59.81
Sundry balances written-back	13.98	4.33
Gain on exchange fluctuation (net)	5.65	-
Miscellaneous	2.21	1.21
Total	**66.31**	**119.59**

(*)Includes interest on loan given to KMP / related Parties.

21 Employee benefits

	For the year ended	
	March 31, 2020	March 31, 2019
Salaries, wages and bonus		
Employees	67.18	76.88
Key management personnel (refer note 25) (*)	61.94	71.34
Contribution to provident and other funds (refer note 29)	7.65	7.95
Gratuity expense (refer note 29)	2.31	2.80
Staff welfare expenses	1.09	0.89
Total	**140.17**	**159.86**

(*) includes amortisation of prepaid perquisites ₹ 0.38 million (March 31, 2019 : Nil)

22 Depreciation and amortisation

	For the year ended	
	March 31, 2020	March 31, 2019
Property and equipment (refer note 3)	1.53	3.50
Right-of-use assets (refer note 4(a))	46.48	-
Intangible assets (refer note 4(b))	3.04	4.09
Total	**51.05**	**7.59**

23 Finance costs

	For the year ended	
	March 31, 2020	March 31, 2019
Interest on lease liability	5.16	-
Total	**5.16**	**-**

24 Other expenses

	For the year ended	
	March 31, 2020	March 31, 2019
Legal and professional fees	22.86	10.95
Travelling and conveyance	12.42	10.80
Server charges	11.80	10.28
Sales promotion and business development	9.20	9.13
Payment to auditors (refer note (i) below)	2.98	4.13
Corporate social responsibility expenditure (refer note (ii) below)	2.52	3.23
Content management charges	2.18	4.25
Rates and taxes	2.02	1.20
Repairs and maintenance	1.96	1.59
Insurance charges	1.69	1.63
Donation	1.08	-
Communication expenses	1.06	1.31
Directors fees	0.83	1.03

Summary of significant accounting policies and other explanatory information to the standalone financial statements

(All amounts in ₹ million, except share and per share data, unless otherwise stated)

24 Other expenses (Cont'd)

	For the year ended	
	March 31, 2020	**March 31, 2019**
Bad debts written off	0.80	2.71
Printing and stationery	0.62	0.53
Consumables for development and testing	0.47	0.24
Rent expenses	0.09	52.10
Allowance for doubtful debts	-	88.75
Loss on exchange fluctuation (net)	-	33.47
Loss on fair value on non-current investment (refer note (iii) below)	9.63	-
Impairment on investment in subsidiary (refer note (iv) below)	26.19	-
Miscellaneous	9.19	5.00
Total	**119.59**	**242.33**

Notes:

(i) Payment to auditors

Particulars	For the year ended	
	March 31, 2020	**March 31, 2019**
As auditor		
- Audit fee	2.98	3.65
- Reimbursement of expenses	-	0.11
In other capacity		
- for other services	-	0.37
	2.98	**4.13**

(ii) Corporate social responsibilities

As per section 135 of the Companies Act 2013 and rules therein, the company is required to spend at least 2% of average net profit of past three years towards Corporate Social Responsibility (CSR).

Details of corporate social expenditures are as follows:

Particulars	For the year ended	
	March 31, 2020	**March 31, 2019**
Gross amount required to be spent during the year	3.52	3.44
Amount spent during the period		
i) Construction / acquisition of any asset	-	-
i) On purposes other than (i) above	2.52	3.23
Total amount spent during the year	**2.52**	**3.23**

(iii) Loss on fair value on non-current investment

The Company has acquired 64.47% of voting rights in the Crimzoncode on February 22, 2020 by virtue of which Crimzoncode is a 100 percent subsidiary. Accordingly, the Company has fair valued its earlier investment on the date when change in control occurred and recorded a loss of ₹ 9.63 million as “Loss on fair value on non-current investment”.

(iv) Impairment on investment in subsidiary

Considering reduction in the fair value of the investment in Halaplay, an impairment loss of ₹ 26.19 million is recorded in the financial statements for the year ended March 31, 2020.

25 Related party transactions

“Related party disclosures as required by notified Ind AS 24 Related party disclosures” as given below

A) Names of the related parties and related party relationship

Related parties where control exists	
Subsidiaries	Nazara Technologies FZ LLC
	Nazara Pte Ltd
	Nazara Pro Gaming Private Limited (from May 16, 2017)
	Nextwave Multimedia Private Limited (from December 22, 2017)
	Nodwin Gaming Private Limited (from January 10, 2018)
	Halaplay Technologies Private Limited (from April 8, 2019)
	Absolute Sports Private Limited (from September 16, 2019)
	Paper Boat Apps Private Limited (from January 18, 2020)
	Crimzoncode Technologies Private Limited (from February 21, 2020) (formerly known as Jatia Education Private Limited)

Summary of significant accounting policies and other explanatory information to the standalone financial statements

(All amounts in ₹ million, except share and per share data, unless otherwise stated)

25 Related party transactions (Cont'd)

Stepdown subsidiaries	Nazara Technologies
	Nazara Zambia Limited
	Nzmobile Nigeria Limited
	Nzmobile Kenya Limited
	Nazara Uganda Limited
	Nazara Bangladesh Limited
	Nzworld Kenya Limited
	Kiddopia Inc.
	Nodwin International Private Limited
Joint Control	Sports Unity Private Limited (from May 10, 2019)
Related parties with whom transactions have taken place during the year	
Entity with Significant influence	
Associate of subsidiary	Mastermind Sports Limited (from May 22, 2017)
Associate	Crimzoncode Technologies Private Limited (from June 6, 2018 till February 20, 2020) (formerly known as Jatia Education Private Limited)
	Halaplay Technologies Private Limited (from effective December 17, 2018 to April 8, 2019)
	Moonglab Technologies Private Limited (from effective April 19, 2019)
Key management personnel	Vikash Mittersain - Chairman Cum Managing Director
	Nitish Mittersain - Managing Director
	Manish Agarwal - Chief Executive Officer
	Rakesh Shah - Chief Financial Officer
	Turabbhai Chimthanawala -Company Secretary (from April 1, 2019)
Enterprises owned or controlled by key management personnel	Mitter Infotech LLP (formerly Mitter Infotech Private Limited)

B) Related party transactions:

	For the year ended	
	March 31, 2020	**March 31, 2019**
Remuneration to Key management personnel (KMP) - As per contract with the Company		
Vikash Mittersain	5.60	5.65
Nitish Mittersain	28.48	26.52
Manish Agarwal (*)	20.12	31.93
Rakesh Shah	7.27	6.84
Turabbhai Chimthanawala	0.47	0.40
(*) Includes fair value adjustment		
Content		
Mastermind Sports Limited	(*) 0.00	0.91
Crimzoncode Technologies Private Limited	4.90	6.44
Moong labs Technologies Private Limited	3.51	3.60
Professional Fees		
Nodwin Gaming Private Limited	-	0.50
Advertising		
Crimzoncode Technologies Private Limited	0.18	-
Nextwave Multimedia Private Limited	1.80	-
Nodwin Gaming Private Limited	3.72	-

Summary of significant accounting policies and other explanatory information to the standalone financial statements
(All amounts in ₹ million, except share and per share data, unless otherwise stated)

25 Related party transactions (Cont'd)

	For the year ended	
	March 31, 2020	**March 31, 2019**
Additional cost of investment on account of group share based payment		
Nextwave Multimedia Private Limited (refer note 31(d))	-	164.53
Interest income		
Crimzoncode Technologies Private Limited	0.05	-
Nazara Pro Gaming Private Limited, net	0.05	-
Halaplay Technologies Private Limited	0.01	-
Loan given to KMP		
Manish Agarwal	15.50	-
Loan given to Subsidiary		
Nazara Pro Gaming Private Limited, net	4.27	-
Crimzoncode Technologies Private Limited	4.98	-
Halaplay Technologies Private Limited	5.00	-
Repayment of loan from subsidiary		
Halaplay Technologies Private Limited	2.50	-
Crimzoncode Technologies Private Limited	0.20	-
Service fees charged		
Technology platform fees		
Nazara Technologies FZ LLC	22.83	21.62
Nazara Pte Limited	33.21	22.26
Nazara Technologies	15.55	32.54
NZMobile Kenya Limited	8.54	-
Digital marketing fees		
Nazara Technologies FZ LLC	1.44	1.89
Nazara Pte Limited	39.75	4.81
Nazara Technologies	1.72	38.54
NZMobile Kenya Limited	0.54	-
Nzworld Kenya Limited	1.00	-
Administrative and business support services		
Nazara Technologies FZ LLC	11.79	10.27
Nazara Pte Limited	17.08	10.57
Nazara Technologies	7.92	15.44
NZMobile Kenya Limited	4.13	-
IPO expenses recoverable (refer note 1 below)		
West Bridge Venture II Investment Holdings	-	4.68
Mitter Infotech LLP	-	0.31

Summary of significant accounting policies and other explanatory information to the standalone financial statements
(All amounts in ₹ million, except share and per share data, unless otherwise stated)

25 Related party transactions (Cont'd)

C) Amounts outstanding as at the balance sheet date:

	As at	
	March 31, 2020	**March 31, 2019**
Balance payables at year end		
Mastermind Sports Limited	2.51	2.33
Moong labs Technologies Private Limited	0.90	0.43
Nodwin Gaming Private Limited	4.26	0.54
Crimzoncode Technologies Private Limited	-	3.13
Nextwave Multimedia Private Limited	2.09	-
Loan receivable from subsidiary company, including interest accrued thereon		
Nazara Pro Gaming Private Limited	4.32	-
Crimzoncode Technologies Private Limited	4.83	-
Halaplay Technologies Private Limited	2.51	-
Interest receivables on loan		
Moong labs Technologies Private Limited	0.12	0.12
Amount recoverable/(payables) from subsidiary company		
Nazara Technologies FZ LLC	4.23	(1.85)
Nazara Pte Limited	25.68	1.91
Nazara Technologies	10.27	39.05
NZ Mobile Kenya Ltd	12.91	-
NZ World Kenya Ltd	0.97	-
Unbilled revenue		
Nazara Technologies FZ LLC	0.76	-
Nazara Pte Limited	1.13	-
Nazara Technologies	0.40	-
Loan given to KMP inclusive of fair value adjustment		
Manish Agarwal	13.29	-
IPO expenses recoverable (refer note 1 below)		
West Bridge Venture II Investment Holdings	37.68	37.68
Mitter Infotech LLP	2.51	2.51

D) Compensation of KMP

	For the year ended	
	March 31, 2020	**March 31, 2019**
Short-term employee benefits	58.48	68.27
Post- employment benefits (refer note 2 below)	3.46	3.07
Total remuneration	**61.94**	**71.34**

Notes:

1) Other receivables comprises share issue expenses incurred in connection with proposed Initial Public offer (IPO) of the Company. As per understanding between the Company, West Bridge Venture II Investment Holdings and Mitter Infotech LLP, all the IPO expenses other than fees related to merchant bankers will be shared between them, while the merchant bankers' fees will be borne by West Bridge Venture II Investment Holdings and Mitter Infotech LLP.

   Accordingly, the Company has charged its share of IPO expenses to the statement of profit and loss and recorded a receivable for the share of IPO expenses to be recovered from West Bridge Venture II Investment Holdings and Mitter Infotech LLP.

   The Company has deferred its plan for IPO. However, based on understanding between the Company and the selling shareholders, the selling shareholders agreed for company to carry forward these expenses and reimburse it along with future IPO expenses on successful completion of IPO.

2) Remuneration to key mangerial personnel doesn't include provision made for gratuity and compensated absences as they are determine on acturial basis for the Company as a whole.

3) The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. This assessment is undertaken each financial year through examining the financial position of the related party and market in which the related party operations. Outstanding balances at the year-end are unsecured and settlement occurs in cash.

   (*) Amount is less than 0.01 million

Summary of significant accounting policies and other explanatory information to the standalone financial statements
(All amounts in ₹ million, except share and per share data, unless otherwise stated)

26 Capital and others commitments

	As at	
	March 31, 2020	March 31, 2019
Other commitments		
Cost of content and other commitments	10.55	9.39

27 Lease disclosure

Where the Company is the lessee:

The Company's leased assets primarily consist of leases for office premises. Leases of office premises generally have lease term between 1 to 3 yea , lease rentals have an escalation of 5%.

i) Below are the carrying amounts of right-of-use assets recognised and the movements during the period:

Particulars	Buildings	Total
As at April 1, 2019	-	**-**
Additions on adoption of Ind AS 116 (*)	93.10	**93.10**
Depreciation expenses	(46.48)	**(46.48)**
As at March 31, 2020	**46.62**	**46.62**

(*) net of adjustments towards prepaid rent amounting to ₹ 8.72 million and lease equalisation reserve amounting to ₹ 1.87 million.

ii) Below are the carrying amounts of operating lease liabilities (included under financial liabilities) and the movements during the period:

Particulars	Year ended
	March 31, 2020
As at April 1, 2019	
Additions on adoption of Ind AS 116	86.25
Finance expense	5.16
Payments	(51.47)
As at March 31, 2020	**39.94**
Current	39.94
Non-current	-

The contractual maturity analysis of lease liabilities (includes amount not falling under Ind AS 116) are disclosed herein on an undiscounted basis-

Particulars	Amount
Less than one year	39.94
Gross value	41.34
Less - Unamortised interest	(1.40)
More than one year less than 5 years	-
More than 5 years	-
Total	**39.94**

The effective interest rate for lease liabilities is 9.25%.

iii) The following are the amounts recognised in profit or loss:

Particulars	Year ended March 31, 2020
Depreciation expense for right-of-use assets	46.48
Finance expense on lease liabilities	5.16
Expense relating to short-term leases (included in other expenses)	0.09
Total amount recognised in profit or loss	**51.73**

The Company had total cash outflows for leases of ₹ 51.47 (March 31, 2019 : ₹ 52.10).

28 Earnings per share

The following table reflects the income and share data used in the basic and diluted EPS computation:

	For the year ended	
	March 31, 2020	March 31, 2019
Basic		
Net profit attributable to equity shareholders	75.91	22.18
Weighted average number of equity shares in calculating basic EPS (refer note below)	27,753,117	27,418,613
Basic Earnings per share	**2.74**	**0.81**

Summary of significant accounting policies and other explanatory information to the standalone financial statements

(All amounts in ₹ million, except share and per share data, unless otherwise stated)

28 Earnings per share (Cont'd)

	For the year ended	
	March 31, 2020	March 31, 2019
Diluted		
Net profit attributable to equity shareholders	75.91	22.18
Weighted average number of equity shares in calculating basic EPS	27,753,117	27,418,613
Effect of dilution (refer note below)	590,912	509,039
Weighted average number of equity shares outstanding (including dilutive)	28,344,030	27,927,652
Earnings per share	**2.68**	**0.79**

Note -

There are 507,366 (March 31, 2019 : 509,039) potential equity shares in the form of stock options granted to employees and 83,546 (March 31, 2019 : NIL) potential equity shares in the form of other equity.

29 Gratuity and post employment benefits

I) Defined Contribution plan

(a) Provident fund and ESIC

	For the year ended	
	March 31, 2020	March 31, 2019
Company's contribution to provident fund and other funds charged to profit and loss	7.65	7.95
	7.65	**7.95**

II) Defined benefit plan

(a) Gratuity

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. This benefit is unfunded.

The following tables summarise the components of net gratuity benefit expense recognised in the statement of profit and loss and other comprehensive income.

A Balance Sheet

(i) The amounts recognised in the balance sheet and the movements in the net defined benefit obligation over the year are as follows:

	As at	
	March 31, 2020	March 31, 2019
Liability at the beginning of the year	**15.68**	**14.03**
Interest cost	1.12	1.05
Current service cost	1.19	1.75
Past service cost		
Benefits paid	(2.03)	(0.18)
Re-measurements - Actuarial Loss - due to changes Financial assumptions	0.55	0.30
Re-measurements - Actuarial (Gain) - due to changes experience adjustment	(0.79)	(1.27)
Liability at the end of the year	**15.72**	**15.68**

ii) **Balance sheet reconciliation**

	As at	
	March 31, 2020	March 31, 2019
Opening net liability	**15.68**	**14.03**
Expense recognized in statement of profit and loss	2.31	2.80
Expense recognized in OCI	(0.24)	(0.97)
Benefit paid directly by the employer	(2.03)	(0.18)
Amounts recognized in the balance sheet	**15.72**	**15.68**

B Statement of profit and loss

i) Expense recognised in statement of profit and loss

	For the year ended	
	March 31, 2020	March 31, 2019
Current service cost	1.19	1.75
Net interest cost	1.12	1.05
Expenses recognized in profit and loss	**2.31**	**2.80**

Summary of significant accounting policies and other explanatory information to the standalone financial statements
(All amounts in ₹ million, except share and per share data, unless otherwise stated)

29 Gratuity and post employment benefits (Cont'd)

ii) Expense recognised in other comprehensive income

	For the year ended	
	March 31, 2020	**March 31, 2019**
Remeasurements actuarial (gain)	(0.24)	(0.97)
Net (income)	**(0.24)**	**(0.97)**

C The principal assumptions used in determining gratuity obligations are shown below:

	As at	
	March 31, 2020	**March 31, 2019**
Discount rate	6.24%	7.07%
Future salary increases	10.00%	10.00%
Projected benefit obligation	6 years	6 years
Rate of employee turnover	15%	15%
Mortality rate during employment	Indian Assured lives Mortality (2006-08)	
Mortality rate after employment	NA	

D A quantitative sensitivity analysis for significant assumption as at balance sheet date are as shown below:

	As at	
	March 31, 2020	**March 31, 2019**
Discount rate (- 1%)	0.73	0.74
Discount rate (+ 1%)	(0.66)	(0.67)
Salary escalation Rate (- 1%)	(0.39)	(0.44)
Salary escalation Rate (+ 1%)	0.42	0.47
Employee turnover (- 1%)	0.00	0.02
Employee turnover (+ 1%)	(0.00)	(0.02)

Methods and assumptions used in preparing sensitivity and their limitations: The liability was projected by changing certain assumptions and the total liability post the change in such assumptions have been captured in the table above. This sensitivities are based on change in one single assumption, other assumptions being constant. In practice, scenario may involve change in several assumptions where the stressed defined benefit obligation may be significantly impacted.

E Maturity analysis of projected benefit obligation

	As at	
	March 31, 2020	**March 31, 2019**
1st following year	3.65	3.34
2nd following year	1.94	1.96
3rd following year	1.79	1.82
4th following year	1.63	1.70
5th following year	1.51	1.57
Sum of years to 6 to 10	5.22	6.09
Sum of years 11 and above	6.35	6.93

30 Income taxes

A Income tax expense in the statement of profit and loss consists of:

	For the year ended	
	March 31, 2020	**March 31, 2019**
Current income tax:		
Income tax (current year)	31.47	6.82
Deferred tax (credit) / expenses	(2.65)	2.44
Income tax expense reported in the statement of profit or loss	**28.82**	**9.25**
Income tax recognised in other comprehensive income		
- Deferred tax (credit) / expense arising on income and expense recognised in other comprehensive income	0.06	0.27
Total	**28.88**	**9.53**

Summary of significant accounting policies and other explanatory information to the standalone financial statements
(All amounts in ₹ million, except share and per share data, unless otherwise stated)

30 Income taxes (Cont'd)

B The reconciliation between the provision of income tax of the Company and amounts computed by applying the Indian statutory income tax rate to profit before taxes is as follows:

	For the year ended	
	March 31, 2020	**March 31, 2019**
Profit before tax	104.73	31.44
Enacted income tax rate in India	25.17%	27.82%
Computed expected tax expense	26.36	8.75
Effect of:		
Income not considered for tax purpose	(1.03)	(3.40)
Expenses not allowed for tax purpose	1.05	1.58
Impact of deferred tax due to change in income tax rate	2.19	1.66
Others	0.25	0.67
Income tax expense reported in the statement of profit or loss	**28.82**	**9.26**

C Deferred tax relates to the following: Balance sheet

	As at	
	March 31, 2020	**March 31, 2019**
Property and equipment: Impact of difference between depreciation/ amortisation	3.11	3.36
Provision for doubtful receivables	25.81	45.93
Impact of expenditure charged to statement of profit and loss in the current year but allowed for tax purposes on payment basis	7.13	6.22
Fair value gain on mutual funds	(5.02)	(19.25)
Fair value gain on non-current investment	(5.49)	(13.31)
Net deferred tax assets, net	**25.54**	**22.95**

D Movement of deferred tax asset, net:

	For the year ended	
	March 31, 2020	**March 31, 2019**
Property and equipment: Impact of difference between depreciation / amortisation	0.25	(0.62)
Provision for doubtful receivables	20.12	(17.12)
Impact of expenditure charged to statement of profit and loss in the current year but allowed for tax purposes on payment basis	(0.97)	(1.54)
Fair value gain on mutual funds	(14.23)	7.83
Fair value loss / (gain) on non-current investments	(7.82)	13.31
Others	-	0.58
Net deferred tax (benefit) / expenses	**(2.65)**	**2.44**
Impact of expenditure charged to statement of profit and loss in the current year but allowed for tax purposes on payment basis	0.06	0.27
Net deferred tax expenses	**0.06**	**0.27**

The movement in advance tax as at March 31, 2020 and March 31, 2019

	As at	
	March 31, 2020	**March 31, 2019**
Balance at the beginning of the year (net of provision for taxes)	22.42	4.74
Add: Advance tax paid (including self-assessment tax and taxes deducted at source)	31.48	31.85
Less: Income tax refund received	(8.77)	(7.35)
Less: Provision for taxes	(31.47)	(6.82)
Balance at the end of the year (net)	**13.66**	**22.42**
Disclosed as -		
Advance tax (refer note 8) (a)	14.63	22.42
Current tax liabilities (net) (b)	0.97	-
Total (a-b)	**13.66**	**22.42**

Summary of significant accounting policies and other explanatory information to the standalone financial statements

(All amounts in ₹ million, except share and per share data, unless otherwise stated)

31 Share based payments

(a) During the year ended March 31, 2020 ESOP 2016 and ESOP 2017 scheme are in operation.

Under the ESOP 2016, share options of the Company are granted to senior executives of the Company and its subsidiary employees with more than 12 months of service. The share options vest if within one years from the date of grant, the senior executive remains employed on such date.

The fair value of the share options is estimated at the grant date using Black Scholes pricing model, taking into account the terms and conditions upon which the share options were granted.

The contractual term of each option granted (comprising the vesting period and the exercise period) is six years. There are no cash settlement alternatives. The Company does not have a past practice of cash settlement for these share options.

(b) The Company has provided the following equity settled share-based payment schemes to its senior management. The details of the ESOP schemes are as follows:

ESOP 2016

Details of ESOP 2016 are as follows:

Particulars	
Date of grant	January 2, 2017
Date of board approval	November 24, 2016
Date of member approval	December 26, 2016
Number of options granted	782,638 to eligible employees of the Company and subsidiary company
Method of settlement	Equity
Vesting period	One year
Exercise period	Five years
Vesting conditions	100% vesting after one year
Exercise price	₹ 234.32

Each option entitled 1 equity share of ₹ 4 each to eligible employee of the Company and subsidiary.

The details of activity under the scheme 2016 are summarised below:

Particulars	March 31, 2020	March 31, 2019
	Number of options	
Outstanding at the beginning of the year	2,43,288	7,42,638
Granted during the year	-	-
Lapsed during the year	(10,236)	-
Exercised during the year	-	4,99,350
Outstanding at the end of the year	2,33,052	2,43,288
Exercisable at the end of the year	2,33,052	2,43,288
Weighted average remaining contractual life (in years)	2.75 years	3.75 years

ESOP 2017

Details of ESOP 2017 are as follows:

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 to eligible employees of the subsidiary company
Method of settlement	Equity
Vesting period	One year
Exercise period	Five years
Vesting conditions	100% vesting after one year
Exercise price	₹ 282.91

Each option entitled 1 equity share of ₹ 4 each to eligible employee of the Company and subsidiary.

Summary of significant accounting policies and other explanatory information to the standalone financial statements
(All amounts in ₹ million, except share and per share data, unless otherwise stated)

31 Share based payments (Cont'd)

The details of activity under the scheme 2017 are summarised below:

Particulars	March 31, 2020	March 31, 2019
	Number of options	
Outstanding at the beginning of the year	5,62,733	5,62,733
Granted during the year	-	-
Forfeited during the year	-	-
Exercised during the year	-	-
Outstanding at the end of the year	5,62,733	5,62,733
Exercisable at the end of the year	5,62,733	5,62,733
Weighted average remaining contractual life (in years)	3.75 years	4.75 years

(c) **The Black Scholes valuation model has been used for computing weighted average fair value considering the following inputs:**

	ESOP 2017	ESOP 2016
Dividend yield (%)	0%	0.00%
Expected volatility (%)	23.04%	25.00%
Risk free interest rate (%)	7.16%	6.27%
Spot price (₹)	563.03	361.95
Exercise Price (₹)	282.91	234.32
Expected life of options granted (years)	3.5 years	3.5 years
Model used	Black Scholes	Black Scholes

The expected life of the share options are based on historical data and current expectations and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility over a period similar to the life of the options is indicative of future trends, which may not necessarily be the actual outcome.

(d) **The expense recognised for employee service received during the year is shown in the following table:**

	For the year ended	
	March 31, 2020	March 31, 2019
Value of investment in subsidiary as at the year end:		
Investment in subsidiary on account of Group Share based payment (Nextwave Multimedia Private Limited)		
Opening	205.66	41.13
Granted during the year (refer note below)	-	164.53
	205.66	**205.66**

Weighted average share price for options exercised during the year-		
Weighted average share price		
ESOP 2016	547.00	547.00
ESOP 2017	-	563.03

Note:

During the year ended March 31, 2020, Group share based payment is Nil, (March 31, 2019, the Holding Company granted 562,733 stock options to the KMP's of its subsidiary Next wave Multimedia Private Limited. In accordance with Ind AS 102 “Share based payments” an amount of ₹ 164.53 million is recorded represented by the proportionate fair value of the above grant).

32 Segment information

The Company has opted to present information relating to its segment in its consolidated financial statements. In accordance with Ind AS 108 - ‘Operating Segments’, no disclosure related to segment are therefore presented in these standalone financial statements.

33A Financial assets and financial liabilities

Financial assets (at cost)

	Carrying value	
	March 31, 2020	March 31, 2019
Investment in subsidiaries, associate and Joint venture		
Nazara Technologies FZ LLC	0.64	0.64
Nazara Pro Gaming Private Limited	0.10	0.10
Nazara Pte Limited	0.05	0.05
Next Wave Multimedia Pvt Ltd	528.24	528.24
Nodwin Gaming Private Limited	769.63	769.63
Paper Boat Apps Private Limited	835.10	-
Absolute Sports Private Limited	438.43	-

Summary of significant accounting policies and other explanatory information to the standalone financial statements

(All amounts in ₹ million, except share and per share data, unless otherwise stated)

32 Segment information (Cont'd)

	Carrying value	
	March 31, 2020	**March 31, 2019**
Halaplay Technologies Private Limited (*)	352.12	270.31
Crimzoncode Technologies Private Limited (**)	20.32	16.85
Sports unity Private Limited	60.90	-
Moonglab Technologies Private Limited	10.00	7.50
	3,015.53	**1,593.32**

(*) the Company has acquired 24.37% of voting rights in the Halaplay become an associate on March 1, 2019. Accordingly, the Company has fair valued the investment and recorded the gain of ₹ 59.81 million in the year ended March 31, 2019 within "Fair value gain on Investment at fair value through profit or loss". In addition, considering reduction in the fair value of the investment in Halaplay, an impairment loss of ₹ 26.19 million is recorded in the financial statements for the year ended March 31, 2020.

(**) The Company has acquired 64.47% of voting rights in the Crimzoncode on February 22, 2020 by virtue of which Crimzoncode is a 100 percent subsidiary. Accordingly, the Company has fair valued its earlier investment on the date when change in control occurred and recorded a loss of ₹ 9.63 million as "Loss on fair value on non-current investment".

Financial assets (at fair value)

	Carrying value	
	March 31, 2020	**March 31, 2019**
Investments in mutual funds	251.38	658.16
Investments in Tax free bonds	74.72	60.34
Instasportz Consultancy Private Limited	10.00	10.00
Khichdi Technologies Private Limited	7.50	-
Total	**343.60**	**728.50**

Financial assets and liabilities (at amortised cost)

	Carrying value (*)	
	March 31, 2020	**March 31, 2019**
Financial assets - Non-current		
Loans and deposits	29.35	15.58
Fixed deposits with bank and interest accrued	40.19	40.19
Financial assets - Current		
Trade receivable	84.55	71.54
Cash and cash equivalents	39.04	26.96
Other bank balances	-	1.65
Investments in debentures	-	83.01
Loan to employees and subsidiaries	17.64	1.94
Other financial assets	40.84	39.81
Total assets	**251.61**	**280.68**
Financial liabilities		
Trade and other payables	84.33	102.26
Other financial liabilities	132.32	36.52
Lease liabilities	39.94	-
Total liabilities	**256.59**	**138.78**

Notes:

(*) Financial assets and liabilities include cash and cash equivalents, tax free deposits, trade receivables, unbilled receivables, finance lease receivables, employee and other advances, eligible current and non-current assets, trade payables, and eligible current liabilities and non-current liabilities. The fair value of cash and cash equivalents, trade receivables, unbilled receivables, trade payables, other current financial assets and liabilities approximate their carrying amount largely due to the short-term nature of these instruments. Investment in mutual funds measured using net asset values at the reporting date multiplied by the quantity held, which represents the fair value of these instruments.

33B Fair value hierarchy for assets and liabilities

Fair value measurement

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 under current market conditions.

The Company categorizes assets and liabilities measured at fair value into one of three levels depending on the ability to observe inputs employed in their measurement which are described as follows:

i) Level 1

Quoted (unadjusted) prices in active markets for identical assets or liabilities.

Summary of significant accounting policies and other explanatory information to the standalone financial statements
(All amounts in ₹ million, except share and per share data, unless otherwise stated)

32 Segment information (Cont'd)

ii) Level 2

Other techniques for which all inputs which have a significant effect on the recorded fair values are observable, either directly or indirectly.

iii) Level 3

Techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities:

I The carrying amount and fair value measurement hierarchy for assets as at March 31, 2020 is as follow

	Carrying Value	Fair Value	Date of valuation	Fair value measurement using			
				Quoted prices in active markets	Significant observable inputs	Significant unobservable inputs	Total
				Level 1	Level 2	Level 3	
Mutual funds	251.38	251.38	March 31, 2020	251.38	-	-	251.38
Tax free bonds	74.72	74.72	March 31, 2020	74.72	-	-	74.72
Next Wave Multimedia Private Limited	528.24	554.18	March 31, 2020	-	-	554.18	554.18
Nodwin Gaming Private Limited	769.63	1,330.76	March 31, 2020	-	-	1,330.76	1,330.76
Paper Boat Apps Private Limited [refer note (b)]	835.10	835.10	March 31, 2020	-	-	835.10	835.10
Absolute Sports Private Limited [refer note (b)]	438.43	438.43	March 31, 2020	-	-	438.43	438.43
Halaplay Technologies Private Limited [refer note (a)]	352.12	352.12	March 31, 2020	-	-	352.12	352.12
Crimzoncode Technologies Private Limited [refer note (a)]	20.32	20.32	March 31, 2020	-	-	20.32	20.32
Moonglab Technologies Private Limited	10.00	10.98	March 31, 2020	-	-	10.98	10.98
Sports Unity Private Limited	60.90	62.78	March 31, 2020	-	-	62.78	62.78
Instasportz Consultancy Private Limited	10.00	10.00	March 31, 2020	-	-	10.00	10.00
Khichdi Technologies Private Limited	7.50	7.50	March 31, 2020	-	-	7.50	7.50
Total	**3,358.34**	**3,948.27**		**326.10**	**-**	**3,622.17**	**3,948.27**

II The carrying amount and fair value measurement hierarchy for assets as at March 31, 2019 is as follow

	Carrying Value	Fair Value	Date of valuation	Fair value measurement using			
				Quoted prices in active markets	Significant observable inputs	Significant unobservable inputs	Total
				Level 1	Level 2	Level 3	
Mutual funds	658.16	658.16	March 31, 2019	658.16	-	-	658.16
Tax free bonds	60.34	60.34	March 31, 2019	60.34	-	-	60.34
Next Wave Multimedia Private Limited	528.24	751.54	March 31, 2019	-	-	751.54	751.54
Nodwin Gaming Private Limited	769.63	993.44	March 31, 2019	-	-	993.44	993.44
Halaplay Technologies Private Limited	270.31	270.31	March 31, 2019	-	-	270.31	270.31
Crimzoncode Technologies Private Limited	16.85	16.85	March 31, 2019	-	-	16.85	16.85
Moonglab Technologies Private Limited	7.50	7.50	March 31, 2019	-	-	7.50	7.50
Instasportz Consultancy Private Limited	10.00	10.00	March 31, 2019	-	-	10.00	10.00
Total	**2,321.03**	**2,768.14**		**718.50**	**-**	**2,049.64**	**2,768.14**

There have been no transfers between Level 1, 2 and 3 during the period March 31, 2020 and March 31, 2019.

Valuation inputs and relationships to fair value

The following table summarizes the quantitative information about significant unobservable inputs used in level 3 fair value measurement:

	Valuation technique	Significant unobservable inputs	Range (weighted average)		Sensitivity of the input to fair value
			March 31, 2020	March 31, 2019	March 31, 2020
Investment in Next Wave Multimedia Private Limited	DCF method	Long-term growth rate for cash flows for subsequent years.	4.50% - 5.50%	4.50% - 5.50%	A 50 bps decrease in growth rate with a 100 bps increase in discount rate would reduce the Fair Value by ₹ 50.28 million; and an increase in growth rate by 50 bps with a decrease in discount rate by 100 bps would increase the fair value by ₹ 60.24 million.
		WACC	21.00% - 23.00%	16.81% - 18.81%	

Summary of significant accounting policies and other explanatory information to the standalone financial statements
(All amounts in ₹ million, except share and per share data, unless otherwise stated)

32 Segment information (Cont'd)

Investment in Nodwin Gaming Private Limited	DCF method	Long-term growth rate for cash flows for subsequent years.	4.50% - 5.50%	4.50% - 5.50%	A 50 bps decrease in growth rate with a 100 bps increase in discount rate would reduce the Fair Value by ₹ 123.18 million; and an increase in growth rate by 50 bps with a decrease in discount rate by 100 bps would increase the fair value by ₹ 152.32 million.
		WACC	18.50% - 20.50%	16.81% - 18.81%	
Investment in Halaplay Technologies Private Limited	Comparable Transactions Multiples Method	Involve the application of multiple, derived from the prices of transaction in comparable company	2.3 times	2.2. times	Refer note (a) below
Investment in Crimzoncode Education Private Limited	DCF method	Long-term growth rate for cash flows for subsequent years.	4.50% - 5.50%	4.50% - 5.50%	Refer note (a) below
		WACC	27.34% - 29.34%	27.81% - 29.81%	
Investment in Moonglab Technologies Private Limited	DCF method	Long-term growth rate for cash flows for subsequent years.	4.50% - 5.50%	2.50% - 3.50%	A 50 bps decrease in growth rate with a 100 bps increase in discount rate would reduce the Fair Value by ₹ 0.73 million; and an increase in growth rate by 50 bps with a decrease in discount rate by 100 bps would increase the fair value by ₹ 0.73 million.
		WACC	29.00% - 31.00%	28.31% - 29.31%	
Investment in Sports Unity Private Limited	DCF method	Long-term growth rate for cash flows for subsequent years.	4.50% - 5.50%	Not applicable	A 50 bps decrease in growth rate with a 100 bps increase in discount rate would reduce the Fair Value by ₹ 3.75 million; and an increase in growth rate by 50 bps with a decrease in discount rate by 100 bps would increase the fair value by ₹ 5 million.
		WACC	29.00% - 31.00%	Not applicable	
Investment in Instasportz Consultancy Private Limited	DCF method	Long-term growth rate for cash flows for subsequent years.	4.50% - 5.50%	7.50% - 8.50%	A 50 bps decrease in growth rate with a 100 bps increase in discount rate would reduce the Fair Value by ₹ 0.96 million; and an increase in growth rate by 50 bps with a decrease in discount rate by 100 bps would increase the fair value by ₹ 1.17 million.
		WACC	19.15% - 21.15%	14.00% - 16.00%	
Investment in Khichdi Technologies Private Limited	DCF method	Long-term growth rate for cash flows for subsequent years.	3.50% - 4.50%	Not applicable	A 50 bps decrease in growth rate with a 100 bps increase in discount rate would reduce the Fair Value by ₹ 1.04 million; and an increase in growth rate by 50 bps with a decrease in discount rate by 100 bps would increase the fair value by ₹ 1.26 million.
		WACC	19.04% - 21.04%	Not applicable	

(a) The Company has acquired additional stake in Halaplay and Crimzoncode from unrelated third party/s near to the reporting date. Accordingly, the transaction value at the acquisition of the additional stake was considered as fair value. Accordingly, the fair value of investment [after taking into consideration loss on fair value (₹ 9.63 million) / impairment (₹ 26.19 million)] in these subsidiaries approximate the carrying value of investment on reporting date.

(b) During the current year, the Company has acquired the controlling stake from unrelated party/s in Absolute and Paperboat on September 30, 2019 and January 18, 2020, respectively. Considering the date of investment is less than six months and the actual performance is in boardly in line with the budget/ plan approved at the time of acquisition, the fair value of investment in these subsidiaries approximate the carrying value of investment on reporting date.

Summary of significant accounting policies and other explanatory information to the standalone financial statements

(All amounts in ₹ million, except share and per share data, unless otherwise stated)

34 Financial risk management objectives and policies

The Company's principal financial liabilities include trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include loans, trade and other receivables, and cash and cash equivalents that derive directly from its operations. The Company also holds investments in mutual funds and debt instrument.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management ensures that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

1) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include deposits, mutual funds and debt investments.

The sensitivity analysis in the following sections relate to the position as at March 31, 2020 and March 31, 2019.

The analysis exclude the impact of movements in market variables on: the carrying values of gratuity and other post-retirement obligations; provisions; and the non-financial assets and liabilities of foreign operations.

The following assumptions have been made in calculating the sensitivity analysis:

The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at March 31, 2020 and March 31, 2019

1(A) Equity/ Investment price risk

The Company has made several strategic investments (including unlisted subsidiaries, associates and other investee companies). Some of these are startups (early stage) companies and others in their growth phase.

These unlisted investments are susceptible to market price risks (impairment) arising from uncertainties about the time of the gaming industry in India and globally, which could impact their recoverable values. The Company manages the equity price risk through diversification and invests across several gaming companies. The Company's Board of Directors review and pre-approve all such decision to invest. In addition, at the reporting date, the exposure to unlisted equity securities in non-current and current investments (refer note 5A and 33B) are periodically reviewed and evaluated by the Board. In specific, the Board review and evaluates the unobservable inputs (i.e. long-term growth rates and weighted average cost of capital), cash flow projections for 5 year period, actual performance when compared to cash flow projections approved by respectively entities Board of Directors, and sensitivity performed by an independent external valuation expert (also refer note 33 B).

1(B) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a foreign currency) and the Company's net investments in foreign subsidiaries.

The Company did not enter into any derivative instruments for hedge or speculation. The year end foreign currency exposures are given below:

i) Amounts receivable in foreign currency on account of the following:

Currency	Particulars	As at	
		March 31, 2020	March 31, 2019
		Amount in ₹	
USD	Cash and bank balances	1.86	18.67
Other Currencies	Cash and bank balances	0.06	0.05
USD	Trade receivable	63.67	42.71
USD	Other current assets	43.95	46.27
		109.54	**107.70**

ii) Amounts payable in foreign currency on account of the following:

Currency	Particulars	As at	
		March 31, 2020	March 31, 2019
		Amount in ₹	
USD	Trade payables	13.41	26.22

Foreign currency sensitivity

5% increase or decrease in foreign exchange rates will have the following impact on profit before tax

	As at			
	March 31, 2020		March 31, 2019	
	5% increase	5% decrease	5% increase	5% decrease
USD	4.80	(4.80)	4.07	(4.07)
Other Currencies(*)	0.00	(0.00)	0.00	(0.00)

(*)Other Currencies includes EURO and AED

Summary of significant accounting policies and other explanatory information to the standalone financial statements

(All amounts in ₹ million, except share and per share data, unless otherwise stated)

34 Financial risk management objectives and policies (Cont'd)

2) Credit risk

Credit risk is the risk that 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 (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure.

Trade receivables

Trade receivables and unbilled revenue are typically unsecured and are derived from revenue earned from customers. Credit risk has always been managed by each business segment through credit approvals, establishing credit limits and 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 loss or gain. The Company uses a provision matrix to compute the expected credit loss allowance for trade receivables and unbilled revenues. 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 March 31, 2020 and March 31, 2019 receivables (including unbilled) from Company's top 5 customers accounted for approximately 85.55% and 75.37%, respectively of all the receivables (including unbilled) outstanding. As at March 31, 2020 receivable (including unbilled) from one top customer accounted for 42.23% of all receivable (including unbilled) outstanding (March 31, 2019 : 29.22%). 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 Note 33 A. 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.

Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Management. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

The Company's maximum exposure to credit risk for the components of the balance sheet at March 31, 2020 and March 31, 2019 is the carrying amounts as illustrated in note 33 A.

3) Liquidity risk

Liquidity risk is the risk that the Company will not be able to settle or meet its obligations as they fall due. The company's policy on liquidity risk is to maintain sufficient liquidity in the form of cash and investment in liquid mutual funds to meet the Company's operating requirements with an appropriate level of headroom. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Company's net liquidity position through rolling forecasts on the basis of expected cash flows.

Maturity profile of financial liabilities

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments.

As at March 31, 2020	On Demand	Less than 1 year	1 to 5 years	More than 5 years	Total
Trade payables	-	84.33	-	-	84.33
Other financial liabilities	-	132.32	-	-	132.32
Lease liabilities	-	39.94	-	-	39.94
Total	**-**	**256.59**	**-**	**-**	**256.59**

As at March 31, 2019	On Demand	Less than 1 year	1 to 5 years	More than 5 years	Total
Trade payables	-	102.26	-	-	102.26
Other financial liabilities	-	36.52	-	-	36.52
Total	**-**	**138.78**	**-**	**-**	**138.78**

35 Capital management

For the purpose of the Company's capital management, capital includes issued equity capital, securities premium and all other equity reserves attributable to the equity shareholders. The primary purpose is to maximise the shareholders value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The capital structure is governed by policies reviewed and approved by Board of Directors and is periodically monitored by various matrices, including funding requirements.

Summary of significant accounting policies and other explanatory information to the standalone financial statements
(All amounts in ₹ million, except share and per share data, unless otherwise stated)

36 Events after the reporting period

Investments made

i In May, 2020, the Company has invested ₹ 14.50 million in cash for acquiring 3,228 equity shares of face value ₹ 10 each in Halaplay Technologies Limited ('Halaplay').

In October, 2020, the Company has invested ₹ 40.00 million in cash for acquiring 19,048 equity shares of face value ₹ 10 each.

In November, 2020, the Company has invested ₹ 22.00 million in cash for acquiring 10,478 equity shares of ₹ 10 each.

Post these investment, the Company owns 68.89% in Halaplay on fully diluted basis as at the date of approval of the financial statements.

Further, the Company has invested ₹ 15.00 million in cash for acquiring 3,336 equity shares of face value ₹ 10 each, wherein allotment is pending.

ii In September, 2020, the Company has invested ₹ 49.97 million in cash for acquiring 277 equity shares of ₹ 10 each in Nodwin Gaming Private Limited. Post this investment, the Company owns 57.05% of equity shares in Nodwin Gaming Private Limited.

Issue of Share Capital

i In May 2020, the Company issued 206,044 equity shares of ₹ 4 each at ₹ 728 per share to Ms. Anshu Dhanuka in lieu of 1,909 equity shares of ₹ 10 each of Paper Boat Apps Private Limited acquired during the year ended March 31, 2020.

ii In May 2020, the Company issued 206,044 equity shares of ₹ 4 each at ₹ 728 per share to Mr. Anupam Dhanuka in lieu of 1,909 equity shares of ₹ 10 each of Paper Boat Apps Private Limited acquired during the year ended March 31, 2020.

iii In June 2020, the Company issued 164,416 equity shares of ₹ 4 each at ₹ 728 per share to KAE Capital Fund II by way of swap of 10 equity share of ₹ 100 each and 20,552 Compulsory Convertible Preference Shares of ₹ 100 each of Halaplay Technologies Private Limited.

iv In June 2020, the Company issued 36,604 equity shares of ₹ 4 each at ₹ 728 per share to Kalysta Capital Fund II (Mauritius) by way of swap of 10 equity share of ₹ 100 each and 5,513 Compulsory Convertible Preference Shares of ₹ 100 each of Halaplay Technologies Private Limited.

v. Consideration of ₹ 100.00 million was paid in November, 2020 to the acquiree upon achievement of target revenue. In addition, the consideration payable in the form of 185,440 Equity Shares will be issued upon Shareholder approval in the ensuing general meeting.

Increase in authorised share capital

i. In April 2020, the Company has in accordance with section 61 of the Companies Act, 2013 reclassified its authorised share capital of ₹ 150 million into 37,500,000 Equity Shares of ₹ 4 each.

The Company has evaluated all subsequent events though November 23, 2020, the date on which these financial statements are authorized for issuance. No adjusting or significant non-adjusting events, other than those disclosed above, have occurred between March 31, 2020 and the date of authorization of these financial statements that would have a material impact on these financial statements or that would warrant additional disclosures.

The accompanying notes are an integral part of the standalone financial statements
As per our report of even date

For Walker Chandiok & Co LLP
Chartered Accountants
ICAI Firm Registration Number : 001076N/N500013

Sanjay Banthia
Partner
Membership no: 061068

Place of Signature: Mumbai
Date : November 25, 2020

For and on behalf of the Board of directors of Nazara Technologies Limited

Vikash Mittersain
Chairman Cum
Managing Director
DIN-00156740

Nitish Mittersain
Joint Managing Director
DIN-02347434
Place of Signature: Dubai

Manish Agarwal
Chief Executive Officer

Rakesh Shah
Chief Financial Officer

Turabbhai Chimthanawala
Company Secretary
Membership No : A52320

Place of Signature: Mumbai
Date : November 23, 2020

CONSOLIDATED FINANCIAL STATEMENTS

Independent Auditor's Report

To the Members of Nazara Technologies Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

1. We have audited the accompanying consolidated financial statements of Nazara Technologies Limited ('the Holding Company') its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), its associates and joint venture, as listed in Annexure 1, which comprise the Consolidated Balance Sheet as at March 31, 2020, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and the Consolidated 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 and based on the consideration of the reports of the other auditors on separate financial statements and on the other financial information of the subsidiaries, associates and joint venture the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, of the consolidated state of affairs of the Group, its associates and joint venture, as at March 31, 2020, their consolidated loss (including other comprehensive income), consolidated cash flows and the consolidated 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 Consolidated Financial Statements section of our report. We are independent of the Group and its associates and joint Venture 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 and the audit evidence obtained by the other auditors in terms of their reports referred to in paragraph 15 of the Other Matters section below is sufficient and appropriate to provide a basis for our opinion.

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

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

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

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

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

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

8. The accompanying consolidated financial statements have been approved by the Holding Company's Board of Directors. The Holding 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 consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group including its associates and joint ventures in accordance with the accounting principles generally accepted in India, including the Ind AS specified under section 133 of the Act. The Holding Company's Board of Directors is also responsible for ensuring accuracy of records including financial information considered necessary for the preparation of consolidated Ind AS financial statements. Further, in terms of the provisions of the Act, the respective Board of Directors /management of the companies included in the Group, and its associate companies and joint venture companies covered under the Act are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets 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 and timely preparation of reliable financial information, as required by the Act. These financial statements have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

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

10. The respective Board of Directors are also responsible for overseeing the financial reporting process of the companies included in the Group and of its associates and joint venture.

Auditor's Responsibilities for the Audit of the Financial Statements

11. Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with 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 consolidated financial statements.

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding 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 ability of the Group and its associates and joint venture 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 Group and its associates and joint ventures to cease to continue as a going concern; and

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

- Obtain sufficient appropriate audit evidence regarding the financial statements of the entities within the Group, and its associates and joint venture, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial statements of such entities included in the financial statements, of which we are the independent auditors. For the other entities included in the financial statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

13. 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.

14. 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.

Other Matter

15. We did not audit the financial statements of 7 subsidiaries, whose financial statements reflect total assets of ₹ 638.38 million and net assets of ₹ 13.30 million as at March 31, 2020, total revenues of ₹ 131.42 million and net cash outflows amounting to ₹ 11.18 million for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net loss (including other comprehensive income) of ₹ 18.42 million for the year ended March 31, 2020, as considered in the consolidated financial statements, in respect of 1 associate and 1 joint venture whose financial statements have not been audited by us. These financial statements have been audited by other auditor whose report has been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, associate, and joint venture and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, associate, and joint venture are based solely on the reports of the other auditors.

Further, of these subsidiaries, an associate and a joint venture, 6 subsidiaries, are located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Holding Company's management has converted the financial statements of such subsidiaries, located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management. Our opinion on the consolidated financial statements in so far as it relates to the balances and affairs of such subsidiaries located outside India, are based on the report of other auditors and the conversion adjustments prepared by the management of the Holding Company and audited by us.

Our opinion above on the consolidated financial statements, and our report on other legal and regulatory requirements below, are not modified in respect of the above matters with respect to our reliance on the work done by and the reports of the other auditors.

16. We did not audit the financial information of 2 subsidiaries, whose financial information reflect total assets of ₹ 25.76 million and net assets of ₹ (4.42) million as at March 31, 2020, total revenues of ₹ 12.97 million and net cash inflows amounting to ₹ 16.32 million for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net profit (including other comprehensive income) of ₹ 0.26 million for the year ended March 31, 2020, as considered in the consolidated financial statements, in respect of 1 associate, whose financial information have not been audited by us. These financial information is unaudited and have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the aforesaid subsidiary, and associate, and our report in terms of sub-section (3) of Section 143 of the Act in so far as it relates to the aforesaid subsidiary, and associate, are based solely on such unaudited financial information. In our opinion and according to the information and explanations given to us by the management, these financial statements are not material to the Group.

17. Our opinion above on the consolidated financial statements, and our report on other legal and regulatory requirements below, are not modified in respect of the above matter with respect to our reliance on the financial statements certified by the management.

18. The consolidated financial statements of the Group and its associates for the year ended March 31, 2019 were audited by the predecessor auditor, S. R. Batliboi & Associates LLP, who have expressed an unmodified opinion on those consolidated financial statements vide their audit report dated November 13, 2019.

Report on Other Legal and Regulatory Requirements

19. As required by section 197(16) of the Act, based on our audit and on the consideration of the reports of the other auditors, referred to in paragraph 17, on separate financial statements of the subsidiaries, associates and joint ventures, we report that the Holding Company, 5 subsidiary companies, covered under the Act paid remuneration to their respective directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act. Further, as stated in paragraph 19, financial statements of 2 subsidiary companies, covered under the Act are unaudited and have been furnished to us by the management, and as certified by the management, such companies have paid remuneration to their respective directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act. Further, we report that the provisions of section 197 read with Schedule V to the Act are not applicable to 2 associate companies and 1 joint venture company covered under the Act, since none of such companies is a public company as defined under section 2(71) of the Act.

20. As required by Section 143 (3) of the Act, based on our audit and on the consideration of the reports of the other auditors on separate financial statements and other financial information of the subsidiaries, associates and joint venture, 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 aforesaid consolidated financial statements;

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

    c) the consolidated financial statements dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;

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

    e) on the basis of the written representations received from the directors of the Holding Company and taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies, associate companies and joint venture companies covered under the Act, none of the directors of the Group companies, its associate companies and joint venture companies covered under the Act, are disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164(2) of the Act.

f) with respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company, and its subsidiary companies, associate companies and joint venture companies covered under the Act, and the operating effectiveness of such controls, refer to our separate report in 'Annexure 2' to this report; and

g) with respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries, associates and joint ventures:

i. there were no pending litigations as at March 31, 2020 which would impact the consolidated financial position of the Group, its associates and joint ventures;

ii. the Holding Company, its associates and joint ventures did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at March 31, 2020.;

iii. there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, and its subsidiary companies, associate companies and joint venture companies covered under the Act, during the year ended March 31, 2020; and

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

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

Sanjay Banthia
Partner
Membership No. 061068
UDIN: 20061068AAAAAR8688

Place: Mumbai
Date: November 25, 2020

Annexure 1

List of entities included in the Consolidated Financial Statement

Sr. No.	Particulars
	Subsidiaries (including Step down subsidiaries)
1	Nazara Technologies FZ LLC
2	Nazara Technologies Pte Limited
3	Nextwave Multimedia Private Limited
4	Absolute Sports Private Limited (w.e.f. September 16, 2019)
5	Nodwin Gaming Private Limited
6	Nazara Pro Gaming Private Limited
7	CrimzonCode Technologies Private Limited (w.e.f. February 21, 2020)
8	Paper Boat Apps Private Limited (w.e.f. January 18, 2020)
9	Halaplay Technologies Private Limited (w.e.f. April 8, 2019)
10	Nazara Technologies (Mauritius)
11	Nazara Zambia Limited
12	Nz Mobile Nigeria Limited
13	Nazara Uganda Limited
14	Nzmobile Kenya Limited
15	Nzworld Kenya Limited
16	Nazara Bangladesh Limited
17	Nodwin International Private Limited (w.e.f. August 2, 2019)
18	Kiddopia Inc. (w.e.f. January 8, 2020)
	Associates
19	Mastermind Sports Limited
20	Moong labs Technologies Private Limited (w.e.f. April 2, 2019)
	Joint Venture
21	Sports Unity Private Limited (w.e.f. May 10, 2019)

Annexure 2 to the Independent Auditor's Report of even date to the members of Nazara Technologies Limited on the consolidated financial statements for the year ended March 31, 2020

Independent Auditor's Report on the internal financial controls with reference to 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 consolidated financial statements of Nazara Technologies Limited ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), its associates and joint venture as at and for the year ended March 31, 2020, we have audited the internal financial controls with reference to financial statements of the Holding Company, its subsidiary companies, and its associate company, which are companies covered under the Act, as at that date.

Responsibilities of Management and Those Charged with Governance for Internal Financial Controls

2. The respective Board of Directors of the Holding Company, its subsidiary companies, and its associate company, which are companies covered under the Act, are responsible for establishing and maintaining internal financial controls based on the criteria in accordance with the Internal Control Framework defined in Appendix I to Standard on Auditing (SA) 315, "Identifying and Assessing the Risks of Material Misstatements Through Understanding the Entity and its Environment" (the framework) issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of 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. The audit of internal financial controls with reference to financial statements of 1 joint venture, which is a company covered under the Act, and reporting under Section 143(3)(i) is exempted vide MCA notification no. G.S.R. 583(E) dated 13 June 2017 read with corrigendum dated 14 July 2017. Consequently, our responsibility is to express an opinion on the internal financial controls with reference to financial statements of the Holding Company, its subsidiary companies, and its associate companies, as aforesaid, 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 and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph 12 below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to financial statements of the Holding Company, its subsidiary companies, and its associate company as aforesaid.

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.

Basis of Qualified Opinion

8. According to the information and explanations given to us and based on our audit, the following material weaknesses have been identified as at March 31, 2020 wherein a subsidiary company, namely Halaplay Technologies Private Limited,

did not have an appropriate internal control system due to ineffective controls in respect of information technology control environment. Specifically, controls were not designed adequately over monitoring of:

i. Computation of revenue earned from online games accurately, which could potentially result in the Group recognizing revenue at incorrect amount.

ii. Computation of bonus and overlays accurately, which could potentially result in the Group recognizing expenses at incorrect amount.

iii. Computation of player outstanding balance accurately, which could potentially result in the Group recognizing liability at incorrect amount.

9. A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting, such that there is a reasonable possibility that a material misstatement of the group's annual or interim financial statements will not be prevented or detected on a timely basis.

Qualified Opinion

10. In our opinion and based on the consideration of the reports of the other auditors on internal financial controls with reference to financial statements of the subsidiary companies, associate companies and joint venture companies, considering nature of business, size of operation and organisational structure of the entity, except for the possible effect of material weakness described in Basis for Qualified Opinion paragraph 9 above , the Holding Company, its subsidiary companies, its associate companies and joint venture companies, which are companies covered under the Act, have maintained, in all material respects, adequate internal financial controls with reference to financial statements and such controls were operating effectively as at March 31, 2020, based on the framework;

11. We have considered the material weakness identified and reported above in determining the nature, timing and extent of audit test applied in our audit of the financial statements of the Group as at and for the year ended March 31, 2020 and these material weakness does not affect our opinion on the financial statements of the Group and its associates and joint venture.

Other Matter

12. We did not audit the internal financial controls with reference to financial statements insofar as it relates to 1 subsidiary company, which is a company covered under the Act, whose financial statements reflect total assets of ₹ 13.53 million and net assets of ₹ 6.18 million as at March 31, 2020, total revenues of ₹ 0.66 million and net cash outflows amounting to ₹ 0.37 million for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net loss (including other comprehensive income) of ₹ 1.10 million for the year ended March 31, 2020, in respect of 1 associate company, which is a company covered under the Act, whose internal financial controls with reference to financial statements have not been audited by us. The internal financial controls with reference to financial statements in so far as it relates to such subsidiary companies, and associate company have been audited by other auditors whose reports have been furnished to us by the management and our report on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements for the Holding Company, its subsidiary companies, and its associate company, as aforesaid, under Section 143(3)(i) of the Act in so far as it relates to such subsidiary companies, and associate company is based solely on the reports of the auditors of such companies. Our opinion is not modified in respect of this matter with respect to our reliance on the work done by and on the reports of the other auditors.

We did not audit the internal financial controls with reference to financial statements in so far as it relates to 1 subsidiary, which is a company covered under the Act, whose financial statements reflect total assets of ₹ 8.68 million and net liabilities of ₹ 5.11 million as at March 31, 2020, total revenues of ₹ 5.56 million and net cash inflows amounting to ₹ 4.02 million for the year ended on that date. The internal financial controls with reference to financial statements of this subsidiary company, which is a company covered under the Act, are unaudited and our opinion under Section 143(3) (i) of the Act insofar as it relates to the aforesaid subsidiary, which is a company covered under the Act, is solely based on the corresponding internal financial controls with reference to financial statements reports certified by the management of such company. In our opinion and according to the information and explanations given to us by the management, these financial information are not material to the Group. Our report on adequacy and operating effectiveness of the internal financial controls with reference to financial statements of the Group does not include the internal financial controls with reference to financial statements assessment in respect of the aforesaid company. Our opinion is not modified in respect of the above matter with respect to our reliance on the internal financial controls with reference to financial statements reports certified by the management.

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

Sanjay Banthia
Partner
Membership No. 061068
UDIN: 20061068AAAAAR8688

Place: Mumbai
Date: November 25, 2020

Consolidated balance sheet as at March 31, 2020

(All amounts in ₹ million, except share and per share data, unless otherwise stated)

Particulars	Note	As at March 31, 2020	As at March 31, 2019 (Restated)
Assets			
Non-current assets			
Property and equipment	3	22.70	15.40
Right-of-use assets	30	86.09	-
Goodwill	4A	1,491.04	574.73
Other Intangible assets	4B	1,967.78	838.71
Intangible assets under development	4B	63.20	6.83
Financial assets			
Investments	5	216.45	435.29
Loans	6	18.67	2.00
Other financial assets	7	68.40	60.74
Deferred tax assets (net)	32	89.58	62.95
Other non-current assets	8	138.37	71.50
Total non-current assets		**4,162.27**	**2,068.15**
Current assets			
Financial assets			
Investments	5	366.54	839.56
Trade receivables	9	632.36	460.10
Cash and cash equivalents	10	720.88	532.61
Other bank balances	11	1,146.16	800.06
Loans	6	16.94	2.41
Other financial assets	12	635.79	413.05
Other current assets	13	224.84	101.78
Total current assets		**3,743.51**	**3,149.57**
Total Assets		**7,905.78**	**5,217.72**
Equity and liabilities			
Equity			
Share capital	14	111.99	109.89
Other equity	15	4,974.82	3,969.20
Equity attributable to equity holder of the company		5,086.81	4,079.09
Non-controlling interest		906.66	409.49
Total equity		**5,993.48**	**4,488.58**
Liabilities			
Non-current liabilities			
Financial liabilities			
Lease liabilities	30	20.10	-
Other financial liabilities	16	-	68.16
Deferred tax liabilities (net)	32	433.36	146.45
Provisions	17	27.28	25.41
Total non-current liabilities		**480.74**	**240.02**
Current liabilities			
Financial liabilities			
Trade payables due to	18		
(a) Micro enterprises and small enterprises		0.98	-
(b) Other than micro enterprises and small enterprises		688.78	249.04
Lease liabilities	30	60.26	-
Other financial liabilities	19	357.89	170.95
Other current liabilities	20	292.95	53.73
Current tax liabilities (net)		20.23	12.59
Provisions	17	10.49	2.81
Total current liabilities		**1,431.57**	**489.12**
Total equity and liabilities		**7,905.78**	**5,217.72**
Summary of significant accounting policies	2		

The accompanying notes are an integral part of the consolidated financial statements

As per our report of even date

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

For and on behalf of the Board of directors of Nazara Technologies Limited

Sanjay Banthia
Partner
Membership No. 061068

Vikash Mittersain
Chairman Cum Managing Director
DIN - 00156740

Nitish Mittersain
Managing Director
DIN-02347434
Place: Dubai

Manish Agarwal
Chief Executive Officer

Rakesh Shah
Chief Financial Officer

Turabbhai Chimthanawala
Company Secretary
Membership no. A52320

Place : Mumbai
Date : November 25, 2020

Place : Mumbai
Date : November 23, 2020

Consolidated statement of profit and loss for the year ended March 31, 2020

(All amounts in ₹ million, except share and per share data, unless otherwise stated)

Particulars	Note	For the year ended March 31, 2020	For the year ended March 31, 2019 (Restated)
Income			
Revenue from operations	21	2,475.09	1,698.31
Other income	22	154.56	163.08
Total income		**2,629.65**	**1,861.39**
Expenses			
Content, event and web server		506.52	442.95
Advertising and promotion		1,329.26	272.48
Commision		71.34	31.32
Employee benefits	23	311.79	408.54
Finance	24	12.76	8.80
Depreciation and amortisation	25	324.95	156.46
Others	26	312.41	438.58
Total expenses		**2,869.03**	**1,759.13**
(Loss) / profit before exceptional items, share of net loss of investment accounted for using the equity method and tax		(239.38)	102.26
Share of loss of investments accounted using equity method		(18.12)	(9.47)
(Loss) / profit before tax		**(257.50)**	**92.79**
Tax expense:			
Current tax		62.13	69.65
Adjustment of tax relating to earlier periods		-	17.89
Deferred tax benefits		(70.33)	(38.54)
Total tax expenses / (benefits)		**(8.20)**	**49.00**
(Loss) / profit for the year		**(249.31)**	**43.79**
Attributable to:			
Equity holders of the company		5.00	151.37
Non-controlling interest		(254.31)	(107.58)
Other Comprehensive Income ('OCI')			
Item that will not be reclassified subsequently to the statement of profit and loss			
Remeasurements of post-employment benefit obligation		1.00	(0.83)
Income tax relating to items that will not be reclassified to profit and loss		(0.27)	(0.67)
Exchange differences in translating the financial statements of a foreign operation		147.78	116.00
Item that will be reclassified subsequently to the statement of profit and loss			
Net profit / (loss) on FVOCI debt instruments		14.38	0.23
Income tax relating to items that will be reclassified to profit and loss		-	-
Total other comprehensive profit for the year		**162.89**	**114.73**
Total comprehensive (loss) / income for the year		**(86.42)**	**158.52**
Attributable to:			
Equity holders of the company		167.89	267.09
Non-controlling interest		(254.31)	(108.57)
Earnings per equity shares of ₹ 4 each (in ₹)			
Basic earnings per share	27	0.18	5.52
Diluted earnings per share	27	0.18	5.42
Summary of significant accounting polices	2		

The accompanying notes are an integral part of the consolidated financial statements
As per our report of even date

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

For and on behalf of the Board of directors of
Nazara Technologies Limited

Sanjay Banthia
Partner
Membership No. 061068

Vikash Mittersain
Chairman Cum Managing Director
DIN - 00156740

Nitish Mittersain
Managing Director
DIN-02347434
Place: Dubai

Manish Agarwal
Chief Executive Officer

Rakesh Shah
Chief Financial Officer

Turabbhai Chimthanawala
Company Secretary
Membership no. A52320

Place : Mumbai
Date : November 25, 2020

Place : Mumbai
Date : November 23, 2020

Consolidated statement of cash flows for the year ended March 31, 2020

(All amounts in ₹ million, except share and per share data, unless otherwise stated)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019 (Restated)
Cash flow from operating activities		
(Loss) / profit before tax for the year	(257.50)	92.79
Adjustments for:		
Finance cost	7.96	5.84
Depreciation and amortisation	324.95	156.44
Interest income	(52.08)	(35.96)
Liabilities written back / provision no longer required	(20.64)	(7.83)
Employee stock option scheme	-	164.53
Gain on sale of current investments (net)	(15.03)	(13.78)
Fair value gain on financial instruments carried at fair value through profit or loss (net)	(24.32)	(93.29)
Profit on sale / write off of property and equipment	(0.77)	(0.02)
Bad debts	5.74	2.71
Allowance for doubtful debts	3.01	91.86
(Gain) / loss on exchange fluctuation (net)	(26.04)	22.45
Share of loss of investments accounted using equity method	18.12	9.47
Dividend income on current investments	-	(4.18)
	(36.61)	**391.01**
Changes in working capital:		
Increase / (decrease) in trade payables	191.61	(19.90)
Increase / (decrease) in long-term provisions	4.46	2.50
Increase / (decrease) in short-term provisions	-	13.94
Increase / (decrease) in other liabilities	226.36	127.36
(Increase) in trade receivables	(97.30)	(150.95)
(Increase) in other assets	(172.86)	(56.02)
(Increase) in loans and advances	(16.65)	(24.02)
Cash generated from operations	**99.01**	**283.92**
Direct taxes (paid) /refund	(121.08)	(146.99)
Net cash generated from operating activities	**(22.07)**	**136.93**
Cash flow from Investing activities		
Purchase of property and equipment, intangible assets including intangible under development	(70.17)	(60.40)
Proceeds from sale of property and equipment	1.36	0.40
Purchase of non-current investments	(7.50)	(10.28)
Net cash acquired on acquisition	(68.41)	-
Proceeds from redemption/maturity of current investments	825.82	328.89
Acquisition of associates	(63.40)	(227.35)
Net investment in deposits placed with bank	(272.99)	(493.18)
Net (investment in) / proceeds from current investments	(293.91)	(253.64)
Interest received on investments	38.15	35.19
Divident income received	-	4.18
Net cash generated from / (used in) investing activities	**88.95**	**(676.17)**

Consolidated statement of cash flows for the year ended March 31, 2020

(All amounts in ₹ million, except share and per share data, unless otherwise stated)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019 (Restated)
Cash flow from financing activities		
Proceed from issue of equity share capital	25.45	117.67
Proceeds from issue of shares by subsidiaries	71.99	-
Repayment of loan	-	(0.20)
Payment of finance lease liabilities	(55.82)	-
Payment of interest on finance lease liabilities	(7.96)	(1.26)
Net cash generated from financing activities	**33.66**	**116.21**
Net increase/decrease in cash and cash equivalents	**100.54**	**(423.03)**
Effects of exchange rate changes of cash and cash equivalents	87.72	69.98
Cash and cash equivalents at beginning of year	532.61	885.66
Cash and cash equivalents at end of year	**720.87**	**532.61**

As per our report of even date
For Walker Chandiok & Co LLP
Chartered Accountants
Firm's Registration No: 001076N/N500013

For and on behalf of the Board of directors of
Nazara Technologies Limited

Sanjay Banthia
Partner
Membership No. 061068

Vikash Mittersain
Chairman Cum Managing Director
DIN - 00156740

Nitish Mittersain
Managing Director
DIN-02347434
Place: Dubai

Manish Agarwal
Chief Executive Officer

Rakesh Shah
Chief Financial Officer

Turabbhai Chimthanawala
Company Secretary
Membership no. A52320

Place : Mumbai
Date : November 25, 2020

Place : Mumbai
Date : November 23, 2020

Consolidated statement of changes in equity for the year ended March 31, 2020

(All amounts in ₹ million, except share and per share data, unless otherwise stated)

a) Equity Share Capital

	No of shares	Amount
At April 1, 2018	26,972,619	107.89
Add: Issued during the year	499,350	2.00
As at March 31, 2019	**27,471,969**	**109.89**
Add: Issue during the year (*)	524,694	2.10
As at March 31, 2020	**27,996,663**	**111.99**

b) Other equity

	Reserves and Surplus								Other reserve				Non-controlling Interest (Restated)	Total
	Capital redemption reserve	Securities premium	Retained earnings (Restated)	Share based payment reserve	Capital contribution from shareholder	Non-controlling interest put option	Statutory reserves	Total reserves and surplus	Debt instruments through other comprehensive Income	Foreign currency translation reserve account	Other Equity (refer note 39)	Total other reserves		
As at April 1, 2018	**1.30**	**1,186.67**	**1,813.04**	**194.59**	**357.18**	**(126.25)**	**0.45**	**3,426.98**	**5.27**	**21.93**	-	**27.20**	**420.13**	**3,874.31**
Profit / (loss) for the year	-	-	151.37	-	-	-	-	151.37	-	-	-	-	(107.58)	43.79
Other comprehensive income / (loss) for the year	-	-	(0.51)	-	-	-	-	(0.51)	0.23	116.00	-	**116.23**	(0.99)	114.73
Reversal of put option liability (refer note 16.1)	-	-	-	-	-	66.28	-	66.28	-	-	-	-	-	66.28
Addition on issue of shares	-	115.05	-	-	-	-	-	115.05	-	-	-	-	-	115.05
Transfer to securities premium on exercise of options	-	103.19	-	(103.19)	-	-	-	-	-	-	-	-	-	-
Expense on employee stock option scheme (refer note 34)	-	-	-	164.53	-	-	-	164.53	-	-	-	-	-	164.53
Allocation of non-reciprocal contribution to non-controlling interest	-	-	(97.93)	-	-	-	-	(97.93)	-	-	-	-	97.93	-
As at March 31, 2019	**1.30**	**1,404.91**	**1,865.97**	**255.93**	**357.18**	**(59.97)**	**0.45**	**3,825.77**	**5.50**	**137.93**	-	**143.43**	**409.49**	**4,378.69**
(Loss) for the year	-	-	5.00	-	-	-	-	**5.00**	-	-	-	-	(254.31)	**(249.30)**
Other comprehensive income for the year	-	-	0.73	-	-	-	-	**0.73**	14.38	147.78	-	**162.16**	-	**162.89**
Reversal of put option liability (refer note 16.1)	-	-	-	-	-	59.97	-	**59.97**	-	-	-	-	-	**59.97**
Acquisition of subsidiaries								-					642.37	**642.37**
Addition on issue of shares	-	379.88	-	-	-	-	-	**379.88**	-	-	-	-	-	**379.88**
Addition during the year (*)	-	-	-	-	-	-	-	-	-	-	435.00	**435.00**	-	**435.00**
Impact of change in controlling interest without change in control	-	-	(37.12)	-	-	-	-	**(37.12)**	-	-	-	-	37.12	-
Share issued by subsidiary to non-controlling interest	-	-	-	-	-	-	-	-	-	-	-	-	71.99	**71.99**
As at March 31, 2020	**1.30**	**1,784.79**	**1,834.59**	**255.93**	**357.18**	-	**0.45**	**4,234.24**	**19.88**	**285.71**	**435.00**	**740.59**	**906.66**	**5,881.49**

(*) Issued equity shares for acquisition of investments totalling to ₹ 356.53 million (March 31, 2019 ₹ Nil) (refer note 39)

Nature and purpose of reserves:

1) **Capital redemption reserve**

Capital redemption reserve was created on buyback of equity shares of the Company in accordance with Provisions of Companies Act, 2013

2) **Securities premium**

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

3) **Retained earnings**

Retained earnings comprise of the Company's accumulated undistributed earnings.

4) **Share based payment reserve**

The Company has share option schemes under which options to subscribe for the Company's shares have been granted to certain executives and senior employees of the Group. The share-based payment reserve is used to recognise the value of equity-settled share-based payments provided to employees, including key management personnel, as part of their remuneration.

5) **Capital contribution from shareholder**

Share based payment made by a shareholder.

6) **Statutory reserve**

Reserves created as per provision of United Arab Emirates law, 10% of the profit for the year should be transferred to statutory reserves restricted to accumulated amount of AED 25000 reserve. The reserve is not available for distribution except in the circumstances stipulated by the law.

7) **Foreign currency translation reserve**

The exchange differences arising from the translation of financial statements of foreign operations with functional currency other than Indian rupees is recognised in other comprehensive income and is presented within equity in the foreign currency translation reserve.

8) **FVOCI debt instruments**

This reserve represents cumulative gains and losses arising on the fair valuation of debt instruments on the balance sheet date measured at FVOCI. The reserves accumulated will be reclassified to retained earnings and consolidated statement of profit and loss respectively, when such instruments are disposed.

9) **Non- controlling interest put option**

This reserve pertains to put options with non-controlling interest for one subsidiary. Put options are excersisable on achivement of target PAT subject to maximum payout of ₹ 100 million as per the arrangement.

10) **Other equity**

This represents, share pending issuance towards purchase consideration including contingent consideration to be paid in the form of equity shares on account of purchase of investment in subsidiaries.

The accompanying notes are an integral part of the consolidated financial statements

As per our report of even date

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

For and on behalf of the Board of directors of
Nazara Technologies Limited

Sanjay Banthia
Partner
Membership No. 061068

Vikash Mittersain
Chairman Cum Managing Director
DIN - 00156740

Nitish Mittersain
Managing Director
DIN-02347434
Place: Dubai

Manish Agarwal
Chief Executive Officer

Rakesh Shah
Chief Financial Officer

Turabbhai Chimthanawala
Company Secretary
Membership no. A52320

Place : Mumbai
Date : November 25, 2020

Place : Mumbai
Date : November 23, 2020

Significant accounting policies and other explanatory information to the consolidated financial statements
(All amounts in ₹ million, except share and per share data, unless otherwise stated)

1. Corporate information

Nazara Technologies Limited (the "Company") incorporated in India on December 8, 1999 as a Private Limited Company, is primarily engaged in offering interactive games, gamified learning and new age sports media and gaming subscription service to the consumer base in India and other emerging markets and developed markets like north America.. The registered office of the Company is situated at 51-57, Maker chambers 3, Nariman point, Mumbai-400021.

The consolidated financial statements were authorized for issue in accordance with a resolution of the directors on November 23, 2020.

2. Basis of preparation and significant accounting policies:

2.1. Basis of preparation:

The consolidated financial statements of the Company and its subsidiaries (hereinafter referred together as "the Group"), associate and joint venture, have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) (Amendment) Rules, 2016, notified under Section 133 of the Companies Act, 2013, the relevant provisions of the Companies Act, 2013 ("the Act"), as applicable.

The consolidated 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 (INR) and are rounded off to millions, except for earning per share. 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 Companies Act, 2013.

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

2.2. Basis of consolidation

The consolidated financial statements comprise the Financial Statements of the Group and its associate and joint venture. The consolidated financial statements have been prepared in accordance with the Indian Accounting Standard on "Consolidated Financial Statements" (Ind AS 110) and "Disclosure of Interest in Other Entities" (Ind AS 112), notified under Section 133 of the Companies Act, 2013.

Subsidiaries

Subsidiaries are all entities over which the Group has control. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

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

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

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights
- The size of the group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders

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

Consolidation procedure

a) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the Ind AS consolidated financial statements at the acquisition date.

Significant accounting policies and other explanatory information to the consolidated financial statements

(All amounts in ₹ million, except share and per share data, unless otherwise stated)

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

c) Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

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

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company, i.e., year ended on March 31.

Investments accounted for using the equity method

Investments accounted for using the equity method are entities in respect of which, the Company has significant influence, but not control, over the financial and operating policies. Generally, a Company has a significant influence if it holds between 20 and 50 percent of the voting power of another entity. Investments in such entities are accounted for using the equity method and are initially recognized at cost. The carrying amount of investment is increased/ decreased to recognized investors share of profit or loss of the investee after the acquisition date.

Non-controlling interest

Non-controlling interests in the net assets (excluding goodwill) of consolidated subsidiaries are identified separately from the Company's equity. The interest of non-controlling shareholders may be initially measured either at fair value or at the non-controlling interest's proportionate share of the fair value of the acquiree's identifiable net assets. The choice of measurement basis is made on an acquisition to acquisition basis. Subsequent to acquisition, the carrying amount of non-controlling interest is the amount of those interests at initial recognition plus the non-controlling interest's share of subsequent changes in equity. Total comprehensive income is attributed to non-controlling interests even if it results in the non-controlling interest having a deficit balance.

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

- Derecognises the assets (including goodwill) and liabilities of the subsidiary
- Derecognises the carrying amount of any non-controlling interests
- Derecognises the cumulative translation differences recorded in equity
- Recognises the fair value of the consideration received
- Recognises the fair value of any investment retained
- Recognises any surplus or deficit in profit or loss
- Reclassifies the parent's share of components previously recognised in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities

List of entities consolidated

Particulars	Country of incorporation	Ownership interest held by the Company	
		As at March 31, 2020	As at March 31, 2019
Subsidiaries			
Nazara Technologies FZ LLC	Dubai	100.00%	100.00%
Nazara Pte Ltd	Singapore	100.00%	100.00%
Nazara Pro Gaming Private Limited	India	100.00%	100.00%
Next Wave Multimedia Private Limited	India	52.38%	52.38%
Nodwin Gaming Private Limited	India	54.99%	54.99%
Absolute Sports Private Limited	India	62.16%	-
Paper boat Apps Private Limited	India	51.00%	-
CrimzonCode Technologies Private Limited	India	100.00%	35.53%(*)
HalaPlay Technologies Private Limited	India	38.40%	19,61% (*)
Step-down-subsidiaries			
Nazara Technologies	Mauritius	100.00%	100.00%
Nodwin International	Hongkong	54.99%	-
Nazara Zambia Limited	Zambia	99.98%	99.98%

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Particulars	Country of incorporation	Ownership interest held by the Company	
		As at March 31, 2020	As at March 31, 2019
Nzmobile Nigeria Limited	Nigeria	99.90%	99.90%
Nzmobile Kenya Limited	Kenya	99.90%	99.90%
Nazara Uganda Limited	Uganda	99.00%	99.00%
Nzworld Kenya Limited	Kenya	70.00%	70.00%
Nazara Bangladesh Limited	Bangladesh	100.00%	100.00%
Kiddopia Inc	USA	51.00%	-
Associate			
Moong Lab technologies Private Limited	India	24.41%	19.50%
Associates of subsidiary			
Mastermind Sports Limited	India	26.00%	26.00%
Joint venture			
Sports Unity Private Limited	India	62.53%	-

(*) Entities were associates till March 31, 2019.

2.3. Significant accounting judgments, estimates and assumptions

The preparation of consolidated financial statements in conformity with IndAS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and reported amounts of assets and liabilities, revenue and expenses and disclosure of contingent liabilities at the date of the consolidated financial statements and the results of operations during the reporting period. Although these estimates are based on management's best knowledge of current events and actions, actual results could differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Any revision to accounting estimates is recognized prospectively in current and future periods.

The areas involving significant judgement and estimates are as follows:

Estimated useful life of property and equipment and intangible assets

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 periodically, including at each financial year end, determines the useful lives and residual values of Group'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 several lease contracts that include 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.

The Company cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The Company has taken indicative rates from its bankers and used them for Ind AS 116 calculation purposes

Impairment of non-financial assets including ROU

Non-financial assets are reviewed for impairment, whenever events or changes in circumstances (including modification of the lease term) indicate that the carrying amount of such assets may not be recoverable. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). 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.

Estimation of defined benefit obligation

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

Timing of revenue recognition

The Group exercise its judgement in determining whether the performance obligation is satisfied at a point in time or over a period of time. Significant judgment has been used in determining how the performance obligations are satisfied, how the customer consumes benefits as services are rendered, who controls the asset as it is being created, existence of enforceable right to payment for performance to date, alternate use of such product or service, dynamic verses static content, transfer of significant risk and rewards to the customer, acceptance of delivery by the customer, etc.. For the years ended March 31, 2020 and March 31, 2019, 17.18 percent and 19.66 percent were recognized at a single point in time and 82.82 percent and 80.34 percent of revenues were recognised over time, respectively.

Principal v agent relationship

The Group exercises judgement in determining whether the service providers (content/ game developers, distribution and payment channels, advertising network/ exchanges etc.) is acting in the capacity of principal or agent for the services that are rendered through them. The Group ascertains the same based on the criteria such as who is the primary obligor under the contract, an who controls good or service prior to transfer to the customer, who has discretion in pricing, who bears the credit risk, etc. The Group has concluded that the Group is acting as principal in the revenue arrangement, where the Group is the primary obligator in the arrangement/s, has pricing latitude and is also exposed to credit risks. The Group has determined that fee paid to distribution channel, i.e. telco aggregators and platform service providers, like Play store or App Store, or payment channels should be recorded as expenses in the statement of profit or loss.

Purchase of advertisement services from a customer

The Group has rendered services related to e-sports production amounting to ₹ 250.00 million to a customer. In addition, the Company availed advertisement services (dissimilar services) amounting to ₹ 253.00 million from the same party. Considering the nature of the transaction and gross settlement in respect of the aforesaid transaction/s, revenue and advertisement costs have been recognised on gross basis.

Platform service fees from online fantasy sports business

The Group provides 'Platform as a Service' to the customers in respect of 'Online daily fantasy sports', a skill-based game for real money. As per section 12 of the Public Gambling Act, 1867, games of skill like Daily fantasy sports are out of the purview of the Act and does not require any license to operate the business under the Act.

The Company charges a nominal fee and/or commission, usually referred to as 'platform fee', from the players, i.e. a specified percentage of total gaming transaction. The Company recognises the platform fees as revenue at the conclusion of league or match. The aforesaid is primarily on account of (a) the Company do not have control the deposit received from the players and (b) total value of the game played on the online platform by the players is merely 'transaction of money' between the players over which the Company do not have any title or interest, either present or future.

In addition, the Company provides various bonuses to the users, including referral bonus, joining bonus etc. Such bonuses are presented in the consolidated statement of profit and loss under the head "advertisement, event and promotion".

Persuasive evidence of the arrangement exists

The Group provides services to a few overseas customers based on the verbal or oral arrangement, which is in line with customary business practices with customers of a subsidiary. In such arrangements, the multi-week arrangement is also recognised at a point in time, i.e. upon occurrence of the experiences and an assessment of collectability in respect of services performed, usually based on the past collection trend with the customer/ customer group.

Transaction with related party/s

The Group has determined that the transaction with related parties is at arm's length based on the transfer pricing study conducted by an independent external expert.

Assessment of place of supply of services under goods and service tax

The Group has determined that the place of supply for gamified learning application or an online brand and media sponsorship events, including related consulting services, to the overseas customers or through the platform service providers is outside India, i.e. location of the customer/s or platform service providers.

Similarly place of supply for in-person esports experience wherein the location is outside India is location of the event. In addition, receipt of money for the aforesaid services provided is in equivalent foreign currency. Accordingly, the Group is not liable to pay GST on aforesaid services provided to the customer/s.

Estimation of fair value of unlisted securities

The Company follows the guidance of Ind AS 109 – Financial Instruments: to determine the fair value of its investment in equity instruments, using market and income approaches. The market approach includes the use of financial metrics and ratios of comparable companies, such as revenue, earnings, comparable performance multiples, recent financial rounds and the level of marketability of the investments. The selection of comparable companies requires management judgment and is based on a number of factors, including comparable company sizes, growth rates and development stages. The income approach includes the use of discounted cash flow model, which requires significant estimates regarding the investees'

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revenue, costs, and discount rates based on the risk profile of comparable companies. Estimates of revenue and costs are developed using available historical and forecast data. These estimates may vary from the actual prices that would be achieved in an arm’s length transaction at the reporting date.

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.

Recognition of deferred tax assets

Deferred tax assets are recognized to the extent that it is probable that future taxable profit will be available against which the losses can be utilized. In assessing the probability, the Group considers whether the entity has sufficient taxable temporary differences, which will result in taxable amounts against which the unused tax losses or unused tax credits can be utilized before they expire. Significant management judgement is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

Business combination

In accounting for business combinations, judgment is required in identifying whether an identifiable intangible asset is to be recorded separately from goodwill. Additionally, estimating the acquisition date fair value of the identifiable assets (including useful life estimates), and liabilities assumed involves management judgment. These measurements are based on information available at the acquisition date and are based on expectations and assumptions that have been deemed reasonable by management.

Estimating fair value of purchase consideration, including contingent consideration, in respect of acquisition of investment in subsidiary/s or associate/s involves management judgement. Fair value of the equity shares of the Company is determined based on weighted average price at which the most recent financials rounds occurred in the past one year.

The fair value of the contingent consideration, when the arrangement involves future delivery of fixed number of equity shares, is estimated to be acquisition date fair value of equity shares of the Company and those payable in cash are discounted using incremental borrowing rate (IBR) of the Company.

The estimate also includes probability of achieving the performance target/s. These measurements are based on information available at the acquisition date and are based on expectations and assumptions that have been deemed reasonable by management.

Changes in these judgments, estimates, and assumptions can materially affect the results of operations.

Impairment testing of goodwill acquired in business combination

Goodwill recognized on business combination are tested for impairment at least annually and when events occur or changes in circumstances indicate that the recoverable amount of the asset or the cash generating unit to which these pertain is less than the carrying value. The Company assesses acquired intangible assets with finite useful life for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. The recoverable amount of the asset or the cash generating units is higher of value-in-use and fair value less cost of disposal. The calculation of value in use of an asset or a cash generating unit involves use of significant estimates and assumptions which include turnover, growth rates and net margins used to calculate projected future cash flows, risk-adjusted discount rate, future economic and market conditions.

Share based payments

The Company is required to evaluate the terms to determine whether share-based payment is equity settled or cash settled. Judgment is required to do this evaluation. Further, the Company is required to measure the fair value of equity settled transactions with employees at the grant date of the equity instruments. The basis and assumptions used in these calculations are disclosed within Note 32. The aforementioned inputs entered in to the option valuation model that we use to determine the fair value of our share awards are subjective estimates, changes to these estimates will cause the fair value of our share-based awards, and related share-based compensations expense we record to vary.

Expected credit loss

The Company determines the allowance for credit losses based on historical loss experience adjusted to reflect current and estimated future economic conditions. The Company considered current and anticipated future economic conditions relating to industries the Company deals with and the countries where it operates. In calculating expected credit loss, the Company has also considered credit reports and other related credit information for its customers to estimate the probability of default in future and has taken into account estimates of possible effect from the pandemic relating to COVID-19.

Uncertainty relating to the global health pandemic on COVID-19

The Covid-19 has brought unprecedented uncertainty across the globe (including all places of business our Group and clients operates in). While the Group has quickly adopted to alternate business continuity scenario, the uncertainly still prevails regarding the timelines of resuming to normal work conditions. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Group has used credit reports and related information, economic forecasts and consensus estimates from market sources on the expected future performance of the Group, including in respect of each business segment the Group operate into.

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From business perspective, the Group is buoyed with the resilience of digital and interactive gaming, e-sports, learning app market in these challenging times and are confident of its ability to maintain Group's market position as a leading gaming and esports organization. This included launching of several new games and products which are received positive response from the users/ subscribers.

While there is a sharp surge in demand for learning app for kids, digital and interactive games, online esports tournaments hosting, primarily on account of global travel restrictions, and limitations on public gatherings making large scale in-person esports events impossible, the Group's fantasy sports business saw a significant decline due to adverse impact on the number of daily fantasy sports leagues due to mass-cancellation or deferral of live-in person sports events, particularly Cricket and Football. The management do not anticipate such volatility to continue in the long-term, although the Company will remain committed to investing in each of the business segment to drive top line profitable growth.

The principal risks that the Group could be impacted includes uncertainty around new business, customer renewals, price risk, product and technology risk etc. that might arise due to adverse market conditions on account of COVID 19 pandemic. The Group has been quite frugal in its financial matters and prudent in its investment decisions, while monitoring the evolving market conditions closely, to ensure its own continuity and mitigating the risk impacting its business segment.

Management has evaluated short-term as well as long-term impact of the Covid-19 pandemic on the gaming and esports industry, and in particular on the Group and believes that the pandemic will not have a significant negative effect on the Group's financial position and results of its operation. In preparation of these financial statements, the Group 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 Group has sufficient liquidity and expects to fully recover the carrying amount of its assets. In addition, the management has reasonable expectation that the Group 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 Group therefore continues to adopt the going concern basis in preparing its financial statements.

However, in view of the volatility in the global economic conditions pursuant to this pandemic; the impact of Covid-19 on the Group's financial statements may differ from the estimate as on the date of the approval of the financial statements. The Group will continue to closely monitor any material changes to future economic conditions

2.4. Summary of significant accounting policies

a) Current versus non-current classification

The Group presents assets and liabilities in the consolidated 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 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

The Group classifies all other liabilities as non-current.

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

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

b) **Foreign currency translation and transactions**

Functional and presentation currency

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

Transactions and translations

Transactions in foreign currencies are initially recorded by the Group's entities at their respective functional currency spot rates at the date the transaction first qualifies for recognition. However, for practical reasons, the group uses an average rate if the average approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

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Exchange differences arising on settlement or translation of monetary items are recognised 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 recognised in profit or loss in the separate financial statements of the reporting entity or the individual financial statements of the foreign operation, as appropriate. In the consolidated financial statements that include the foreign operation and the reporting entity (e.g., consolidated financial statements when the foreign operation is a subsidiary), such exchange differences are recognised initially in OCI. These exchange differences are reclassified from equity to profit or loss on disposal of the net investment.
- Exchange differences arising on monetary items that are designated as part of the hedge of the Group's net investment of a foreign operation. These are recognised in OCI until the net investment is disposed of, at which time, the cumulative amount is reclassified to profit or loss.
- Tax charges and credits attributable to exchange differences on those monetary items are also recorded in OCI.

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

c) **Revenue recognition**

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

Revenue is recognized when the Group transfers promised goods or services to customers in an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods and services.

In this regard, revenue is recognized when: (i) the parties to the contract have approved the contract (in writing, orally, or in accordance with other customary business practices) and are committed to perform their respective obligations; (ii) the entity can identify each party's rights regarding the goods or services to be transferred; (iii) the entity can identify the payment terms for the goods or services to be transferred; (iv) the contract has commercial substance (that is, the risk, timing, or amount of the entity's future cash flows is expected to change as a result of the contract);and (v) it is probable that the entity will collect substantially all of the consideration to which it will be entitled in exchange for the goods or services that will be transferred to the customer.

Revenue is measured at the fair value of the consideration received or receivable, considering contractually defined terms of payment, and excluding variable considerations such as volume or cash discounts and taxes or duties collected on behalf of the government.

Accrual for sales returns is provided at the point of sale, based upon past experience. Adjustments to such returns is made as new information becomes available.

A contract liability is an entity's obligation to transfer goods or services to a customer for which the entity has received consideration (or the amount is due) from the customer and presented as 'Deferred revenue'. Advance payments received from customers for which no services have been rendered are presented as 'Advance from customer's'.

Unbilled revenues are classified as a financial asset where the right to consideration is unconditional upon passage of time.

The Group has diversified business withing the gaming industry as detailed in the table below:

Business Segment	Business Model	Content IP Ownership	Contribution March 31, 2020	Contribution March 31, 2019
Telco subscription	Players subscribing to the daily/ weekly / monthly game subscription packs	No	33%	57%
Early learning*	Subscription from App stores paid by young parents	Yes	8%	-
Freemium	Advertising and sale of virtual items	Yes	8%	14%
e-sports	Brand sponsorships and Media rights Advertising on multi sports destination platform	Yes	34%	29%
Real money gaming	Platform fee collected from the games played on the platform	Yes	17%	-

Telco subscription

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Revenue from telco subscription, is recognized when a promise in a customer contract (performance obligation) has been satisfied., usually over the period of subscription. The amount of revenue to be recognized (transaction price) is based on the consideration expected to be received in exchange for services, net of credit notes, discounts etc. If a contract contains more than one performance obligation, the transaction price is allocated to each performance obligation based on their relative standalone selling price.

Subscription of early learning application from App Stores like Google Play and Apple Appstore

The Group generated subscription revenue from its gamified early learning offering Kiddopia. Revenue from subscription, is recognized when a promise in a customer contract (performance obligation) has been satisfied., usually over the period of subscription. The amount of revenue to be recognized (transaction price) is based on the consideration expected to be received in exchange for services, net of credit notes, discounts etc. If a contract contains more than one performance obligation, the transaction price is allocated to each performance obligation based on their relative standalone selling price.

Freemium

The Group generated revenues under freemium segment from In app sales of virtual items and advertising as described below.

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.

Advertising

The Group derives its advertising revenue from advertisement contracts with online advertising networks, exchanges and direct sales of advertisers. Revenue from advertising services, including performance-based advertising, is recognized after the underlying performance obligations have been satisfied, usually in the period in which advertisements are displayed.

e-sports

Brand sponsorship and media licensing

The esports business of the Group generates revenues from brand sponsorships and media licensing of exclusive own content generated by the Group. Sponsorship revenues primarily comes from sale of various forms of sponsorship for offline and online events and promotional campaign on customers' online platforms or TV platforms or social media and from sponsorship at its in-person esports experiences. Brand and media sponsorship revenues include exclusive or non-exclusive title sponsorships, media rights, additional infrastructural placement, social media rights (including rights to create and post social content and clips).

Brand and media arrangements typically include contract terms for a time periods ranging from weeks to few months. Revenue from single experiences is recognized when the experience occurs. Revenue from multi-week packages are recorded over the period of an event, usually few weeks to few months, except for transaction wherein the acceptance is confirmed upon delivering entire event (including in case verbal or oral arrangement/s).

Multi sports destination platform

The Group also has multi sports news destination platform SportsKeeda with e-sports segment and earns revenues from advertising recognized after the underlying performance obligations have been satisfied, usually in the period in which advertisements are displayed.

Online skill based and other real money games

The Company charges a nominal fee and/or commission, usually referred to as 'platform fee', from the players, i.e. a specified percentage of total gaming transaction. The Company recognises the platform fees as revenue at the conclusion of league or match. The aforesaid is primarily on account of (a) the Company do not have control the deposit received from the players and (b) total value of the game played on the online platform by the players is merely 'transaction of money' between the players over which the Company do not have any title or interest, either present or future.

In addition, the Company provides various bonuses to the players/ users, including referral bonus, joining bonus etc. Such bonuses are presented on gross basis in the consolidated statement of profit and loss under the head "advertisement, event and promotion".

Principal v agent

Revenue is reported on a gross or net basis based on management's assessment of whether the Group is acting as a principal or agent in the transaction. The determination of whether the Group act as a principal or an agent in a transaction is based on an evaluation of whether the good or service are controlled prior to transfer to the customer.

In case of subscription of games/ other contents, including gamified early learning application, the Group reports revenue on gross basis, including both self-developed and licensed games/ content, since the Group has pricing discretion, such games/ applications are hosted on Group's platform, and the Group is responsible for sales and marketing as well as customer service. Fees paid to game/ content developers, distribution channel (i.e. telco aggregators and platform service providers, like Play store or App Store) and payment channel are recorded as expenses in the consolidated statement of profit and loss.

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The Group reports revenue from subscription arrangement with telco service providers as well as advertising revenues from advertising network and exchanges on net basis since the Group do not have pricing discretion and establishes or maintains a direct relationship with the end user/ advertiser.

Certain advertising arrangements that are directly between the Group and advertisers are recognized on a gross basis equal to the price paid by the customer since we are the primary obligor and determine the price.

Any third-party costs related to such direct relationships are recognized as direct cost of revenues

Accounts receivables

Accounts receivable are recorded at the original invoice amount, less an estimate made for doubtful accounts, if any. The Company provides an allowance for doubtful accounts for potential credit losses based on its evaluation of the collectability and the customers' creditworthiness. Accounts receivable are written off when they are determined to be uncollectible. As of March 31, 2020, expected credit loss, of ₹ 116.88 million was recorded in the consolidated statement of profit and loss.

d) **Income taxes**

Income tax expense comprises current tax expenses and net change in the deferred tax assets or liabilities during the year. Current and deferred taxes are recognized in the Consolidated statement of profit and loss, except when they relate to item that are recognized in Other comprehensive income or directly in Equity, in which case, the current and deferred tax are also recognized in Other comprehensive income or directly in Equity respectively.

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities in accordance with the Income-tax Act, 1961 enacted in India and tax laws prevailing in respective tax jurisdictions where the Group operates.

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.

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.

Tax benefits acquired as part of a business combination, but not satisfying the criteria for separate recognition at that date, are recognised subsequently if new information about facts and circumstances change. Acquired deferred tax benefits recognised within the measurement period reduce goodwill related to that acquisition if they result from new information

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obtained about facts and circumstances existing at the acquisition date. If the carrying amount of goodwill is zero, any remaining deferred tax benefits are recognised in OCI/ capital reserve depending on the principle applicable for bargain purchase gains. All other acquired tax benefits realised are recognised in profit and loss.

Minimum Alternate Tax (MAT) paid in accordance with Income-tax Act, 1961 for entities in India, 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 Group will pay normal income tax. Accordingly, MAT is recognized as an asset in the Consolidated balance sheet when it is highly probable that the future economic benefit associated with it will flow to the Group having reasonable certainty that it can be utilized against the normal taxes payable under the Income-tax Act, 1961.

e) **Share-based payments**

Employees (including senior executives) of the Group 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 Group'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 group to employees, the amount equivalent to the cost recorded by the group 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 Group'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.

No expense is recognised for awards that do not ultimately vest because non-market performance and/or service conditions have not been met.

f) **Retirement and other employee benefits**

Retirement benefit in the form of provident fund is defined contribution scheme. The Group has no obligation, other than the contribution payable to such scheme. The Group recognises contribution payable to such schemes as an expense, when an employee renders the related service.

The Group's obligation on account 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 Group recognizes the service costs comprising current service costs and net interest expense or income in the net defined benefit obligation as an expense in the consolidated statement of profit and loss.

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

The Group 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.

Remeasurement, 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 recognised immediately in the consolidated balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements 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.

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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.

g) **Non-controlling interest put option and other liabilities**

Any contract with a single or multiple settlement option that contains an obligation for the Group to purchase equity in a subsidiary for cash gives rise to a financial liability for the present value of the estimated cash flow. An amount equal to the financial liability is recorded in equity on initial recognition of a put option. The financial liability is subsequently remeasured through equity. Where considered significant, the Group's put options are discounted to their fair value as on initial recognition. The unwinding of the interest expense is charged through the equity over the period to exercise.

The fair value of the put options over non-controlling interest in a subsidiary company is determined by using a discounted future cash flow analysis. The Group uses its judgment to select a variety of methods and assumptions made are based on market and Group specific conditions existing at each reporting period.

h) **Business combinations and goodwill**

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree if any. Acquisition-related costs are expensed as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed if any are recognised at their acquisition date fair values. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable. However, the following assets and liabilities acquired in a business combination are measured at the basis indicated below:

- Deferred tax assets or liabilities, and the assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with Ind AS 12 Income Tax and Ind AS 19 Employee Benefits respectively.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed.

If the fair value of the net assets acquired is in excess of the aggregate consideration transferred (bargain purchase), the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in Other Comprehensive Income (OCI) and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognises the gain directly in equity as capital reserve, without routing the same through OCI.

i) **Financial instruments:**

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

i. Financial assets

Initial recognition and measurement

All financial assets are recognised 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 the following broad categories:

- financial asset assets at amortized cost
- financial asset at fair value through OCI (FVOCI)
- financial asset at fair value through profit and loss (FVTPL)

Financial asset at amortised cost

A financial asset is measured at amortised 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 realise 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.

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

Financial asset at fair value through OCI (FVTOCI)

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

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

FVTPL is a residual category and any financial asset which does not meet the criteria for categorization as at amortized cost or as FVOCI, is classified as at FVTPL.

All investments (except investment in associate and joint venture) included within the FVTPL category are measured at fair value with all changes recognized in the Profit and Loss

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

Derecognition

When the Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; 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 Group of similar financial assets) is primarily derecognised when:

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

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

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

Impairment of financial assets

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

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

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

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 Group 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.

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- 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 consolidated statement of profit and loss. This amount is reflected under the head 'other expenses' in the consolidated statement of profit and loss. The consolidated balance sheet presentation for various financial instruments is described below:

- Financial assets measured as at amortised 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 consolidated balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Group does not reduce impairment allowance from the gross carrying amount.

Financial asset 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.

ii. 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 amortised cost, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings, net of directly attributable transaction costs.

The Group's financial liabilities include trade payables, lease obligations, and other payables.

Subsequent measurement

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

Financial liabilities at amortised cost

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

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

Derecognition

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

Derivative financial instruments:

The Group uses derivative financial instruments, such as forward currency contracts to hedge its foreign currency risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. The forward contracts that meet the definition of a derivative under Ind AS 109 are recognised in the consolidated statement of profit and loss.

iii. Offsetting of financial instruments

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

iv. Reclassification of financial assets

The Group 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 Group's senior management determines change in the business model as a result of external or internal changes which are significant to the Group's operations. Such changes are evident to external parties. A change in the business model occurs when the Group either begins or ceases to perform an activity that is significant to its operations. If the Group 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 Group does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

j) **Fair value measurement**

The Group measures financial instrument such as investments at fair value at each consolidated 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:

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

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

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

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

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest r 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 Group carries those instruments where in level 1 inputs of the above-mentioned fair value hierarchy is used.

The Group'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 assets and liabilities that are recognised in the consolidated financial statements on a recurring basis, the Group 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 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 Group's external valuers, which valuation techniques and inputs to use for each case.

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

When the fair values of financial assets and financial liabilities recorded in the consolidated 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.

k) Investment in associate and joint venture

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

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

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

Under the equity method, the investment in an associate or a joint venture is initially recognized at cost. The carrying amount of the investment is adjusted to recognize changes in the Group's share of net assets of the associate or joint venture since the acquisition date. Goodwill relating to the associate or joint venture is included in the carrying amount of the investment and is not tested for impairment separately. In case of step up acquisition of associate or joint venture, the fair value of the previously held investment at that date when significant influence or joint control is obtained is deemed to be cost for initial application of equity accounting.

The consolidated statement of profit and loss reflects the Group's share of the results of operations of the associate or joint venture. Any change in OCI of those investees is presented as part of the Group's OCI. In addition, when there has been a change recognised directly in the equity of the associate or joint venture, the Group recognises its share of any changes, when applicable, in the statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and the associate or joint venture are eliminated to the extent of the interest in the associate or joint venture.

The aggregate of the Group's share of profit or loss of an associate or joint venture is shown on the face of the consolidated statement of profit and loss outside operating profit and represents profit or loss after tax and non-controlling interests in the subsidiaries of the associate or joint venture. The financial statements of the associate or joint venture are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

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After application of the equity method, the Group determines whether it is necessary to recognize an impairment loss on its investment in its associate or joint venture. At each reporting date, the Group determines whether there is objective evidence that the investment in the associate or joint venture is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate or joint venture and its carrying value, and then recognizes the loss within share of profit and loss of an associate and joint ventures in the consolidated statements of profit or loss.

Upon loss of significant influence over the associate, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate upon loss of significant influence and the fair value of the retained investment and proceeds from disposal is recognised in consolidated statement of profit or loss.

l) **Property and equipment**

Property and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any.

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 Group 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 Group 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 consolidated 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 recognised in consolidated statement of profit and loss in the year of occurrence.

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 used by the Group 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 and equipment are as follows:

Property and equipment	Useful lives estimated by the management (years)
Furniture and fixtures	5 to 10 years
Computer equipment	3 years
Office equipment	3 to 5 years
Motor car	3 to 8 years

m) **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 Group 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.

Developed technology / Software, Brand and Non–compete acquired in a business combination are recognized at fair value at the acquisition date.

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.

The Group amortises intangible assets over the period of 3 to 10 years, as the Group expects to generate future benefits from the given assets for a period of 3 to 10 years.

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

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

n) **Impairment of non-financial assets**

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or 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 Group's CGUs covering a period of five years and applying a long-term growth rate to project future cash flows after the fifth year.

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.

Impairment losses of operations are recognised in the consolidated statement of profit and loss.

At each reporting date if there is an indication that previously recognised impairment losses no longer exist or have decreased, the Group estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed in the consolidated 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 recognised 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 recognised.

o) Lease

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

The Group as lessee

The Group's leased assets consist of leases for Buildings. The Group 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 Group assesses whether:

a. the contract involves the use of an identified asset

b. the Group has substantially all the economic benefits from use of the asset through the period of the lease and

c. the Group has the right to direct the use of the asset.

The Group 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 Group is reasonably certain to exercise that option.

The Group 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 Group 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 Group 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 Group 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 Group 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 Group 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 Group 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.

p) Provisions, Contingent liabilities, Contingent assets and Commitments

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to a provision is presented in the consolidated statement of profit and loss.

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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.

Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group; or a present obligation that arises from past events but is not recognised 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.

A contingent asset is disclosed, where an inflow of economic benefits is probable.

q) Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period adjusted for bonus elements and share split in equity shares, if any, issued 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.

r) Segment reporting

Ind AS 108 establishes standards, for the way that business enterprises report information about operating segments and related disclosures about products, services and geographic areas, and major customers. The Group’s operations predominately relate to mobile gaming services. Based on the “management approach” as defined in Ind AS 108, the Chief Operating Decision Maker (CODM) evaluates the Group’s performance and allocates resources based on an analysis of various performance indicators by business segments and geographical segments.

Accordingly, information has been presented both along business segments and geographical segments. The accounting principles used in preparation of the consolidated financial statements are consistently applied to record revenue and expenditure in individual segments and are as set out in the significant accounting policies.

Business segments of the Group are primarily subscription/ download of games/ other content, Freemium, gamified early learning application, organising events including e-sports tournaments (e-sports business) and real money gaming.

Geographical segmentation is based on business sourced from that geographic region and delivered from both onsite and offsite locations. Middle East comprise of Dubai and Iran, Hongkong, Africa (includes Nigeria, Kenya, Zambia, Uganda, Mauritius), the Rest of the World comprises all other places except those mentioned above and India.

Revenue and identifiable operating expenses in relation to segments are categorized based on items that are individually identifiable to that segment. Allocated expenses of segments include expenses incurred for rendering services which are categorized in relation to the associated turnover of the segment. Certain expenses which form part of significant component of total expenses, are not specifically allocable to specific segments as the underlying asset are used interchangeably. The Management believes that it is not practical to provide disclosures relating to those costs and expenses and accordingly, these expenses are separately disclosed as ‘unallocated’ and adjusted against total income of the Group.

Assets and liabilities used in the Group’s business that are not identified to any of the reportable segments, are those being used interchangeably between segments.

Geographical information on revenue and business segment revenue information are collated based on individual customers invoiced or in relation to which the revenue is otherwise recognized.

s) 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 Group’s cash management.

t) Corporate Social Responsibility (CSR) Expenditure

CSR expense is recognized as it is incurred by the Group or when Group has entered into any legal or constructive obligation for incurring such an expense.

u) 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 Group are segregated.

Significant accounting policies and other explanatory information to the consolidated financial statements

(All amounts in ₹ million, except share and per share data, unless otherwise stated)

3 Property and equipment

	Computer equipments	Office equipments	Furniture and fixtures	Motor cars	Leasehold improvement	Total
Gross block						
Balance as at April 1, 2018	56.17	12.71	5.39	7.50	-	81.77
Additions	4.57	2.72	3.11	-	-	10.40
Disposals	-	-	-	(0.39)	-	(0.39)
Adjustments (*)	-	0.02	(0.05)	0.14	-	0.11
Balance as at March 31, 2019	**60.74**	**15.45**	**8.45**	**7.25**	**-**	**91.89**
Additions	4.02	1.08	0.78	-	0.83	6.71
Additions through business combination (refer note 39)	3.21	1.49	2.60	2.36	0.74	10.40
Disposals	(0.01)		-	(1.04)	-	(1.05)
Adjustments (*)	0.07	0.03	-	0.18	-	0.28
Balance as at March 31, 2020	**68.03**	**18.05**	**11.83**	**8.75**	**1.57**	**108.23**
Accumulated depreciation						
Balance as at April 1, 2018	46.75	9.84	4.56	4.17	-	65.32
Depreciation for the year	6.29	2.31	0.77	1.69	-	11.06
Disposals	-	-	-	-	-	-
Adjustments (*)	-	0.02	(0.05)	0.14	-	0.11
Balance as at March 31, 2019	**53.04**	**12.17**	**5.28**	**6.00**	**-**	**76.49**
Depreciation for the year	4.96	1.88	0.84	1.15	0.48	9.32
Disposals	-	-	-	(0.46)		(0.46)
Adjustments (*)	(0.03)	0.03	-	0.18	-	0.18
Balance as at March 31, 2020	**57.98**	**14.08**	**6.12**	**6.87**	**0.48**	**85.53**
Net block						
As at March 31, 2020	**10.05**	**3.97**	**5.71**	**1.88**	**1.09**	**22.70**
As at March 31, 2019	**7.70**	**3.28**	**3.17**	**1.25**	**-**	**15.40**

(*) Represents exchange difference resulting from translation of property and equipment relating to foreign subsidiaries.

Note:

Depreciation for the year has been included in “depreciation and amortisation” line item in the consolidated statement of profit and loss.

4A Goodwill

Carrying amount of goodwill is allocated to each operating segment as under -

Particulars	Early learning	Freemium	E-sports	Real money gaming	Total
Gross block					
Balance as at April 1, 2018	-	188.04	386.69	-	574.73
Additions during the year	-	-	-	-	-
Balance as at March 31, 2019	**-**	**188.04**	**386.69**	**-**	**574.73**
Additions through business combination (refer note 39)	439.99	3.25	288.53	184.53	916.30
Balance as at March 31, 2020	**439.99**	**191.29**	**675.22**	**184.53**	**1,491.03**
Impairment					
Balance as at April 1, 2018	-	-	-	-	-
During the year	-	-	-	-	-
Balance as at March 31, 2019	-	-	-	-	-
During the year	-	-	-	-	-
Balance as at March 31, 2020	**-**	**-**	**-**	**-**	**-**
Net block					
Balance as at March 31, 2020	**439.99**	**191.29**	**675.22**	**184.53**	**1,491.03**
Balance as at March 31, 2019	**-**	**188.04**	**386.69**	**-**	**574.73**

The Group performed its annual impairment test for years ended March 31, 2020 and March 31, 2019 respectively. The Group considers forecasts of profitability, free cashflows available to the CGU, enterprise value and strategic business plans among other factors when reviewing indicators of impairment. As on the date of testing, the value of goodwill or other assets of the segment did not indicate any impairment.

Significant accounting policies and other explanatory information to the consolidated financial statements

(All amounts in ₹ million, except share and per share data, unless otherwise stated)

Significant judgements used while testing goodwill for impairment

Particulars	Valuation technique	Significant unobservable inputs	Range (weighted average)		Sensitivity of the input to fair value
			March 31, 2020	March 31, 2019	
Freemium					
Goodwill on acquisition of Nextwave Multimedia Private Limited	DCF method	Long-term growth rate for cash flows for subsequent years.	4.50% - 5.50%	4.50% - 5.50%	A 50 bps decrease in growth rate with a 100 bps increase in discount rate would reduce the Fair Value by ₹ 50.28 million; and an increase in growth rate by 50 bps with a decrease in discount rate by 100 bps would increase the fair value by ₹ 60.24 million.
		WACC	21.00% - 23.00%	16.81% - 18.81%	
Goodwill on acquisition of CrimzonCode Technologies Private Limited	DCF method	Long-term growth rate for cash flows for subsequent years.	4.50% - 5.50%	-	Refer Note (a)
		WACC	27.34% - 29.34%	-	
E-sports					
Goodwill on acquisition of Nodiwn Gaming Private Limited	DCF method	Long-term growth rate for cash flows for subsequent years.	4.50% - 5.50%	4.50% - 5.50%	A 50 bps decrease in growth rate with a 100 bps increase in discount rate would reduce the Fair Value by ₹ 123.18 million; and an increase in growth rate by 50 bps with a decrease in discount rate by 100 bps would increase the fair value by ₹ 152.32 million.
		WACC	18.50% - 20.50%	16.81% - 18.81%	
Goodwill on acquisition of Absolute Sports Private Limited	DCF method	Long-term growth rate for cash flows for subsequent years.	5.00%	-	Refer Note (b)
		WACC	16.75%	-	
Real money gaming					
Goodwill on acquisition of Halaplay Technologies Private Limited	DCF method	Long-term growth rate for cash flows for subsequent years.	5.00%	-	Refer Note (a)
		WACC	21.20%	-	
Early learning					
Goodwill on acquisition of Paper Boat Apps Private Limited	DCF method	Long-term growth rate for cash flows for subsequent years.	5.00%	-	Refer Note (b)
		WACC	16.00%	-	

(a) The Group has acquired additional stake in Halaplay and Crimzoncode from unrelated third party/s near to the reporting date. Accordingly, the transaction value at the acquisition of the additional stake was considered as fair value on the reporting date. Hence, the recoverable amount of the Goodwill, created on acquisition of these two subsidiaries was determined based on value in use calculation using cash flow projections from financial budgets approved by senior management covering a five-year period at the time of acquisition, adjusted only for the impact of economic slowdown due to COVID-19 pandemic. The value in use arrived at using the inputs as mentioned above was within the range of +/- 5 percent when compared to the values at which recent transaction with unrelated party/s occured. Accordingly, the Group did not perform a detailed sensitivity analysis and an impairment of goodwill was not considered necessary.

(b) During the current year, the Group has acquired the controlling stake from unrelated party/s in Absolute and Paperboat on September 30, 2019 and January 18, 2020, respectively. Considering the date of investment is less than six months, the fair value of the transaction in these subsidiaries was considered as fair value on the reporting date. In addition, the value in use was also determined using cash flow projections from financial budgets approved by senior management covering a five-year period at the time of acquisition, adjusted only for the impact of economic slowdown due to COVID-19 pandemic. The value in use arrived at using the inputs as mentioned above was higher than transaction price at which acquisition occured. Accordingly, the Group did not perform a detailed sensitivity analysis and an impairment of goodwill was not considered necessary.

4B Other Intangible assets

	Computer software	NGDP Platform	Mygamma and Djuzz platform	License	Developed technology/ software	Non-compete	Copyright & Trademark	Brand	Customer relationship	Total	Intangible asset (Games) under development
Gross block											
Balance as at April 1, 2018	92.93	11.40	3.64	265.30	497.81	135.10	-	-	-	1,006.18	6.13
Additions	37.72	-	-	10.09	-	-	-	-	-	47.81	0.70
Balance as at March 31, 2019	**130.65**	**11.40**	**3.64**	**275.39**	**497.81**	**135.10**	**-**	**-**	**-**	**1,053.99**	**6.83**
Additions	10.05	-	-	-	-	-	2.95	-	-	13.00	50.46
Additions through business combination (refer note 39)	-	-	-	-	98.10	-	-	1,239.64	35.40	1,373.14	5.91
Adjustments (*)	1.43	-	-	-	-	-	-	-	-	1.43	-
Balance as at March 31, 2020	**142.13**	**11.40**	**3.64**	**275.39**	**595.91**	**135.10**	**2.95**	**1,239.64**	**35.40**	**2,441.56**	**63.20**
Accumulated amortisation											
Balance as at April 1, 2018	36.17	4.27	3.63	2.65	18.51	6.11	-	-	-	71.34	-
Amortisation for the year	11.22	3.80	0.01	22.08	85.77	22.52	-	-	-	145.40	-
Disposals		-	-	-	-	-	-	-	-	-	-
Adjustments (*)	(1.46)	-	-	-	-	-	-	-	-	(1.46)	
Balance as at March 31, 2019	**45.93**	**8.07**	**3.64**	**24.73**	**104.28**	**28.63**	**-**	**-**	**-**	**215.28**	**-**
Amortisation for the year	26.31	2.47	-	64.75	91.54	22.58	0.20	49.47	1.18	258.50	-
Adjustments (*)	-	-	-	-	-	-	-	-	-	-	-
Balance as at March 31, 2020	**72.24**	**10.54**	**3.64**	**89.48**	**195.82**	**51.21**	**0.20**	**49.47**	**1.18**	**473.78**	**-**
Net block											
As at March 31, 2020	**69.89**	**0.86**	**-**	**185.91**	**400.09**	**83.89**	**2.75**	**1,190.17**	**34.22**	**1,967.78**	**63.20**
As at March 31, 2019	**84.72**	**3.33**	**-**	**250.66**	**393.53**	**106.47**	**-**	**-**	**-**	**838.71**	**6.83**

(*) Represents exchange difference resulting from translation of intangible assets relating to foreign subsidiaries.

Notes:

1 Amortisation for the year has been included in “depreciation and amortisation” line item in the consolidated statement of profit and loss.

Significant accounting policies and other explanatory information to the consolidated financial statements

(All amounts in ₹ million, except share and per share data, unless otherwise stated)

5 Investments

	As at March 31, 2020		As at March 31, 2019	
	Number	Amount	Number	Amount
Non-current investments				
Investment accounted for using the equity method (refer note 34 and note 40)				
Carrying amount of company's interest in associates				
Halaplay Technologies Private Limited (refer note 5.1(d) below) Equity shares of ₹ 10 each (March 31, 2019: including goodwill of ₹ 194.51 million)	-	-	16,522	160.00
Crimzoncode Education Private Limited (refer note 5.1(a) below) Equity shares of ₹ 10 each (including goodwill of ₹ 12.81 million)	-	-	1,366,728	13.50
Mastermind Sports Limited Equity shares of USD 0.01 each (including goodwill of ₹ 25.15 million)	83,526	28.03	83,526	25.67
Moonglab Technologies Private Limited (refer note 5.1(b) below) Equity shares of ₹ 10 each (including goodwill of ₹ 10.43 million)	4,392	8.90	-	-
Compulsorily convertible preference share instruments (at fair value through profit and loss)				
Halaplay Technologies Private Limited (refer note 5.1(c) below) 0.1% cumulative compulsorily convertible preference shares of ₹ 100 each	-	-	17,554	61.44
"Application money given to Halaplay Technologies Private Limited (refer note 5.1(d) below)"	-	-	8,774	42.50
Investment in Joint Venture				
Sports Unity Private Limited (refer note 5.1(f) below) Equity shares of ₹ 10 each (including goodwill of ₹ 39.72 million)	3,045,000	43.58	-	-
Total		**80.50**		**303.11**

Investment in others	As at March 31, 2020		As at March 31, 2019	
	Number	Amount	Number	Amount
Unquoted equity and preference shares (at fair value through profit and loss)				
"Moonglab Technologies Private Limited (Equity shares of ₹ 10 each) (refer note 5.1(b) below)"	-	-	3,294	7.50
"Instasportz Consultancy Private Limited (Equity shares of ₹ 10 each) (refer note 5.1(c) below)"	1,171	10.00	1,171	10.00
AFK Gaming Private Limited (Equity shares of ₹ 10 each)	2,783	5.75	2,783	5.75
Compulsorily convertible preference share instruments (at cost)				
Hashcube Inc (Convertible preference shares of USD 0.00001 each)	24,51,546	23.77	24,51,546	21.97
"Khichadi Technologies Private Limited (Preference shares of ₹ 100 each) (refer note 5.1(e) below)"	2,143	7.50	-	-
Total (a)		**47.02**		**45.22**

Investments in debentures	As at March 31, 2020		As at March 31, 2019	
Quoted bonds at amortized cost	Number	Amount	Number	Amount
6.38% debentures in Emirates NBD	2,000	15.95	2,000	14.75
5.75% debentures Tata Motor	2,000	16.51	2,000	15.27
4.88% debentures Jubliant Pharma Limited	2,000	10.26	2,000	14.23
4.50% debentures GlenMark	2,000	15.25	2,000	14.09
5.25% debentures JSW Steel	2,000	15.55	2,000	14.37
5.30% debentures Marble II	2,000	15.41	2,000	14.25
Total (b)		**88.93**		**86.96**
Total non-current investment (c = a + b)		**135.95**		**132.18**
Aggregate amount of quoted investments and market value thereof		**88.93**		**86.96**
Agreegate amount of unquoted investments		**127.52**		**348.33**
Aggregate amount of impairment in value of investments		**-**		**-**

5.1

(a) During the year, on further investment in equity shares relationship has changed from associate to subsidiary (Includes issuance of 17,995 fully paid-up equity share to the shareholders of Crimzoncode Technologies Private Limited [Crimzoncode]). Accordingly, investment in equity shares were fair valued on the date the Company acquired control and recorded a loss of ₹ 9.63 million. The adjusted fair value is considered as revised cost of investment in equity shares of Crimzoncode.

Significant accounting policies and other explanatory information to the consolidated financial statements

(All amounts in ₹ million, except share and per share data, unless otherwise stated)

(b) During the year ended March 31, 2019, the Company has invested ₹ 2.50 millions in one or more tranches in cash by acquiring a total 3,294 equity shares of ₹ 2,277 each in Moonglab Technologies Limited ('Moonglab'). Post this investment, the Company owns 19.50% of equity shares in Moonglab as at March 31, 2019.

During the year ended March 31, 2020, the Company further invested ₹ 2.50 million for acquisition of additional equity (1,098 equity shares @ ₹ 2,277 per equity share). Post the acquisition of additional equity in Moonglab in April 2019, the Company holds 24.41 percent in Moonglab, therefore providing right of significant influence. Accordingly, the Company has disclosed the investment in Moonglab within 'Investment in associates' for the year ended March 31, 2020. "

(c) During the previous year, the Company had agreed to invest ₹ 10.00 million for a 8.67% stake in Instasportz Consultancy Private Limited (Instasportz) pursuant to Agreement dated July 11, 2018. Instasportz is engaged in the business of running sports and virtual reality entertainment zones across India and abroad.

(d) The Company made following investment in the Halaplay :

During the year ended March 31, 2019, the Company invested ₹ 84.00 million in Halaplay Technologies Private Limited ("Halaplay" or "investee Company") by subscribing 14,104 Compulsorily Convertible Preference Shares ('CCPS') through rights issue pursuant to Agreement dated July 11, 2018 and July 27, 2018. In addition, the Company invested ₹ 80 million by subscribing 16,522 Seed Equity Shares of Series A through Private Placement in March 2019. Further, the Company invested share application money pending allotment amounting ₹ 42.50 million for additional investment in Seed Equity Shares.

Pursuant to agreement dated July 11, 2018 and July 27, 2018, each CCPS is entitled to cumulative dividend of 0.1% (zero point one percent) per annum ("Preferential Dividend"). In the event, dividend is announced on equity shares, the preferred shareholders will be entitled to dividend on those shares on as if converted basis. As of March 31, 2019, CCPS shall be converted into fixed ratio (6,910 CCPS in 1:1 ratio and 10,644 CCPS in 1:2.2162 ratio), subject to anti-dilution rights and appropriate adjustment in the event of any stock dividend, stock split, combination, anti-dilution or any other similar recapitalisation.

Accordingly, the Company has acquired 24.37% of voting rights in the Halaplay become an associate on March 1, 2019. Accordingly, the Company has fair valued the investment and recorded the gain of ₹ 59.81 million in the year ended March 31, 2019 within "Fair value gain on Investment at fair value through profit or loss".

During the current year, the Company invested additional ₹ 108.00 million in Halaplay and 31,345 Seed Equity Shares were issued in lieu of the additional investment and share application money pending allotment. As at March 31, 2020, the Company holds 38.40% in Halaplay.

The Company invested in Halaplay and had interest in associate till April 8, 2019. From April 8, 2019, the Company acquired control over Halaplay after co-investor Delta Corp Limited relinquished its decision making rights over significant and relevant matters."

(e) In April 2019, the Company invested ₹ 7.50 million in cash for acquiring 2,143 equity shares of ₹ 3,500 each of Khichadi Technologies Private Limited ('Khichadi'), a company engaged in vernacular social contest platform, namely Bakbuck. As at March 31, 2020, the Company holds 16.67% in Khichadi (on a diluted basis).

(f) During the year ended March 31, 2020, the Company invested ₹ 60.90 million in cash for acquiring 3,045,000 equity shares of ₹ 10 per equity shares of Sport Unity Private Limited ('Sports Unity'), a company engaged in online multiplayer quiz platform, namely Qunami, which provides experience of simulating a real cricket match. The Company holds 62.53% in Sports Unity. Company had control over Sports Unity from May 10, 2019 to January 15, 2020, however this control was transitionary in nature and hence the Company has accounted for Sports Unity as joint control. Accordingly, the Company has disclosed the investment in Sports Unity Private Limited within 'Investment in Joint Ventures' for the year ended March 31, 2020.

(g) Refer note 38 for disclosure on material partially owned subsidiaries and associates

Current investments	**As at March 31, 2020**		**As at March 31, 2019**	
	No. of units	**Amount**	**No. of units**	**Amount**
Investments in mutual funds				
Quoted investments at fair value through profit and loss				
SBI magnum medium duration fund	2,114,108	50.53	-	-
SBI banking and PSU fund	18,977	43.28	18,977	39.45
Aditya Birla mutual fund	127,290	40.44	109,408	38.06
Reliance short term fund	853,280	32.23	853,280	29.64
SBI short term fund	1,210,302	28.22	1,210,302	25.89
SBI credit risk fund	881,261	27.94	-	-
IDFC bond fund short term plan	641,350	26.64	-	-
ICICI prudential gilt fund	254,376	18.22	670,604	42.79
Aditya Birla sunlife short term opp fund	368,370	12.22	368,370	11.39
SBI - MF magnum income fund	951,797	12.11	1,577,816	70.92
SBI corporate bond fund	-	-	2,858,784	85.34
SBI regular savings fund (refer note 1 below)	-	-	3,470,651	112.32
Kotak gilt investment	-	-	627,212	39.46
L and T income opportunities fund	-	-	1,722,655	36.33

Significant accounting policies and other explanatory information to the consolidated financial statements

(All amounts in ₹ million, except share and per share data, unless otherwise stated)

Current investments	As at March 31, 2020		As at March 31, 2019	
	No. of units	Amount	No. of units	Amount
SBI debt fund series B – 33	-	-	2,000,000	25.07
IDFC super saver income fund short term	-	-	641,350	24.42
UTI short term income fund	-	-	1,075,645	24.21
DSP blackrock income opportunities fund	-	-	808,157	22.68
BNP paribas flexi debt fund	-	-	413,979	13.02
Tata short term bond fund	-	-	351,136	11.40
BNP Paribas medium term income fund	-	-	783,447	11.40
Aditya birla sunlife corporate bond fund	-	-	799,316	10.93
Reliance corporate bond fund	-	-	732,295	10.77
Aditya Birla SL dynamic bond fund	-	-	339,552	10.73
Total (a)		**291.83**		**696.22**
Investments in debentures				
Quoted bonds at amortised cost				
IIFL Wealth Finance market linked debentures		-	780	83.01
Total (b)		**-**		**83.01**
Investments in tax free bonds				
Quoted bonds at fair value through other comprehensive income				
7.39% NHAI tax free bond series IIA	15,419	29.82	15,419	17.27
7.35% NHAI tax free bond series IIA	14,285	16.14	14,285	15.29
7.39% HUDCO bond tax free bond series IIA	7,529	8.40	7,529	8.30
7.39% HUDCO tax free bond series IIA	7,007	8.14	7,007	7.53
7.35% IRFC tax free bond series IIA	5,878	6.63	5,878	6.56
7.35% NABARD tax free bond series IIA	5,010	5.58	5,010	5.38
Total (c)		**74.71**		**60.33**
Total Current investment (d = a + b + c)		**366.54**		**839.56**
Aggregate value of quoted investments		**366.54**		**839.56**

Notes

1 Out of the above investment in mutual funds, investments having cost of ₹ 9.18 million (March 31, 2019: ₹ 9.18 million) pertaining to SBI Magnum Medium Duration Fund Reg (G) (previous name SBI regular saving fund) has been marked as lien against the bank guarantee of the Company.

6 Loans

	As at March 31, 2020	As at March 31, 2019
Non-current		
Unsecured, considered good		
Loan to Inbox Digital Private Limited (refer note 6A)	2.00	2.00
Loan to employees		
- Key managerial personnel (refer note 28)	13.29	-
- Others	3.38	-
Total	**18.67**	**2.00**
Current		
Unsecured, considered good		
Loan to employees		
- Others	16.94	2.41
Total	**16.94**	**2.41**

Refer note 35 - Financial instruments for disclosure of fair values in respect of financial assets measured at amortised cost and assessment of expected credit losses.

Significant accounting policies and other explanatory information to the consolidated financial statements

(All amounts in ₹ million, except share and per share data, unless otherwise stated)

6A Included in loans are certain intercorporate deposits and other loans the particulars of which are disclosed below as required by Sec 186(4) and Sec 185 of the Companies Act 2013

Name of the loanee	Rate of interest	Due date	As at March 31, 2020	As at March 31, 2019
Loan to Key managerial personnel				
Manish Agarwal (#)	Nil	October 31, 2022	13.29	-
Loan to emoloyees	Nil	3 months to 36 months	20.32	2.41
Inbox Digital Private Limited (*)	13%	On demand	2.00	2.00

(#) The loan amounting to ₹ 15.50 million which is disclosed at present value with an intrinsic rate of return of 10.50%

(*) The Company has an option to convert loan into fully paid equity share at any time from the date of loan agreement, wherein the Company is not expecting to exercise the option.

7 Other non-current financial assets

	As at March 31, 2020	As at March 31, 2019
Unsecured, considered good		
At amortised cost		
Security deposits	20.72	13.92
Receivable from selling share holders (refer note 7.1 and note 28)	47.68	46.82
Total	**68.40**	**60.74**

7.1 Receivable from selling share holders comprises share issue expenses incurred in connection with proposed Initial Public offer (IPO) of the Company. As per understanding between the Company, West Bridge Venture II Investment Holdings and Mitter Infotech LLP, all the IPO expenses other than fees related to merchant bankers will be shared between them, while the merchant bankers' fees will be borne by West Bridge Venture II Investment Holdings and Mitter Infotech LLP.

Accordingly, the Company has charged its share of IPO expenses to the statement of profit and loss and recorded a receivable for the share of IPO expenses to be recovered from West Bridge Venture II Investment Holdings and Mitter Infotech LLP.

The Company has deferred its plan for IPO. However, based on understanding between the Company and the selling shareholders, the selling shareholders agreed for company to carry forward these expenses and reimburse it along with future IPO expenses on successful completion of IPO. This amount has been classified as other receivables under other non-current financial assets (March 31, 2019: other non-current financial assets).

8 Other non-current assets

	As at March 31, 2020	As at March 31, 2019
Prepaid expenses	1.50	1.05
Prepaid employee perquisite (refer note 6A)	1.59	-
Advance income tax	135.29	70.45
Total	**138.38**	**71.50**

9 Trade receivables

	As at March 31, 2020	As at March 31, 2019
Unsecured, considered good (#)	632.36	460.10
Unsecured, considered having significant increase in credit risk	116.88	176.41
	749.24	**636.51**
Less: expected credit loss (refer note 34)	(116.88)	(176.41)
Total	**632.36**	**460.10**

(#) Includes ₹ 193.05 million (March 31, 2019 : ₹ 113.49 million) from to customers based out of Nepal whereby an uncertainties on timing of colleciton related to restrictions on payments pursuant to the prevailing foreign exchange regulations in Nepal exist.

The management, on the basis of their assessment and the advice of an independent consultant, expects these amounts to be collected within 12 months from the date of the financial statement. No adjustments made to the consolidated financial statements.

10 Cash and cash equivalents

	As at March 31, 2020	As at March 31, 2019
Cash on hand	5.33	0.73
Balances with banks		
- on current accounts	602.35	474.54
- deposits with original maturity for less than 3 months	113.19	57.34
Total	**720.87**	**532.61**

Significant accounting policies and other explanatory information to the consolidated financial statements

(All amounts in ₹ million, except share and per share data, unless otherwise stated)

11 Other bank balances

	As at March 31, 2020	As at March 31, 2019 (Restated)
Balances with banks		
- in fixed deposits with remaining maturity of less than 12 months (refer note 11.1 and 30)	1,146.16	800.06
Total	**1,146.16**	**800.06**

Note

11.1 Fixed deposit aggregating to ₹ 1.65 million as at March 31, 2020 (March 31, 2019: ₹ 1.65 million) is under lien to bank for issuing bank guarantee as security towards the due observance and performance of the terms and conditions of agreement executed with a customer, Bharat Sanchar Nigam Limited.

12 Other current financial assets

	As at March 31, 2020	As at March 31, 2019
Unsecured, considered good		
Interest accrued but not due		
- from banks, tax free bonds and loan given	12.72	13.28
Unbilled revenue (refer note 1 below)		
- considered good	384.52	391.42
- considered having significant increase in credit risk	6.02	6.02
- Less: Allowance for receivables having significant increase in credit risk	(6.02)	(6.02)
Security deposits	8.44	7.93
Other receivable (refer note 1 below)	230.11	0.42
Total	**635.79**	**413.05**

Note:

1 On account of Ind AS 115, Revenue from Contracts with Customers, unbilled revenue where the right to consideration is unconditional upon passage of time is classified as financial assets.

2 Other receivable includes receivable from platform service providers who are acting as agent of the Group

13 Other current assets

	As at March 31, 2020	As at March 31, 2019
Advances recoverable in cash or kind or for value to be received	1.12	0.01
Advance to suppliers	6.11	7.07
Prepaid expenses	76.59	13.40
Prepaid rent (refer note 30)	-	8.72
Balance with government authorities	141.02	72.58
Total	**224.84**	**101.78**

14 Equity share capital

	As at March 31, 2020	As at March 31, 2019
Share capital		
Authorised shares		
34,371,990 (March 31, 2019: 34,371,990) equity shares of ₹ 4 each	137.49	137.49
1,251,204 (March 31, 2019: 1,251,204) preference shares of ₹ 10 each	12.51	12.51
	150.00	**150.00**
Issued, subscribed and paid-up		
27,996,663 (March 31, 2019: 27,471,969) equity shares of ₹ 4 each	111.99	109.89
	111.99	**109.89**

(a) Details of shareholders holding more than 5% share in the Company
Equity shares of ₹ 4 each

Name of the shareholder	As at March 31, 2020		As at March 31, 2019	
	No of shares	% Holding	No of shares	% Holding
Mitter Infotech LLP	5,955,125	21.27%	5,955,125	21.68%
West Bridge Venture II Investment Holdings	6,121,210	21.86%	6,121,210	22.28%
Rakesh Jhunjhunwala	3,294,310	11.77%	3,294,310	11.99%
IIFL Special Opportunity Fund	1,748,185	6.24%	1,456,320	5.30%
IIFL Special Opportunity Fund - Series 4	1,429,360	5.11%	1,059,420	3.86% (*)

As per records of the Company, including its register of shareholders / members, the above shareholding represents both legal and beneficial ownerships of shares.

(*) Less than 5% in previous year, presented for comparative purpose.

Significant accounting policies and other explanatory information to the consolidated financial statements

(All amounts in ₹ million, except share and per share data, unless otherwise stated)

(b) Reconcilation of the shares outstanding at the beginning and at the end of the reporting period

Particulars	No of shares	Amount
Equity shares of ₹ 4 each		
As at April 1, 2018	26,972,619	107.89
Add: issued during the year	499,350	2.00
As at March 31, 2019	**27,471,969**	**109.89**
Add: issued during the year	524,694	2.10
As at March 31, 2020	**27,996,663**	**111.99**

(c) Terms / rights attached to equity shares

1 Voting rights

Each shareholder is entitled to one vote per equity share.

2 Right as to dividend

The equity share holder is entitled to receive dividend as and when declared by the Board of Directors.

3 Rights on further issue including anti dilution rights

In the event the Company proposes to make preferential issue of shares then 'West Bridge Ventures II Investment Holdings' ('Investor') have first right to subscribe on a pro-rata percentage of the entire issue on the basis of existing holding on a fully diluted basis so that the existing shareholding percentage in the Company remain same.

In addition to above, the investor have anti dilution rights including right to be allotted proportionate shares without consideration in case of certain events as defined in shareholder's agreement.

4 Right of first offer, right of refusal and tag along rights

In the event Investor propose to transfer all or part of their securities to any person, it shall first offer to Mitter Infotech LLP and two individual shareholders ('Founders'), a pro rata right to purchase all their shares. Investor shall have the right to exercise certain specified tag along rights in case the Founders proposes to transfer any securities to any person in certain cases as defined in Articles of Association (AOA).

In the event, Emerging Investments Limited and other two company shareholders and one individual shareholders ('Other Shareholders') propose to transfer all or part of their securities to any person, investor and founders have pro rata right to purchase all their Shares.

5 Drag along rights

In case, the investor receives an offer for sale to third party, the Investor has the right to call upon the founders to sell their part of shareholding subject to certain specified conditions as defined in the AOA of the Company.

6 Liquidation preference

In the Event of "Liquidation Event" as defined in shareholders agreement, equity shareholders will be entitled to receive consideration or proceed on a pro rata basis in the proportions of their ownership in the total paid up capital of the Company on a fully diluted basis as defined in the AOA of the Company, after distribution of all preferential amounts.

"Liquidation event" shall (except for the issue of shares under an IPO) be deemed to include the following:-

(a) Commencement of any proceedings for the voluntary winding up of the Company in accordance with the Act or the passing of an order of any court appointing a provisional liquidator or administrator in any other proceeding seeking the winding up of the Company; or

(b) The consummation of a consolidation, merger, reorganization or other similar transaction (whether in one or a series of transactions) of the Company resulting in its Shareholders, collectively, retaining less than a majority of the voting power of the Company or the surviving entity immediately following such transaction after giving effect to any conversion exercise or exchange of any Securities convertible into or exercisable or exchangeable for, such voting Securities; or

(c) Sale or transfer of more than 50% [fifty percent] of the then outstanding Shares by the Shareholders, such that the Shareholders, which shall include the Investor, prior to any such transaction, retain after such transaction less than 50% of voting power of the Company; or

(d) The sale of, transfer of or creation of an encumbrance of any nature whatsoever or the appointment of a receiver in any proceedings, in more than 50% of the value of the assets and properties of the Company, including but not restricted to tangible and intangible assets of the Company, or any order of any court resulting in the sale of, transfer of or creation of an encumbrance of any nature whatsoever in more than 50% of the value of the assets and properties of the Company including but not restricted to tangible and intangible assets of the Company (whether in one or a series of transactions), which has not been vacated within 15 days of the passing of such order by the court. Subsection (d) would not apply to a case of consolidation, merger, reorganisation or other similar transaction referred to in sub-section (b).

7 Termination agreement

The parties to the Waiver and Termination Agreement dated January 17, 2018 and as amended by Amendment Agreement dated June 29, 2018 ("Termination Agreement"), waived and amended certain rights as available to Westbridge from the date of the execution of the Termination Agreement, including (i) the right of first refusal of our Promoters and Westbridge under the Westbridge SHA in relation to the equity shares proposed to be transferred by Westbridge in the Offer; (ii) the right of first refusal of Westbridge under the Westbridge SHA in relation to the equity shares proposed to be transferred by Mitter Infotech LLP in the Offer; and (iii) the drag along right of Westbridge under the Westbridge SHA in relation to the equity shares proposed to be transferred by Westbridge in the Offer. Further, as per Termination Agreement, in case the initial public offering of the equity shares of the Company was not concluded by the IPO cut off date (i.e. September 30, 2018), the provisions of Westbridge SHA that were waived or amended pursuant to the Termination Agreement were reinstated in their entirety and are operative and binding upon parties. Further, the Company was required to carry out re-organisation of board, change in constitution of the Company and amendment of articles of association of the Company.

Significant accounting policies and other explanatory information to the consolidated financial statements

(All amounts in ₹ million, except share and per share data, unless otherwise stated)

In June 24, 2019, the parties have entered into a Waiver and Termination Agreement wherein West bridge has waived the requirement of the Termination Agreement till December 31, 2019 related to appointment of directors and change in constitution of the Company. Further, in terms of the said agreement, certain provisions to Westbridge rights were amended, including (i) deletion of quorum requirements for the Board Meeting and (ii) approval of Westbridge in writing for certain reserved matters.

Management has not yet decided the IPO cut-off date, accordingly, the matter on further waiver of the requirements of Termination agreement dated June 24, 2019 as mentioned above is under the discussion among the parties, and until that time the requirements of the aforesaid termination agreement has not been given effect to.

8 Other rights

Investor have right to have their representation on the board of the Company with an affirmative voting right and decision on certain reserved matters such as change or alteration in the rights of any class of shareholders, change in share capital of the Company, undertaking any merger, acquisition, consolidation / amalgamation, change in the composition of board of directors and change in scope of business activity.

Pursuant to the Share purchase agreement, Rakesh Jhunjhunwala and Utpal Seth acquired 263,545 and 2,780 equity shares on December 8, 2017 of the Company respectively from Westbridge. Accordingly, Rakesh Jhunjhunwala and Utpal Seth have been given the following rights in the event the Company does not undertake an initial public offering and listing of our equity shares by December 7, 2018:

(i) the first right to participate or the right to subscribe to all the equity shares in the fund raising by the Company with effect from December 7, 2018;

(ii) the Company shall not without the affirmative written consent of Rakesh Jhunjhunwala and Utpal Seth take certain actions such as raising new capital, change in scope of business, related party transactions, change in rights associated with the equity shares and acquisition of any company;

(iii) tag along right in the event our Promoters transfer any equity shares with effect from December 7, 2018; and

(iv) execution of a restated shareholders agreement. Further, in the event the initial public offering of the Company is not completed within two years from the date of execution of the share purchase agreement, Rakesh Jhunjhunwala and Utpal Seth shall have the right to appoint a nominee director on the Board. Such right have not been exercised by them.

(d) Shares reserved for issue under options

For details of shares reserved for issue under the employee stock option (ESOP) plan of the Company refer note 33.

(e) Aggregate number of shares bought back during the period of five years immediately preceeding the reporting date:

	March 31, 2020	March 31, 2019
	No. of shares	
Equity shares bought back by the Company		
Financial Year 2014-2015	45,400	45,400
	45,400	**45,400**

(f) Aggregate number of bonus shares issued during the period of five years immediately preceeding the reporting date:

	March 31, 2020	March 31, 2019
	No. of shares	
Equity shares allotted as fully paid bonus shares by capitalization of reserve	19,925,088	19,925,088
	19,925,088	**19,925,088**

(g) Aggregate number of shares issues for consideration other than cash during the period of five years immediately preeceding the reporting date:

	March 31, 2020	March 31, 2019
	No. of shares	
Equity shares alloted for consideration other than cash:		
Financial year 2019-20 (refer note 5B and 5C)	489,735	-
Financial year 2017-18	794,641	794,641
	1,284,376	**794,641**

15 Other equity

	As at March 31, 2020	As at March 31, 2019 (Restated)
Capital redemption reserve account		
Opening balance	1.30	1.30
Add: Changes during the year	-	-
Closing balance	**1.30**	**1.30**
Securities premium reserve		
Opening balance	1,404.91	1,186.67
Add: Addition during the year	379.88	-
Add: Addition during the year on exercise of ESOP	-	115.01
Add: Addition on account of transfer from share based payment reserve on exercise of ESOP	-	103.19
Closing balance	**1,784.79**	**1,404.91**

Significant accounting policies and other explanatory information to the consolidated financial statements

(All amounts in ₹ million, except share and per share data, unless otherwise stated)

	As at March 31, 2020	As at March 31, 2019 (Restated)
Retained earnings		
Opening balance	1,865.97	1,813.04
Add: Profit during the year	5.00	151.37
Add: Other comprehensive income	0.73	(0.51)
Add: Transfer to non-controlling interest	(37.12)	(97.93)
Closing balance	**1,834.58**	**1,865.97**
Debt instrument measured through other comprehensive income		
Opening balance	5.50	5.27
Add: Other comprehensive income for the year	14.38	0.23
Closing balance	**19.88**	**5.50**
Share based payment reserve		
Opening balance	255.93	194.59
Add: Additions during the year	-	164.53
Less: Transfer to securities premium on exercise of options	-	(103.19)
Closing balance	**255.93**	**255.93**
Capital contribution from shareholder		
Opening balance	357.18	357.18
Add: Changes during the year	-	-
Closing balance	**357.18**	**357.18**
Non-controlling interest put option		
Opening balance	(59.97)	(126.25)
Add: Adjustment during the year (refer note 16.1)	59.97	66.28
Closing balance	**-**	**(59.97)**
Statutory reserve	**0.45**	**0.45**
Foreign currency translation reserve		
Opening balance	137.93	21.93
Add: Additions during the year	147.78	116.00
Closing balance	**285.71**	**137.93**
Other equity		
Opening balance	-	-
Add: Additions during the year (refer note 5.1 (a))	435.01	-
Closing balance	**435.01**	**-**
Total	**4,974.82**	**3,969.20**

16 Other financial liabilities

	As at March 31, 2020	As at March 31, 2019
Non-controlling interest put options and other liabilities (refer note 16.1 below)	-	68.16
Total	**-**	**68.16**

16.1 The Company had acquired control over Nextwave on December 22, 2017 and also had entered into Put Options with non-controlling interest. The Options are exercisable on March 31, 2019 (second closing date) and March 31, 2020 (third closing date) for additional stake based on achievement of PAT targets of Nextwave. The purchase consideration on second closing date and third closing date will be based on the threshold defined as per the terms of the arrangement subject to maximum pay-out to non-controlling interest of ₹ 100 million for the second and ₹ 100 million for the third closing date. The options have been fair valued on initial recognition and subsequently unwinding of interest expense is charged to the consolidated statement of profit and loss. Accordingly, in the current year, the options exercisable on third closing date have lapsed and the liability of ₹ 68.16 million (March 31,2019: ₹ 68.17 million) on the third closing date has been reversed due to the non-achievement of the PAT targets.

Significant accounting policies and other explanatory information to the consolidated financial statements

(All amounts in ₹ million, except share and per share data, unless otherwise stated)

17 Provisions

	As at March 31, 2020	As at March 31, 2019
Non-current		
Provisions for employees benefits		
Provision for gratuity (refer note 31(II))	23.16	21.88
Provision for end of service benefits (refer note 31(IV))	4.12	3.53
Total	**27.28**	**25.41**
Current		
Provisions for employees benefits		
Provision for gratuity (refer note 31(II))	5.62	-
Compensated absences (refer note 31(III))	4.87	2.81
Total	**10.49**	**2.81**

18 Trade payables

	As at March 31, 2020	As at March 31, 2019
Micro enterprises and small enterprises (refer note 18.1 below)	0.98	-
Other than micro enterprises and small enterprises		
- to related parties (refer note 28)	4.37	3.88
- to others	684.41	245.16
Total	**689.76**	**249.04**

18.1 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 March 31, 2020 and March 31, 2019

	As at March 31, 2020	As at March 31, 2019
Principal amount due to suppliers under MSMED Act	0.98	-
Interest accrued and due to suppliers under MSMED Act on the above amount	0.06	-
Payment made to suppliers (other than interest) beyond appointed day during the year	-	-
Interest paid to suppliers under MSMED Act	-	-
Interest due and payable to suppliers under MSMED Act towards payments already made	-	-
Interest accrued and remaining unpaid at the end of the accounting year	0.06	-
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.	-	-

19 Other financial liabilities

	As at March 31, 2020	As at March 31, 2019
Accrued salaries and bonus	27.20	24.96
Accrued expenses	148.03	123.62
Player balance	68.61	-
Advances from customers (refer note 19.1 below and note 29)	13.99	22.37
Consideration payable for acquisition of subsidiary (refer note 39)	100.00	-
Interest on delay payments to MSME vendors (refer note 18.1)	0.06	-
Total	**357.89**	**170.95**

19.1 Out of the above advance from customers, advance of ₹ 13.99 million (March 31, 2019: ₹ 13.99 million) pertains to refund of entertainment tax deducted by a customer, against a bank guarantee furnished by the Company amounting to ₹ 15.58 million (March 31, 2019: ₹ 15.58 million).

20 Other current liabilities

	As at March 31, 2020	As at March 31, 2019
Contract liabilities (deferred revenue)	248.98	2.01
Tax deducted at source payable	18.94	22.51
Statutory dues payable	25.03	27.34
Provision for lease escalation (refer note 30)	-	1.87
Total	**292.95**	**53.73**

Significant accounting policies and other explanatory information to the consolidated financial statements

(All amounts in ₹ million, except share and per share data, unless otherwise stated)

21 Revenue from operations

	For the year ended March 31, 2020	For the year ended March 31, 2019 (Restated)
Revenue from contract with customers		
Telco subscription	817.96	961.02
E-sports	841.61	491.66
Freemium	197.79	245.63
Real money gaming	426.40	-
Early learning	191.33	-
Total	**2,475.09**	**1,698.31**

Disagrregation of revenue by geography

	Telco subscription	Freemium	E-sports	Early learning	Real money gaming	Total
March 31, 2020						
India	227.29	197.79	651.66	-	384.30	**1,461.04**
Africa	163.82	-	-	-	42.09	**205.91**
Middle East	179.61	-	-	-	-	**179.61**
APAC	247.05	-	-	-	-	**247.05**
USA	-	-	-	191.33	-	**191.33**
Rest of the world	0.20	-	189.95	-	-	**190.15**
Total	**817.96**	**197.79**	**841.61**	**191.33**	**426.40**	**2,475.09**
March 31, 2019						
India	183.09	245.63	491.66	-	-	**920.38**
Africa	325.48	-	-	-	-	**325.48**
Middle East	228.80	-	-	-	-	**228.80**
APAC	222.51	-	-	-	-	**222.51**
Rest of the world	1.14	-	-	-	-	**1.14**
Total	**961.02**	**245.63**	**491.66**	**-**	**-**	**1,698.31**

Disaggregation of revenue by pattern of revenue recognition

	Telco subscription	Freemium	E-sports	Early learning	Real money gaming	Total
March 31, 2020						
At a point in time	228.40	133.07	-	63.71	-	**196.78**
Over the period of time	589.56	64.72	841.61	127.62	426.40	**2,278.31**
Total	**817.96**	**197.79**	**841.61**	**191.33**	**426.40**	2,475.09
March 31, 2019						
At a point in time	183.09	150.87	-	-	-	**150.87**
Over the period of time	777.93	94.76	491.66	-	-	**1,547.44**
Total	**961.02**	**245.63**	**491.66**	**-**	**-**	**1,698.31**

	Telco subscription	Early learning	Freemium	E-sports	Real money gaming	Total
March 31, 2020						
Subscription	817.96	127.62	-	-	-	**945.58**
Platform fees	-	-	-	-	426.40	**426.40**
Advertising	-	-	243.70	-	-	**243.70**
In app sales	-	63.71	20.81	-	-	**84.52**
Brand sponsorship and media rights licensing	-	-	-	774.89	-	**774.89**
March 31, 2019						
Subscription	961.02	-	-	-	-	**961.02**
Platform fees	-	-	-	-	-	**-**
Advertising	-	-	228.20	-	-	**228.20**
In app sales	-	-	17.43	-	-	**17.43**
Brand sponsorship and media rights licensing	-	-	-	491.66	-	**491.66**

Contract liabilities	As at March 31, 2020	As at March 31, 2019
Deferred revenue		
Opening balance	2.01	-
Additions through business combination (refer note 39)	22.11	-
Reversed during the year	(2.01)	-
Additional deferred revenue accounted during the year	226.87	2.01
Closing balance	**248.98**	**2.01**

Significant accounting policies and other explanatory information to the consolidated financial statements

(All amounts in ₹ million, except share and per share data, unless otherwise stated)

22 Other income

	For the year ended March 31, 2020	For the year ended March 31, 2019
Interest Income on		
- bank deposits	32.12	26.14
- tax free bonds	8.52	8.82
- income tax refund	1.35	-
- reversal of put option liability (refer note 24.1)	8.19	-
- financial assets recorded at amortised cost	0.56	-
Dividend income on current investments	-	4.18
Net gain on sale of current investments	15.03	13.78
Sundry balances written back	20.64	11.63
Fair value gain on financial instruments carried at fair value through profit and loss (net)	24.32	33.49
Fair value gain on non-current investments	-	59.81
Gain on exchange fluctuation (net)	31.98	-
Profit on sale of property and equipment (net)	0.77	-
Other	11.08	5.23
Total	**154.56**	**163.08**

23 Employee benefit

	For the year ended March 31, 2020	For the year ended March 31, 2019
Salaries and bonus		
- To key managerial personnel (refer note 28) (*)	61.56	71.34
- To others	229.64	155.95
Contribution to provident and other funds (refer note 31(I))	10.00	8.29
Expenses on employee stock option scheme (refer note 33)	-	164.53
Gratuity expenses (refer note 31 (II))	6.37	5.97
Compensated absences (refer note 31(III))	1.00	0.03
End of services benefit (refer note 31 (IV))	0.30	0.02
Staff welfare	2.92	2.41
Total	**311.79**	**408.54**

(*) includes amortization of prepaid perquisite amounting to ₹ 0.38 million March 31, 2019 : Nil)

24 Finance costs

	For the year ended March 31, 2020	For the year ended March 31, 2019
Interest on non controlling interest put option (net) (refer note 24.1)	-	4.58
Interest on lease liabilities (refer note 30)	7.96	-
Interest on others	-	1.04
Bank charges	4.80	3.18
Total	**12.76**	**8.80**

24.1 Amount includes income of ₹ 8.19 million for the year ended March 31, 2020 (March 31, 2019: expense of ₹ 4.58 million) on account of reversal of put option liability and unwinding of interest respectively.

25 Depreciation and amortisation

	For the year ended March 31, 2020	For the year ended March 31, 2019
Depreciation on property and equipment (refer note 3)	9.32	11.06
Depreciation on right-of-use assets (refer note 30)	57.14	-
Amortisation on intangible assets (refer note 4)	258.50	145.40
Total	**324.95**	**156.46**

Significant accounting policies and other explanatory information to the consolidated financial statements

(All amounts in ₹ million, except share and per share data, unless otherwise stated)

26 Other

	For the year ended March 31, 2020	For the year ended March 31, 2019 (Restated)
Travelling and conveyance	72.46	79.07
Legal and professional	64.05	43.25
Communication	26.55	3.12
Payment gateway	23.87	-
Rent (refer note 30)	19.00	102.50
Information technologies	13.53	-
Repairs and maintenance	9.31	11.90
Payment to auditors (refer note 26(ii) below)	7.54	8.78
Rates and taxes	8.45	3.42
Director fees	7.88	7.03
Insurance	4.35	4.28
Electricity	4.33	3.59
Corporate social responsibility expenditure (refer note 26 (i) below)	2.52	3.23
Subscription	2.95	2.77
Brokerage and discounts	1.68	-
Bad debts	5.74	2.78
Allowance for doubtful debts	3.01	91.86
Loss on exchange fluctuation (net)	-	50.00
Miscellaneous expenses	35.19	21.00
Total	**312.41**	**438.58**

Notes

26(i) Corporate social responsibility

As per section 135 of the Companies Act 2013 and rules therein, the Group is required to spend at least 2% of average net profit of past three years towards Corporate Social Responsibility (CSR).

Details of corporate social expenditures are as follows:

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019 (Restated)
Gross amount required to be spent during the year	3.52	3.44
Amount spent during the year		
i) Construction / acquisition of any asset		
ii) On purposes other than (i) above	2.52	3.23

26(ii) Payment to auditors

	For the year ended March 31, 2020	For the year ended March 31, 2019 (Restated)
As auditor		
- Audit fee	7.54	8.78
- Reimbursement of expenses	-	0.11
In other capacity		
- for other services (included in legal and professional fees)	-	7.07
Total	**7.54**	**15.96**

Significant accounting policies and other explanatory information to the consolidated financial statements

(All amounts in ₹ million, except share and per share data, unless otherwise stated)

27 Earnings per share (EPS)

The following table reflects the income and share data used in the basic and diluted EPS computation

	For the year ended March 31, 2020	For the year ended March 31, 2019 (Restated)
Basic		
Profit attributable to equity shareholders of parent for the calculation of basic EPS	5.00	151.37
Weighted average number of equity shares in calculating basic EPS	27,753,117	27,418,614
Earnings per share	0.18	5.52
Diluted		
Profit attributable to equity shareholders of parent for the calculation of basic EPS	5.00	151.37
Weighted average number of equity shares in calculating diluted EPS	27,753,117	27,418,614
Effect of dilution on stock options granted (refer note 2 below)	507,366	509,039
Effect of dilution on purchase consideration for acquisition of subsidiary (refer note 3 below)	83,546	-
Weighted average number of equity shares outstanding (including dilutive)	28,344,029	27,927,653
Earnings per share	0.18	5.42

Notes

1 As per Ind AS 33, potential ordinary shares that are issued by a subsidiary, associate or Joint Venture to parties outside the group of parent and are convertible into ordinary shares of the issuer or the parent are included in calculation of parent's diluted EPS if their effect is dilutive. Here, the options issued by a susidiary to its employees have an anti-dilutive effect on the profits of Nazara Technologies Limited as the subsidiary has incurred losses and a decrease in % stake would result in a decrease in share of loss of the controlling interest.

2 There are 507,366 potential equity shares as on March 31, 2020 (March 31, 2019: 509,039) in the form of stock options granted to employees.

3 There are 83,546 potential equity shares as on March 31, 2020 (March 31, 2019: Nil) in the form of shares to be transferred to promoters of subsidiary as a part of purchase consideration (excluding contingent consideration).

28 Related party disclosures

A Names of the related parties and related party relationship

Entity with Significant influence	West Bridge Venture II Investment Holdings
Associate of subsidiary	Mastermind Sports Limited
Associate	CrimzoneCode Private Limited (w.e.f. June 6, 2018 till January 31, 2020) Halaplay Technologies Private Limited (w.e.f. March 1, 2019 till April 8, 2019) MoongLabs Technologies Private Limited (w.e.f. April 2, 2019)
Joint venture	Sports Unity Private Limited (w.e.f. May 10, 2019)
Key management personnel	Vikash Mittersain - Chairman cum Managing Director Nitish Mittersain - Managing Director Manish Agarwal - Chief Executive Officer Rakesh Shah - Chief Financial Officer Turabbhai Chimthanawala -Company Secretary (w.e.f. April 1, 2019)
Enterprises owned or controlled by key management personnel	Mitter Infotech LLP (formerly Mitter Infotech Private Limited)

Significant accounting policies and other explanatory information to the consolidated financial statements

(All amounts in ₹ million, except share and per share data, unless otherwise stated)

B Related party transactions for the year ended on:

	For the year ended March 31, 2020	For the year ended March 31, 2019
Remuneration to key management personnel		
Nitish Mittersain	28.48	26.52
Manish Agarwal (**)	19.74	31.93
Rakesh Shah	7.27	6.84
Vikash Mittersain	5.60	5.65
Turabbhai Chimthanawala	0.47	-
Vinav Agarwal	-	0.40
Loan given to key management personnel		
Manish Agarwal (#)	13.29	-
Content		
Mastermind Sports Limited	6.29	4.30
Moonglabs Technologies Private Limited	5.24	-
Crimzone Code Private Limited	-	6.44
Receivable from selling share holders		
West Bridge Venture II Investment Holdings	0.86(*)	4.68
Mitter Infotech LLP	-	0.33

(*) pertains to adjustment of unrealised foreign exchange gain
(**) includes amortisation of prepaid perquisite amounting ₹ 0.38 million (March 31, 2019 - Nil)
(#) The loan amounting to ₹ 15.50 million which is disclosed at present value with an intrinsic rate of return of 10.50%

C Amounts outstanding as at the balance sheet date

	As at March 31, 2020	As at March 31, 2019
Trade payables		
Mastermind Sports Limited	2.54	3.88
Moonglabs Technologies Private Limited	1.83	-
Receivable from selling share holders		
West Bridge Venture II Investment Holdings	44.74	43.88
Mitter Infotech LLP	2.94	2.94
Loan given to key management personnel		
Manish Agarwal	13.29 (*)	-

(*) includes interest income recognised on financial assets recorded at amortised cost of ₹ 0.56 million.

D Compensation of Key management personnel for the year ended on

	For the year ended March 31, 2020	For the year ended March 31, 2019
Short-term employee benefits	58.10	68.27
Post- employment benefits (refer note 1 below)	3.46	3.07
Total remuneration	**61.56**	**71.34**

Notes

1. Remuneration to key mangerial personnel doesn't include provision made for gratuity and compensated absences as they are determined on acturial basis.
2. The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. This assessment is undertaken each financial year through examining the financial position of the related party and market in which the related party operations.Outstanding balances at the year-end are unsecured and settlement occurs in cash.

Significant accounting policies and other explanatory information to the consolidated financial statements

(All amounts in ₹ million, except share and per share data, unless otherwise stated)

29 Commitments and contingencies

	As at March 31, 2020	As at March 31, 2019
Other commitments		
Cost of content and other commitments	-	9.39
Bank guarantee	17.23	15.58
Total	**17.23**	**24.97**
Commitment in relation to acquisition of subsidiary (refer note 38)	Upto 200	

30 Lease disclosure

A Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

B Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

Office Premises- 1 year to 5 years

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

C Accounting pronouncement adopted as at April 1, 2019

On April 1, 2019, the Group adopted Ind AS 116 - Using modified retrospective method by recording the cumulative effect of initial application as an adjustment to opening retained earnings. The Company has made use of the following practical expedients available in its transition to Ind AS 116 -

(a) The Group will not reassess whether a contract is or contains a lease. Accordingly, the definition of lease in accordance with Ind AS 17 will continue to be applied to lease contracts entered by the Group or modified by the Group before April 1, 2019,

(b) The Company has applied a single discount rate to a portfolio of leases of similar assets in similar economic environment. Consequently, the Company has recorded its lease liability using the present value of remaining lease payments, discounted using the incremental borrowing rate at the date of initial application and the right-of-use asset at its carrying amount as if the standard had been applied since the commencement date of the lease, but discounted using the incremental borrowing rate at the date of initial application,

(c) The Group does not recognize right-of-use assets and lease liabilities for leases with less than twelve months of lease term and low value assets on the date of initial application.

(d) The Group has used hindsight in determining the lease term where contract contains options to extend or terminate the lease.

The weighted average of discount rate applied to lease liabilities as at April 1, 2019 ranges from 6% to 10%.

“On adoption of Ind AS 116,

(a) the Group has recognized right-of-use asset of ₹ 102.30 million and corresponding lease liability of ₹ 95.45 million.

(b) Prepaid rent on leasehold assets, which were earlier classified under “other assets” have been reclassified to right-of-use assets amounting to ₹ 8.72 million.

(c) Lease escalation on leasehold assets, which were earlier classified under “other liabilities” have been reclassified to right-of-use assets amounting to ₹ 1.87 million.”

Lease payments made during the period are disclosed under financing activities in the consolidated statement of cash flows.

The comparatives as at and for the year ended March 31, 2019 and March 31, 2018 have not been restated.

The adoption of Ind AS 116 did not have any material impact on the Company’s statement of profit and loss and earnings per share.

The difference between the lease obligation disclosed as of March 31, 2019 under Ind AS 17 and the value of the lease liabilities as of April 1, 2019 is primarily on account of cancellable leases considered as leases under Ind AS 116 and measuring lease liability and discounting the lease liabilities to the present value in accordance with Ind AS 116.

Below are the carrying amounts of lease liabilities (included under interest-bearing loans and borrowings) and the movements during the period:

	As at April 1, 2019 (Restated)
Operating lease commitments disclosed as at March 31, 2019	99.11
Add: Cancellable leases considered as leases under Ind AS 116	9.93
Less: Impact of discounting on opening lease liability	(13.59)
Lease liability recognized as at April 1, 2019	**95.45**

Significant accounting policies and other explanatory information to the consolidated financial statements

(All amounts in ₹ million, except share and per share data, unless otherwise stated)

D Right-of-use asset

The carrying amount of right-of-use asset by class and location can be analysed as follows:

Office premises

	Mumbai	Bangalore	Chennai	Delhi	Dubai	Total
On adoption of IndAS 116	93.01	-	-	5.39	3.90	102.30
On account of business combination (refer note below)	11.11	18.53	-	-	-	29.64
Additions	0.09	0.26	10.72	-	-	11.07
Adjustments(*)	-	-	-	-	0.31	0.31
As at March 31, 2020	**104.21**	**18.79**	**10.72**	**5.39**	**4.22**	**143.32**
Accumulated depreciation						
Depreciation	46.49	6.25	1.81	0.57	2.02	57.13
Adjustments(*)					0.09	0.09
As at March 31, 2020	**46.49**	**6.25**	**1.81**	**0.57**	**2.11**	**57.23**
Net carrying value as at March 31, 2020	**57.72**	**12.54**	**8.91**	**4.82**	**2.11**	**86.09**

(*) Represents exchange difference resulting from translation of Rou relating to foreign subsidiaries.

Note

Company has acquired Paperboat Apps Private Limited, Absolute Sports Private Limited and Halaplay Technologies Private Limited during the current year. Company accounted for gross block of right-of-use asset (net) amounting to ₹ 11.11 million, ₹ 12.28 million and ₹ 6.25 million respectively for these entities.

E Lease liabilities

	Mumbai	Bangalore	Chennai	Delhi	Dubai	Total
On Adoption of Ind AS 116	86.16	-	-	5.39	3.90	95.45
On account of business combination (refer note below)	11.23	18.83	-	-	-	30.06
Addition	-	-	10.47	-	-	10.47
Interest	5.82	1.48	0.37	0.10	0.18	7.95
Repayment of lease liability	(52.12)	(6.75)	(2.18)	(0.61)	(2.12)	(63.78)
Adjustments(*)	-	-	-	-	0.19	0.20
Balance as at March 31, 2020	**51.09**	**13.56**	**8.66**	**4.88**	**2.17**	**80.36**
Non-current						20.10
Current						60.26
Total						**80.36**

(*) Represents exchange difference resulting from translation of lease liability relating to foreign subsidiaries.

Note

Company has acquired Paperboat Apps Private Limited, Absolute Sports Private Limited and Halaplay Technologies Private Limited during the current year. Company accounted lease liability amounting to ₹ 11.23 million, ₹ 12.57 million and ₹ 6.26 million respectively for these entities.

Future minimum finance lease payments as at the end of the reporting period are as follows:

	Mumbai	Bangalore	Chennai	Delhi	Dubai	Total
Undiscounted future lease payments						
Within 1 year	46.28	7.31	4.87	3.80	2.24	64.50
Over 1 year	7.39	7.91	4.70	1.48	-	21.48
Total	**53.67**	**15.22**	**9.57**	**5.28**	**2.24**	**85.98**
Less: interest	2.58	1.66	0.91	0.40	0.07	5.62
Net present value	**51.09**	**13.56**	**8.66**	**4.88**	**2.17**	**80.36**

Amount recognised in statement of profit and loss account	For the year ended March 31, 2020
Depreciation on right-of-use assets	57.13
Interest on lease liabilities	7.96
Expenses relating to short term leases	19.00

Amount recognised in statement of cash flow	For the year ended March 31, 2020
Payment of lease rentals	(55.82)
Interest paid on lease liabilities	(7.96)
Total cash outflow	(63.78)

Significant accounting policies and other explanatory information to the consolidated financial statements

(All amounts in ₹ million, except share and per share data, unless otherwise stated)

31 Gratuity and post employment benefits

I) Defined contribution plan - Provident fund and ESIC

	For the year ended March 31, 2020	For the year ended March 31, 2019
Company's contribution to provident fund and other funds charged to statement of profit and loss	10.00	8.29
Total	10.00	8.29

II) Defined benefit plan - Gratuity

The Group provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/ termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service This benefit is unfunded.

The following tables summarise the components of net gratuity benefit expense recognised in the statement of profit and loss and other comprehensive income.

A Balance Sheet

i) The amounts recognised in the balance sheet and the movements in the net defned benefit obligation over the year are as follows:

	As at March 31, 2020	As at March 31, 2019
Opening balance	21.88	16.92
Additions through business combination (refer note 39)	3.68	-
Interest cost	1.76	2.69
Current service cost	4.61	3.28
Benefits paid	(2.15)	(0.18)
Re-measurement - actuarial (gain)/loss - due to changes in demographic assumptions	(10.95)	0.03
Re-measurement - actuarial (gain)/loss - due to changes in financial assumptions	12.12	0.21
Re-measurement - actuarial (gain)/loss - due to changes in experienced adjustments	(2.17)	(1.07)
Closing balance	**28.78**	**21.88**

ii) Balance sheet reconciliation

	As at March 31, 2020	As at March 31, 2019
Opening net liability	21.88	16.92
Additions through business combination (refer note 39)	3.68	-
Expense recognized in statement of profit and loss	6.37	5.97
Expense recognized in other comprehensive income	(1.00)	(0.83)
Benefit paid directly by the employer	(2.15)	(0.18)
Amounts recognized in the balance sheet	**28.78**	**21.88**

B Statement of profit and loss

i) Expense recognised in statement of profit or loss

	For the year ended March 31, 2020	For the year ended March 31, 2019
Current service cost	4.61	3.28
Net interest cost	1.76	2.69
Total	**6.37**	**5.97**

ii) Expense recognised in other comprehensive Income

	For the year ended March 31, 2020	For the year ended March 31, 2019
Remeasurements actuarial (gain) / loss	(1.00)	(0.83)
Total	**(1.00)**	**(0.83)**

C The principal assumptions used in determining gratuity obligations are shown below

	As at March 31, 2020	As at March 31, 2019
Discount rate	5% to 7%	7.07% to 7.70%
Future salary increases	7% to 15%	10% to 15%
Projected benefit obligation	6 years	6 years
Rate of employee turnover / withdrawal rate	10% to 54%	10% to 20%
Mortality rate during employment	IALM (2006-2008) or IALM (2012-14)	IALM (2006-2008)

Significant accounting policies and other explanatory information to the consolidated financial statements

(All amounts in ₹ million, except share and per share data, unless otherwise stated)

D The principal assumptions used in determining gratuity obligations are shown below

	As at March 31, 2020	As at March 31, 2019
Discount rate (- 1%)	4.25	4.03
Discount rate (+ 1%)	1.71	2.58
Salary Escalation Rate (- 1%)	2.20	2.67
Salary Escalation Rate (+ 1%)	3.49	3.87
Employee turnover (- 1%)	2.96	3.31
Employee turnover (+ 1%)	3.33	3.20

Methods and assumptions used in preparing sensitivity and their limitations: The liability was projected by changing certain assumptions and the total liability post the change in such assumptions have been captured in the table above. This sensitivities are based on change in one single assumption, other assumptions being constant. In practice, scenario may involve change in several assumptions where the stressed defined benefit obligation may be significantly impacted.

E Maturity analysis of projected benefit obligation

	As at March 31, 2020	As at March 31, 2019
1st following year	5.62	4.12
2nd following year	3.00	2.70
3rd following year	2.90	2.53
4th following year	2.79	2.39
5th following year	3.71	2.27
Sum of the year to 6 to 10	11.81	9.94
More than 10 years	14.23	-

III Compensated absences

The Group accures 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 the year end. The value of such leave balance eligible for carry forward, is determind 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 March 31, 2020: ₹ 4.87 million (March 31, 2019: ₹ 2.81 million)

Acturial assumptions

	As at March 31, 2020	As at March 31, 2019
Discount Rate(per annum)	6.24% - 6.87%	7.07%
Rate of salary increase	7% - 10%	10.00%
Rate of Employee turnover	10% - 15%	15.00%
Mortality rate	IALM(2006-2008) or IALM (2012-14)	Indian Assured lives Mortality (2006-08)
Expense recognized in statement of profit and loss	1.00	0.03

IV End of services benefit

“In respect of one subsidiary, end of service benefits, a long term employee benefit plan based on the period served by an employee in the organisation based on last drawn salary. The value of such benefit is determind on the basis of past period served by employees as at the balance sheet date. End of service benefit payable as at March 31, 2020 was ₹ 4.11 million (March 31, 2019: ₹ 3.53 million) and expense during the year ended March 31, 2020: ₹ 0.30 million (March 31, 2019: ₹ 0.02 million) (net of reversal).

Movement of end of service benefit is as follows”

	As at March 31, 2020	As at March 31, 2019
Opening balance	3.53	3.57
Add: Provision made during the year	0.30	0.02
Less: Payment made during the year	(0.11)	-
Add / (less): Adjustment on account of exchange translation	0.40	(0.06)
Closing balance	**4.12**	**3.53**

Significant accounting policies and other explanatory information to the consolidated financial statements

(All amounts in ₹ million, except share and per share data, unless otherwise stated)

32 Income Tax

I) Income tax expense in the statement of profit and loss consists of:

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019 (Restated)
Current income tax:		
Income tax (current year)	62.14	69.65
Income tax (earlier year)	-	17.89
Deferred tax charge/ (credit)	(70.33)	(38.54)
Income tax expense reported in the statement of profit or loss	(8.20)	49.00
Income tax recognised in other comprehensive income		
- Deferred tax arising on income and expense recognised in other comprehensive income	(0.27)	(0.67)
Total	**(8.47)**	**48.33**

II) The reconciliation between the provision of income tax of the Company and amounts computed by applying the Indian statutory income tax rate to profit before taxes is as follows:

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
(Loss)/profit before tax	(257.50)	92.79
Enacted income tax rate in India	25.17%	27.82%
Computed expected tax expense	(64.81)	25.81
Effects of unrecognized deferred tax assets	116.52	-
Effects of differential tax rates (overseas tax rates and tax laws)	(66.71)	(45.91)
Expenses not allowed for tax purpose	13.72	53.97
Income not considered for tax purpose	(12.13)	(4.67)
Tax of earlier year/s	-	17.89
Others	5.21	1.91
Total income tax expense	**(8.20)**	**49.00**

III) Deferred tax relates to the following: Balance sheet

Particulars	As at March 31, 2020	As at March 31, 2019
Property and equipment Impact of difference between tax depreciation and depreciation/ amortisation charged for the financial reporting	(5.34)	(7.62)
Impact of expenditure charged to statement of profit and loss in the current year but allowed for tax purposes on payment basis	23.21	35.90
Provision for expected credit loss	27.98	45.93
Intangible assets	(427.08)	(134.49)
Others	37.45	(23.22)
Net deferred tax assets/(liabilities)	**(343.78)**	**(83.50)**

IV) Reconciliation of deferred tax assets (net):

Particulars	As at March 31, 2020	As at March 31, 2019
Opening balance as of 1 April	(83.50)	(117.21)
Tax income/(expense) during the period recognised in profit or loss	70.33	38.54
Tax income/(expense) during the period recognised in other comprehensive income	0.27	1.19
Additions through business combination (refer note 39)	(334.91)	-
Exchange rate adjustments	4.03	(6.02)
Closing balance	**(343.78)**	**(83.50)**

Significant accounting policies and other explanatory information to the consolidated financial statements

(All amounts in ₹ million, except share and per share data, unless otherwise stated)

V) Deferred tax relates to the following: Statement of profit or loss

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Property and equipment Impact of difference between tax depreciation and depreciation charged for the financial reporting	2.28	(9.26)
Impact of expenditure charged to statement of profit and loss in the current year but allowed for tax purposes on payment basis	13.93	4.80
Provision for expected credit loss	17.95	17.12
Intangible assets	42.32	34.74
Others	(1.63)	(8.29)
Exchange rate adjustment	(4.52)	(0.57)
Net deferred tax benefit	**70.33**	**38.54**

VI) Note on undistributed profit of subsidiaries

The Group has not recognised deferred tax liability associated with undistributed earnings of its subsidiaries as it cannot control the timing of the reversal of these temporary differences and it is probable that such differences will not reverse in the foreseeable future.

The taxable temporary differences relating to investment in subsidiaries associated with respect to undistributed earnings for which a deferred tax liability has not been created:

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019 (Restated)
Undistributed Earnings	127.13	211.22
Unrecognised deferred tax liabilities relating to the above temporary	14.61	29.36

VII) Movement of deferred tax liabilities

Movement of deferred tax liabilities for the year enede March 31, 2020

Particulars	As at March 31 2019	Additions through business combination (refer note 39)	Recognized in profit and loss / other comprehensive income	As at March 31 2020
Deferred tax liability arising on account of:				
Property and equipment and intangible assets	142.11	334.91	44.60	**432.42**
Deferred tax asset arising on account of:				
Provision for doubtful debts	45.93		17.95	**27.98**
Others	12.68		(47.98)	**60.66**
Exchange difference adjustment	-	-	4.30	-
	83.50	**334.91**	**70.33**	**343.78**

Movement of deferred tax liabilities for the year enede March 31, 2019

Particulars	As at March 31 2019	Additions through business combination (refer note 39)	Recognized in profit and loss / other comprehensive income	As at March 31 2020
Deferred tax liability arising on account of:				
Property and equipment and intangible assets	169.96	-	27.85	**142.11**
Deferred tax asset arising on account of:				
Provision for doubtful debts	28.81	-	(17.12)	**45.93**
Others	23.94	-	11.26	**12.68**
Exchange difference adjustment			(4.83)	
	117.21	**-**	**38.54**	**83.50**

VIII) Movement of advance tax net off current tax liability

Particulars	For the year ended March 31, 2020
Balance as on April 01, 2019 (advance tax / (current tax liability))	57.86
Provision for tax expense during the year	(62.13)
Tax paid during the year net off refunds	121.08
Adjustment on account of translation of foreign subsidiaries	(1.75)
	115.06

Significant accounting policies and other explanatory information to the consolidated financial statements

(All amounts in ₹ million, except share and per share data, unless otherwise stated)

33 Share based payments

(a) During the year ended March 31, 2020, ESOP 2016, ESOP 2017 and Absolute Sports ESOP Trust schemes were in operation.

(i) Under the ESOP 2016, share options of the Company are granted to senior executives of the Company and its subsidiary employees with more than 12 months of service. The share options vest if within one years from the date of grant, the senior executive remains employed on such date. The Company has cross charged the expense at fair value to the Subsidiary in respect of the ESOPs granted to the employee of subsidiary.

The fair value of the share options is estimated at the grant date using Black Scholes pricing model, taking into account the terms and conditions upon which the share options were granted.

The contractual term of each option granted (comprising the vesting period and the exercise period) is six years. There are no cash settlement alternatives. The Company does not have a past practice of cash settlement for these share options.

On December 28, 2017, the shareholders of the Company approved for subdivision of 1 fully paid up equity share having face value of ₹ 10 each into 2.5 fully paid up equity share having face value of ₹ 4 each and issuance of bonus shares in the ratio of 4:1 with record date of January 4, 2018. Pursuant to this, the board of directors approved adjustment to exercise price and number of options to all outstanding stock options.

Accordingly, the outstanding 59,411 employee stock options convertible into equity shares of ₹ 10 each were converted into 742,638 employee stock options convertible into 1 equity share of ₹ 4 each and exercise price got revised from ₹ 2,929 per share to ₹ 234.32 per share. Each option entitled 1 equity share of ₹ 10 each to eligible employee of the Company and subsidiary.

(ii) Under the ESOP 2017, Each option entitled 1 equity share of ₹ 4 each to eligible employee of the Company and subsidiary.

(iii) 32,000 Equity shares of face value ₹ 1 each are held by Absolute Sports ESOP Trust ('Trust') for the purpose of issuing shares under the Company's Employee Stock Option Plan ('ESOP'). These equity shares held by the Trust were transferred to the Trust by Mr. Srinivas Rowjee Cuddapah, one of the shareholders in the Company. In accordance with the Trust deed, the shares held by the Trust are to be issued to eligible employees covered under the ESOP of the Company.

Under the above ESOP plan, options are granted to eligible employees with various vesting conditions. Maximum number of shares that can be issued under the ESOP plan is 32,000. The details of such options are given below.

(b) The Company has provided the following equity settled share-based payment schemes to its senior management. The details of the ESOP schemes are as follows:

Details of ESOP schemes are as follows:

Particulars	ESOP 2016	ESOP 2017	Absolute - Plan 1	Absolute - Plan 2
Date of grant	January 2, 2017	January 17, 2018	January 11, 2016	March 1, 2017
Date of board approval	November 24, 2016	December 11, 2017	11 January 2016	1 March 2017
Date of member approval	December 26, 2016	December 15, 2017	11 October 2012	11 October 2012
Number of options granted	59,411 to eligible employees of the Company and subsidiary company	562,733 to eligible employees of the subsidiary company	6,000 to eligible employees of the subsidiary company	4,000 to eligible employees of the subsidiary company
Method of settlement	Equity	Equity	Equity	Equity
Vesting period	One year	One year	Four years	Four years
Exercise period	Five years	Five years	Four years	Four years
Vesting conditions	100% vesting after one year	100% vesting after one year	100% vesting after four years	100% vesting after four years
Exercise price	₹ 2,929.00	₹ 282.91	₹ 1.00	₹ 1.00

There were no cancellations or modifications to the rewards during the year ended March 31, 2020.

The details of activity for the year ended March 31, 2020 are summarised below:

Particulars	ESOP 2016	ESOP 2017	Absolute ESOP
	Number of options	Number of options	Number of options
Outstanding at the beginning of the year	243,288	562,733	-
Additions through business combination	-	-	10,000
Granted during the year	-	-	-
Lapsed during the year	10,236	-	4,000
Outstanding at the end of the year	233,052	562,733	6,000
Exercisable at the end of the year	233,052	562,733	6,000
Weighted average remaining contractual life (in years) at the year end	2.75 years	3.75 years	-

Significant accounting policies and other explanatory information to the consolidated financial statements

(All amounts in ₹ million, except share and per share data, unless otherwise stated)

The details of activity for the year ended March 31, 2019 are summarised below:

Particulars	ESOP 2016	ESOP 2017
	Number of options	Number of options
Outstanding at the beginning of the year	742,638	562,733
Granted during the year	-	-
Forfeited during the year	-	-
Exercised during the year	499,350	-
Outstanding at the end of the year	243,288	562,733
Exercisable at the end of the year	243,288	562,733
Weighted average remaining contractual life (in years) at the year end	3.75 years	4.75 years

(c) **Computation of weighted average fair value considering the following inputs:**

Particulars	ESOP 2017	ESOP 2016	Absolute ESOP
Dividend yield (%)	0.00%	0.00%	0.00%
Expected volatility (%)	23.04%	25.00%	15.81%
Risk free interest rate (%)	7.16%	6.27%	7%
Spot price (₹)	563.03	4,524.33	2,049.07
Exercise price (₹)	282.91	2,928.75	1
Expected life of options granted (years)	3.5 years	3.5 years	0.5 years
Model used	Black Scholes	Black Scholes	Intrinsic value

The expected life of the share options are based on historical data and current expectations and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility over a period similar to the life of the options is indicative of future trends, which may not necessarily be the actual outcome.

(d) **The expense recognised for employee service received during the year is shown in the following table:**

	For the year ended March 31, 2020	For the year ended March 31, 2019
Expense arising from equity-settled share based payment transactions	-	164.53
	-	**164.53**

(ii) During the year ended March 31, 2019, the parent company granted 562,733 stock options to the key managerial personnal of the Company. In accordance with Ind AS 102 “Share based payments” an amount of ₹ 164.53 is recorded represented by the proportionate fair value of the above grant. The Company has accounted for this as an exceptional item in the statement of profit and loss.

Weighted average share price for options exercised during the year

	For the year ended March 31, 2020	For the year ended March 31, 2019
Weighted average share price		
ESOP 2016	-	547.00
ESOP 2017	-	-
Absolute Sports ESOP Trust	-	-

Significant accounting policies and other explanatory information to the consolidated financial statements

(All amounts in ₹ million, except share and per share data, unless otherwise stated)

34 Segment information

a) Description of segments and principal activities :

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM") of the Group. The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Managing Director and CEO of the Group. The Group has identified the following segments as reporting segments based on the information reviewed by CODM:

1 Telco subscription

2 Early learning

3 Freemium

4 E-sports

5 Real money gaming

b) Segment revenue and segment results

As at and for the year ended March 31, 2020

Description	Telco subscription	Early learning	Freemium	E-sports	Real money gaming	Total
Revenue	817.96	191.33	197.79	841.61	426.40	**2,475.09**
Segment results	206.59	(55.16)	(49.87)	(75.53)	(386.54)	(360.51)
Unallocated corporate expense	-	-	-	-	-	12.79
Other income	-	-	-	-	-	133.92
Profit before exceptional item and tax						**(239.38)**
Share of net (loss) of associate by using equity method	-	-	-	-	-	18.12
Profit before tax						**(257.50)**
Tax expense	-	-	-	-	-	(8.20)
Profit for the year						**(249.30)**
Segment assets	**641.61**	**1,672.43**	**961.82**	**1,218.88**	**491.08**	**4,985.82**
Unallocated corporate assets	-		-	-	-	2,919.96
Total assets						**7,905.78**
Segment liabilities	**56.25**	**402.77**	**409.52**	**151.44**	**32.95**	**1,052.93**
Unallocated corporate liabilities	-		-	-	-	859.38
Total liabilities						**1,912.32**
Other disclosures						
Investments in associates	-	-	-	-	-	36.93
Investments in joint venture	-	-	-	-	-	43.58
Depreciation and amortisation	-	-	-	-	-	324.95

As at and for the year ended March 31, 2019 (Restated)

Description	Telco subscription (Restated)	Early learning	Freemium (Restated)	E-sports (Restated)	Real money gaming (*)	Total
Revenue	961.02	-	245.63	491.66	-	**1,698.31**
Segment results	249.35	-	(4.63)	(63.12)	-	**181.60**
Unallocated corporate expense (**)	-	-	-	-	-	242.42
Other income	-	-	-	-	-	163.08
Profit before exceptional item and tax						**102.26**
Share of net (loss) of associate by using equity method	-	-	-	-	-	(9.47)
Profit before tax						**92.79**
Tax expense	-	-	-	-	-	49.00
Profit for the year						**43.79**
Segment assets	**618.13**	**-**	**478.96**	**1,203.30**	**-**	**2,300.39**
Unallocated corporate assets	-	-	-	-	-	2,917.33
Total assets						**5,217.72**
Segment liabilities	**179.49**	**-**	**36.55**	**199.46**	**-**	**415.50**
Unallocated corporate liabilities	-	-	-	-	-	313.64
Total liabilities						**729.14**

Significant accounting policies and other explanatory information to the consolidated financial statements

(All amounts in ₹ million, except share and per share data, unless otherwise stated)

Description	Telco subscription (Restated)	Early learning	Freemium (Restated)	E-sports (Restated)	Real money gaming (*)	Total
Other disclosures						
Investments in associates	-	-	-	-	-	303.11
Depreciation and amortisation	-	-	-	-	-	156.46

(*) Real money gaming was not analysed as a separate segment till March 31, 2019 as it constituted less than 10% of Groups's revenues.

(**) Unallocated corporate expense includes ESOP expense amounting to ₹ 164.53 million and foreign exchange loss of ₹ 33.47 million.

Note There is no inter segment revenue and entire revenue is from external customers only.

c) Reconciliation of assets

	As at March 31, 2020	As at March 31, 2019 (Restated)
Segment assets	**4,985.82**	**2,300.39**
Non-current assets		
Investment	216.45	435.29
Other financial assets	68.40	60.74
Deferred tax assets	89.58	62.95
Other non-current assets	138.37	71.50
Current assets		
Financial assets		
Investments	366.54	839.56
Cash and cash equivalents	1,867.04	1,332.67
Other financial assets	17.28	19.41
Other current assets	156.30	95.20
Total assets	**7,905.78**	**5,217.71**

d) Reconciliation of liabilities

	As at March 31, 2020	As at March 31, 2019 (Restated)
Segment liabilities	**1,052.93**	**415.50**
Non-current liabilities		
Provisions	27.28	25.41
Other financial liabilities	-	68.16
Deferred tax assets (net)	433.36	146.45
Current liabilities		
Trade payables	92.44	10.92
Other current liabilities	43.97	21.97
Other financial liabilities	242.11	28.14
Current tax liabilities (net)	20.23	12.59
Total liabilities	**1,912.32**	**729.14**

35 A Financial assets and financial liabilities

a) Financial assets at fair value through profit and loss

	Carrying value		Fair value	
	As at March 31, 2020	As at March 31, 2019	As at March 31, 2020	As at March 31, 2019
Investments in mutual fund	291.83	696.22	291.83	696.22
Investments in convertible preference shares	23.77	21.97	23.77	21.97
Investment in Instasportz Consultancy Private Limited	10.00	10.00	10.00	10.00
Investment in MoongLabs Technologies Private Limited	-	7.50	-	7.50
Investment in AFK Gaming Private Limited	5.75	5.75	5.75	5.75
Investment in Khichadi Technologies Private Limited	7.50	-	7.50	-
Total	**338.85**	**741.44**	**338.85**	**741.44**

Significant accounting policies and other explanatory information to the consolidated financial statements

(All amounts in ₹ million, except share and per share data, unless otherwise stated)

b) Financial assets at fair value through other comprehesive income

	Carrying value		Fair value	
	As at March 31, 2020	As at March 31, 2019	As at March 31, 2020	As at March 31, 2019
Financial assets - current				
Investments in tax free bonds	74.71	60.33	74.71	60.33
Total	**74.71**	**60.33**	**74.71**	**60.33**

c) Financial assets and liabilities at amortized cost

	Carrying value		Amortised cost	
	As at March 31, 2020	As at March 31, 2019	As at March 31, 2020	As at March 31, 2019
Financial assets - non-current				
Loans	18.67	2.00	18.67	2.00
Investments in debentures	88.93	86.96	88.93	84.30
Other financial assets	68.40	60.74	68.40	60.74
Financial assets - current				
Trade receivable	884.19	460.10	884.19	460.10
Cash and cash equivalents	720.88	532.61	720.88	532.61
Other bank balances	1,146.16	800.06	1,146.16	800.06
Investments in debentures	-	83.01	-	83.01
Loans	16.94	2.41	16.94	2.41
Other financial assets	635.79	413.05	635.79	413.05
Total financial assets	**3,579.96**	**2,440.94**	**3,579.96**	**2,438.28**
Financial liabilities - non-current				
Lease liabilities	20.10	-	20.10	-
Other financial liabilities	-	68.16	-	68.16
Financial liabilities - current				
Trade payable	689.73	249.04	689.73	249.04
Lease liabilities	60.26	-	60.26	-
Other financial liabilities	357.89	170.95	357.89	170.95
Total liabilities	**1,127.98**	**488.15**	**1,127.98**	**488.15**

Notes

1. Financial assets and liabilities include cash and cash equivalents, tax free deposits, trade receivables, unbilled receivables, finance lease receivables, employee and other advances, eligible current and non-current assets, trade payables, and eligible current liabilities and non-current liabilities. The fair value of cash and cash equivalents, trade receivables, unbilled receivables, trade payables, other current financial assets and liabilities approximate their carrying amount largely due to the short-term nature of these instruments. Investment in mutual funds measured using net asset values at the reporting date multiplied by the quantity held, which represents the fair value of these instruments.
2. The fair values of lease liabilities, security deposits, loans and other financial assets and liabilities are considered to be the same as their carrying values, as there is an immaterial change in the lending rates.

B Fair value hierarchy for assets and liabilties

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 under current market conditions.

The Group categorizes assets and liabilities measured at fair value into one of three levels depending on the ability to observe inputs employed in their measurement which are described as follows:

Level 1: Quoted (unadjusted) prices in active markets for identical assets or liablities

Level 2: Other techniques for which all inputs which have a signifcant effect on the recorded fair values are observable, either directly or indirectly.

Level 3: Techniques which use inputs that have a signifcant effect on the recorded fair value that are not based on observable market data. The following table provides the fair value measurements hierarchy of the Group's assets and liabilities:

Fair value measurements hierarchy of the Group's assets and liabilities as at March 31, 2020:

	Date of valuation	Quoted prices in active market (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
Financial assets - non-current					
Investments in debentures	March 31, 2020	79.06	-	-	**79.06**
Investments in convertible preference shares	March 31, 2020	-	-	23.77	**23.77**
Investment in Instasportz Consultancy Private Limited	March 31, 2020	-	-	10.00	**10.00**
Investment in AFK Gaming Private Limited	March 31, 2020	-	-	5.75	**5.75**
Investment in Khichdi Technologies Private Limited	March 31, 2020	-	-	7.50	**7.50**
Financial assets - current					
Investments in mutual fund	March 31, 2020	291.83	-	-	**291.83**
Investments in tax free bonds	March 31, 2020	74.71	-	-	**74.71**
Total financial assets		**445.60**	**-**	**47.02**	**492.62**

Significant accounting policies and other explanatory information to the consolidated financial statements

(All amounts in ₹ million, except share and per share data, unless otherwise stated)

Fair value measurements hierarchy of the Group's assets and liabilities as at March 31, 2019:

	Date of valuation	Quoted prices in active market (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
Financial assets - non-current					
Investments in debentures	March 31, 2019	86.96	-	-	**86.96**
Investments in convertible preference shares	March 31, 2019	-	-	21.97	**21.97**
Investment in Instasportz Consultancy Private Limited	March 31, 2019	-	-	10.00	**10.00**
Investment in MoongLabs Technologies Private Limited	March 31, 2019	-	-	7.50	**7.50**
Investment in Afk Gaming Private Limited	March 31, 2019	-	-	5.75	**5.75**
Financial assets - current					
Investments in mutual fund	March 31, 2019	696.22	-	-	**696.22**
Investments in tax free bonds	March 31, 2019	60.33	-	-	**60.33**
		-	-		
Total financial assets		**843.51**	**-**	**45.22**	**888.73**

There have been no transfer between Level 1, Level 2 and Level 3 during the period March 31, 2020 and March 31, 2019.

C Valuation inputs and relationships to fair value

The following table summarizes the quantitative information about significant unobservable inputs used in level 3 fair value measurement:

	Valuation technique	Significant unobservable inputs	Range (weighted average)		Sensitivity of the input to fair value
			March 31, 2020	**March 31, 2019**	
Unquoted convertible preference shares of Hashcube Inc.	DCF method	Long-term growth rate for cash flows for subsequent years.	4.5% - 5.5%	1.5% - 2.5%	A 50 bps decrease in growth rate with a 100 bps increase in discount rate would reduce the Fair Value by ₹ 0.75 million; and an increase in growth rate by 50 bps with a decrease in discount rate by 100 bps would increase the fair value by ₹ 1.13 million.
		WACC	16.65% - 18.65%	10.87% -11.87%	
Unquoted Equity Shares of Instasportz Consultancy Private Limited	DCF method	Long-term growth rate for cash flows for subsequent years.	4.5% - 5.5%	7.5% - 8.5%	A 50 bps decrease in growth rate with a 100 bps increase in discount rate would reduce the fair value by ₹ 0.96 million; and an increase in growth rate by 50 bps with a decrease in discount rate by 100 bps would increase the fair value by ₹ 1.17 million.
		WACC	19.15% - 21.15%	14.50% - 15.50%	
Unquoted convertible preference shares of Khichadi Technologies Private Limited	DCF method	Long-term growth rate for cash flows for subsequent years.	4.5% - 5.5%	-	A 50 bps decrease in growth rate with a 100 bps increase in discount rate would reduce the fair value by ₹ 1.04 million; and an increase in growth rate by 50 bps with a decrease in discount rate by 100 bps would increase the fair value by ₹ 1.26 million.
		WACC	19.04% - 21.04%	-	
Unquoted Equity Shares of AFK Gaming Private Limited	DCF method	Long-term growth rate for cash flows for subsequent years.	1.5% - 2.5%	-	A 50 bps decrease in growth rate with a 100 bps increase in discount rate would reduce the fair value by ₹ 3.52 million; and an increase in growth rate by 50 bps with a decrease in discount rate by 100 bps would increase the fair value by ₹ 1.45 million.
		WACC	19.89% - 21.89%	-	

Significant accounting policies and other explanatory information to the consolidated financial statements

(All amounts in ₹ million, except share and per share data, unless otherwise stated)

36 Financial risk management objectives and policies

The Group's principal financial liabilities include trade and other payables. The main purpose of these financial liabilities is to finance the Group's operations. The Group's principal financial assets include trade and other receivables and cash and cash equivalents that derive directly from its operations. The Group also holds investments in mutual funds and debt instruments.

The Group is exposed to market risk, credit risk and liquidity risk. The Group's senior management oversees the management of these risks. The Group's senior management ensures that the Group's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with theGroup's policies and risk objectives. The Board of Directors of Holding Company and other group companies reviews and agrees policies for managing each of these risks, which are summarised below.

A) 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 three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include deposits, mututal funds and debt investments. The sensitivity analysis in the following sections relate to the financial position as at March 31, 2020 and March 31, 2019.

The analysis exclude the impact of movements in market variables on: the carrying values of gratuity and other post-retirement obligations; provisions; and the non-financial assets and liabilities of foreign operations.

The following assumptions have been made in calculating the sensitivity analysis:

The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at March 31, 2020 and March 31, 2019.

(I) Equity / investment price risk

The Group has made several strategic investments (including unlisted subsidiaries, associates and other investee companies). Some of these are startups (early stage) companies where other are in their growth phase.

These unlisted investments are susceptible to market price risks (impairment) arising from uncertainities about the time of the gaming industry in India and globally, which could impact their recoverable values. The Group manages the equity price risk through diversification and invests across several gaming companies. The Holding Company's Board of Directors review and approve all such investments. Group has also investments in tax free bonds, other bonds and mutual funds which are accounted for at amortised cost, fair value through other comprehensive income and fair value through profit and loss repectively. To manage the price risk arising from investments, the Group has diversified its portfolio of assets. At the reporting date, the exposure to such investments have been provided in refer note 35.

(II) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in forign exchange rates relates primarily to the Group's operating activities (when revenue or expense is denominated in a foreign currency) and the Group's net investments in foreign subsidiaries. The Group did not enter into any derivative instruments for hedge or speculation. The year end foreign currency exposures are given below:

(i) Amounts receivable in foreign currency on account of the following:

Currency	Particulars	As at March 31, 2020		As at March 31, 2019	
		Amount in foreign currency	Amount in ₹ million	Amount in foreign currency	Amount in ₹ million
USD	Cash and bank balances	9.48	711.67	5.63	391.06
	Trade receivable	7.07	531.10	3.02	209.09
	Other current assets	3.02	226.62	3.58	248.62
	Non-current investments	1.50	112.65	0.32	21.97
EUR	Trade receivable	0.35	29.24	1.87	144.13
AED	Cash and bank balances	31.50	643.92	31.65	598.49
	Trade receivable	0.84	17.19	1.38	26.01
	Other current assets	4.17	85.30	4.36	82.52
	Security deposits	-	-	0.02	0.34
Thai Bhatt	Cash and bank balances	0.03	0.07	-	-
NGN	Cash and bank balances	293.46	59.78	212.03	40.90
	Trade receivable	122.63	24.98	161.32	31.12
	Other current assets	250.28	52.23	252.52	48.71

Significant accounting policies and other explanatory information to the consolidated financial statements

(All amounts in ₹ million, except share and per share data, unless otherwise stated)

Currency	Particulars	As at March 31, 2020		As at March 31, 2019	
		Amount in foreign currency	Amount in ₹ million	Amount in foreign currency	Amount in ₹ million
KES	Cash and bank balances	227.79	164.01	234.19	161.36
	Trade receivable	5.83	4.20	2.31	1.59
	Other current assets	22.75	15.74	24.67	17.00
ZMW	Cash and bank balances	0.39	1.65	0.64	3.62
	Trade receivable	0.95	3.79	0.27	1.53
	Other current assets	0.18	0.75	0.23	1.31
UGX	Cash and bank balances	592.33	11.74	471.35	8.81
	Other current assets	387.49	7.68	171.57	3.21
BDT	Cash and bank balances	37.03	32.67	35.94	29.66
	Trade receivable	2.28	2.01	3.76	3.10
	Other current assets	14.61	12.89	14.71	12.14
Total			**2,751.88**		**2,086.29**

(iii) Amounts payable in foreign currency on account of the following:

Currency	Particulars	As at March 31, 2020		As at March 31, 2019	
		Amount in foreign currency	Amount in ₹ million	Amount in foreign currency	Amount in ₹ million
USD	Trade payable	4.73	355.01	1.73	120.17
USD	Other current liabilities	0.00	0.07	-	-
EUR	Trade payable	0.29	24.35	-	-
SGD	Trade payable	-	-	0.01	0.54
GBP	Trade payable	0.01	1.09	0.00	0.18
AED	Trade payable	2.20	44.90	0.92	17.46
NGN	Trade payable	12.08	2.46	11.52	2.22
KES	Trade payable	31.93	22.99	9.43	6.50
ZMW	Trade payable	0.53	2.23	0.12	0.71
UGX	Trade payable	26.74	0.53	30.56	0.57
BDT	Trade payable	0.31	0.27	0.74	0.61
Total			**453.90**		**148.96**

(iv) Foreign currency sensitivity

5% increase or decrease in foreign exchange rates will have the following impact on comprehensive income/ (loss)

Currency	As at March 31, 2020		As at March 31, 2019	
	5% increase	5% decrease	5% increase	5% decrease
USD	61.35	(61.35)	37.53	(37.53)
EUR	0.24	(0.24)	7.21	(7.21)
AED	35.08	(35.08)	34.49	(34.49)
BDT	2.37	(2.37)	2.21	(2.21)
NGN	6.73	(6.73)	5.93	(5.93)
KES	8.08	(8.08)	8.67	(8.67)
UGX	0.94	(0.94)	0.57	(0.57)
Other currencies	0.15	(0.15)	0.25	(0.25)
Total	**114.94**	**(114.94)**	**96.87**	**(96.86)**

Significant accounting policies and other explanatory information to the consolidated financial statements

(All amounts in ₹ million, except share and per share data, unless otherwise stated)

B) Credit risk

Credit risk is the risk that 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 (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure.

The Group assesses and manages credit risk based on internal credit rating system. Internal credit rating is performed for each class of financial instruments with different characteristics. The Group assigns the following credit ratings to each class of financial assets based on the assumptions, inputs and factors specific to the class of financial assets.

(i) Low credit risk

(ii) Moderate credit risk

(iii) High credit risk

Trade receivables

Trade receivables and unbilled revenue are typically unsecured and are derived from revenue earned from customers. Credit risk has always been managed by each business segment through credit approvals, establishing credit limits and continuously monitoring the credit worthiness of customers to which the Group grants credit terms in the normal course of business.

On account of adoption of Ind AS 109, the Group uses expected credit loss model to assess the impairment loss or gain. The Group uses a provision matrix to compute the expected credit loss allowance for trade receivables and unbilled revenues. 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 March 31, 2020 and March 31, 2019 receivables (including unbilled) from Company's top 5 customers accounted for approximately 54.90% and 40.61%, respectively of all the receivables (including unbilled) outstanding. As at March 31, 2020 receivable (including unbilled) from one top customer accounted for 28.46% of all receivable (including unbilled) outstanding (March 31, 2019 : 29.22%). 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 note 9. The Company does not hold collateral as security.

The Group 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.

Movement of expected credit loss as at March 31, 2020 is as follows:

	As at March 31, 2020	As at March 31, 2019
Opening balance	176.41	89.78
Add: Provision for expected credit loss made during the year	3.01	91.86
Less: Utilisation of provision	(62.54)	(5.23)
Closing balance	**116.88**	**176.41**

Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Management. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

The Group's maximum exposure to credit risk for the components of the balance sheet at March 31, 2020 and March 31, 2019 is the carrying amounts as illustrated in note 36A.

C) Liquidity risk

Liquidity risk is the risk that the Group will not be able to settle or meet its obligations as they fall due.The Group's policy on liquidity risk is to maintain sufficient liquidity in the form of cash and investment in liquid mutual funds to meet the Group's operating requirements with an appropriate level of headroom. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Group's net liquidity position through rolling forecasts on the basis of expected cash flows.

Maturity profile of financial liabilities

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments.

As at March 31, 2020	Less than 1 year	1 to 5 years	More than 5 years	Total
Trade payables	689.73	-	-	689.73
Other financial liabilities	357.89	-	-	357.89
Lease liabilities	20.10	60.26		80.36
Total	**1,067.72**	**60.26**	**-**	**1,127.98**

Significant accounting policies and other explanatory information to the consolidated financial statements

(All amounts in ₹ million, except share and per share data, unless otherwise stated)

As at March 31, 2019	Less than 1 year	1 to 5 years	More than 5 years	Total
Trade payables	249.04	-	-	249.04
Other financial liabilities	170.95	-	-	170.95
Non-controlling interest put options	-	68.16	-	68.16
Total	**419.99**	**68.16**	**-**	**488.15**

36A Capital management

For the purpose of the Group's capital management, capital includes issued equity capital, securities premium and all other equity reserves attributable to the equity shareholders. The primary purpose is to maximise the shareholders value.

The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The capital structure is governed by policies approved by Board of Directors and is monitored by various matrices, funding requirements are reviewed periodically.

37 Disclosure as per Schedule III of the Companies Act 2013

a) Statement showing shares of entities in consolidated net assets and consolidated statement of profit and loss as at and for the year ended March 31, 2020

Name of the entity in the Group	Net assets i.e. total assets minus total liabilities		Share in profit and loss		Share in total comprehensive income / loss	
	As % of consolidated net assets	Amount	As % of consolidated profit	Amount	As % of consolidated profit	Amount
(A) Holding company						
Nazara Technologies Limited	52.48%	3,145.13	-54.58%	136.08	-174.30%	150.63
(B) Subsidiaries						
Nazara Technologies FZ LLC	13.06%	782.61	-9.10%	22.68	-89.74%	77.56
Nazara Pte Limited	5.42%	324.89	-10.10%	25.18	-57.36%	49.57
Nazara Pro Gaming Private Limited	-0.02%	(0.91)	2.08%	(5.18)	6.00%	(5.18)
Nextwave Multimedia Private Limited	-0.42%	(25.00)	1.54%	(3.84)	4.44%	(3.84)
Nodwin Gaming Private Limited	-3.05%	(182.58)	6.70%	(16.70)	19.32%	(16.70)
Absolute Sports Private Limited	-0.05%	(2.98)	0.90%	(2.25)	2.60%	(2.25)
Crimzone Code Private Limited	0.04%	2.46	1.09%	(2.71)	3.13%	(2.70)
Halaplay Technologies Private Limited	-2.45%	(146.97)	41.84%	(104.29)	120.68%	(104.29)
Paper boat Apps Private Limited	-0.50%	(30.04)	8.88%	(22.14)	25.61%	(22.14)
(C) Stepdown subsidiaries						
Nazara Technologies	8.43%	505.13	-8.84%	22.04	-106.17%	91.76
Nazara Zambia Limited	0.07%	4.15	0.33%	(0.83)	-0.04%	0.04
Nzmobile Nigeria Limited	3.34%	200.43	0.89%	(2.21)	5.53%	(4.78)
Nzmobile Kenya Limited	2.79%	167.30	-4.88%	12.16	-21.68%	18.74
Nazara Uganda Limited	0.35%	21.02	-0.18%	0.46	-0.38%	0.33
Nazara Bangladesh Limited	0.81%	48.68	0.05%	(0.12)	-0.06%	0.06
Nzworld Kenya Limited	0.89%	53.33	14.58%	(36.34)	48.61%	(42.01)
Nodwin International	2.21%	132.55	-0.41%	1.03	-1.26%	1.08
KIDDOPIA INC	0.12%	7.13	-0.04%	0.11	-0.14%	0.12
(D) Non-controlling interest in subsidiaries and stepdown subsidiaries	15.13%	906.66	102.01%	(254.31)	294.25%	(254.31)
(E) Associate of subsidiary						
Mastermind Sports Limited	0.47%	28.03	-0.09%	0.24	-0.27%	0.24
Moong Lab technologies Private Limited	0.15%	8.90	0.44%	(1.10)	1.28%	(1.10)
Halaplay Technologies Private Limited	-	-	-2.55%	6.36	-7.35%	6.35
Crimzone Code Technologies Private Limited	-	-	2.52%	(6.28)	7.27%	(6.28)
(F) Joint venture						
Sports Unity Private Limited	0.73%	43.58	6.95%	(17.32)	20.04%	(17.32)
Total	**100%**	**5993.47**	**100%**	**(249.31)**	**100%**	**(86.42)**

Significant accounting policies and other explanatory information to the consolidated financial statements

(All amounts in ₹ million, except share and per share data, unless otherwise stated)

b) Statement showing shares of entities in consolidated net assets and consolidated statement of profit and loss as at and for the year ended March 31, 2019

Name of the entity in the Group	Net assets i.e. total assets minus total liabilities		Share in profit and loss		Share in total comprehensive income / loss	
	As % of consolidated net assets	Amount	As % of consolidated profit	Amount	As % of consolidated profit	Amount
(A) Holding company						
Nazara Technologies Limited	36.54%	1,639.99	49.80%	21.81	13.78%	21.85
(B) Subsidiaries						
Nazara Technologies FZ LLC	15.42%	692.12	196.78%	86.18	81.39%	129.02
Nazara Pte Limited	6.16%	276.55	165.77%	72.60	54.21%	85.93
Nazara Pro Gaming Private Limited	0.00%	0.07	-0.07%	(0.03)	-0.02%	(0.03)
Nextwave Multimedia Private Limited	3.86%	173.47	-181.48%	(79.48)	-50.12%	(79.46)
Nodwin Gaming Private Limited	9.19%	412.29	-58.02%	(25.41)	-16.81%	(26.65)
(C) Stepdown subsidiaries						
Nazara Technologies	18.76%	842.01	232.72%	101.92	94.05%	149.08
Nzmobile Nigeria Limited	-0.98%	(44.04)	-10.37%	(4.54)	1.46%	2.31
Nzmobile Kenya Limited	2.57%	115.55	6.28%	2.75	6.18%	9.80
Nazara Zambia Limited	-0.06%	(2.72)	-3.61%	(1.58)	-1.12%	(1.77)
Nazara Uganda Limited	-0.06%	(2.49)	1.03%	0.45	0.38%	0.61
Nazara Bangladesh Limited	-0.05%	(2.29)	-4.04%	(1.77)	-1.34%	(2.12)
Nzworld Kenya Limited	-0.27%	(11.95)	-27.56%	(12.06)	-7.59%	(12.01)
(D) Non-controlling interest in subsidiaries and stepdown subsidiaries	9.12%	409.49	-245.66%	(107.59)	-68.49%	(108.58)
(E) Associate of subsidiary						
Mastermind Sports Limited	0.01%	0.26	0.59%	0.26	0.16%	0.26
(F) Associate of Holding Company						
Crimzone Code Private Limited	-0.07%	(3.35)	-7.65%	(3.35)	-2.11%	(3.35)
Halaplay Technologies Private Limited	-0.14%	(6.38)	-14.57%	(6.38)	-4.02%	(6.38)
	100%	**4,488.58**	**100%**	**43.79**	**100%**	**158.52**

38 Materially partly owned subsidiaries

A) Investment in subsidiaries

Financial information of subsidiaries that have material non-controlling interests is provided below:

Subsidiary	Activities	Nazara's Holding %	Non controlling interest	Principal place of business
Halaplay Technologies Private Limited (refer note 1 below)	Daily Fantasy Sports (DFS) Platform that empowers serious and casual sports enthusiasts to play cash based quick simple and interesting Games	38.40%	61.60%	India
Next Wave Multimedia Private Limited	Subscription, Download of games and other Content	52.38%	47.62%	India
Nodwin Gaming Private Limited	Event Management for gaming events	54.99%	45.01%	India
Absolute Sports Private Limited	Sports website, Live scores application	62.16%	37.84%	India
Paper Boat Apps Private Limited	Edutainment Mobile Application	50.91%	49.09%	India
Nz World Kenya Limited	Subscription, Download of games and other Content	70.00%	30.00%	Kenya

Note:

1 The Group invested in Halaplay Technologies Private Limited and had interest in associate till April 8, 2019. From April 8, 2019, the Group acquired control over Halaplay after co-investor relinquished its decision making rights over significant and relevant matters.

Significant accounting policies and other explanatory information to the consolidated financial statements

(All amounts in ₹ million, except share and per share data, unless otherwise stated)

Information regarding non-controlling interest

Particulars	Next Wave Multimedia Private Limited	Nodwin Gaming Private Limited	Halaplay Technologies Private Limited	Absolute Sports Private Limited	Paper Boat Apps Private Limited	NZ World Kenya	Total
As at April 1, 2018	**108.57**	**311.56**	**-**	**-**	**-**	**-**	**420.13**
(Losses) during the year (restated)	(77.61)	(25.82)	-	-	-	(5.14)	**(108.58)**
Allocation of Non-reciprocal Capital Contribution	97.93	-					**97.93**
As at March 31, 2019 (restated)	**128.89**	**285.74**	**-**	**-**	**-**	**(5.14)**	**409.49**
As at April 1, 2019 (restated)	128.89	285.74	-	-	-	(5.14)	409.49
On account of business combination	-	-	170.15	91.24	380.98	-	642.37
(Losses) during the year	(3.50)	(13.67)	(199.20)	(1.37)	(21.35)	(15.22)	(254.31)
Adjustment due to change in stake without change in control	-	-	37.12	-	-	-	37.12
Increase in issued share capital	-	-	71.99	-	-	-	71.99
Closing Balance	**125.39**	**272.07**	**80.06**	**89.87**	**359.63**	**(20.36)**	**906.66**

a) **Summarised statement of profit and loss for the year ended**

Particulars	Next Wave Multimedia Private Limited	Nodwin Gaming Private Limited	NZ World Kenya	Next Wave Multimedia Private Limited	Nodwin Gaming Private Limited	NZ World Kenya
	March 31, 2020	**March 31, 2020**	**March 31, 2020**	**March 31, 2019**	**March 31, 2019**	**March 31, 2019**
Revenue	136.76	936.56	42.09	154.06	501.25	1.20
Other income	3.82	7.44	(0.20)	-	-	0.00
Employee benefit	33.34	51.56	5.19	195.55	26.90	1.25
Finance cost	1.87	0.15	0.35	1.26	0.06	0.77
Depreciation and amortization	57.46	139.73	2.84	50.87	92.61	-
Other expenses	62.22	805.63	106.00	61.68	459.32	23.71
Loss before tax	**(14.31)**	**(53.07)**	**(72.49)**	**(155.30)**	**(77.64)**	(24.53)
Income tax expense	(7.06)	(22.89)	(21.75)	7.71	(22.51)	(7.39)
Loss for the year	**(7.25)**	**(30.18)**	**(50.74)**	**(163.01)**	**(55.13)**	**(17.14)**
Other comprehensive income						
Items that will not be reclassified subsequently to the to profit and loss						
Remeasurements of post-employment benefit obligation	(0.13)	(0.26)	-	0.03	(1.84)	-
Income tax relating to items that will not be reclassified to profit and loss	0.04	0.07	-	-	(0.40)	-
Other comprehensive income/(loss) for the year	**(0.09)**	**(0.19)**	**-**	**0.03**	**(2.24)**	-
Total comprehensive loss for the year	**(7.34)**	**(30.37)**	**(50.74)**	**(162.98)**	**(57.37)**	(17.14)
Attributable to non-controlling interests	**(3.50)**	**(13.67)**	**(15.22)**	**(77.61)**	**(25.82)**	**(5.14)**

Notes

1 The subsidiaries had no contingent liabilities or commitments as at March 31, 2020 and March 31, 2019.

Particulars	Halaplay Technologies Private Limited	Absolute Sports Private Limited	Paper Boat Apps Private Limited
	Period from April 8, 2019 to March 31, 2020	**Period from September 30, 2019 to March 31, 2020**	**Period from January 18, 2020 to March 31, 2020**
Revenue	374.55	67.30	191.33
Other income	0.20	4.04	5.45
Employee benefit	30.16	28.78	8.28
Finance Cost	0.71	1.31	0.67
Depreciation and amortization	36.18	10.33	20.60
Other Expenses	619.34	35.11	215.51
Profit before exceptional item and tax	**(311.64)**	**(4.19)**	**(48.28)**
Income tax expense	(8.15)	(0.12)	(4.78)
Profit/(loss)for the period	**(303.49)**	**(4.07)**	**(43.50)**
Other comprehensive income			
Items that will not be reclassified subsequently to the to profit or loss			
Remeasurements of post-employment benefit obligation	-	(0.45)	(0.01)
Income tax relating to items that will not be reclassified to profit or loss	-	-	-
Other comprehensive income/(loss) for the year	**-**	**(0.45)**	(0.01)
Total comprehensive loss for the year	**(303.49)**	**(3.62)**	**(43.49)**
Attributable to non-controlling interests	**(199.20)**	**(1.37)**	**(21.35)**

Significant accounting policies and other explanatory information to the consolidated financial statements

(All amounts in ₹ million, except share and per share data, unless otherwise stated)

b) Summarised balance sheet

Particulars	Next Wave Multimedia Private Limited	Nodwin Gaming Private Limited	NZ World Kenya	Next Wave Multimedia Private Limited	Nodwin Gaming Private Limited	NZ World Kenya
	Year ended March 31, 2020	Year ended March 31, 2020	Year ended March 31, 2020	Year ended March 31, 2019	Year ended March 31, 2019	Year ended March 31, 2019
Non-current assets	**122.67**	**197.46**	**41.08**	**89.48**	**256.85**	**19.85**
(a) Property and equipment	8.71	3.22	0.41	9.97	2.82	-
(b) Right-of-use assets	8.92	4.82	-	-	-	-
(c) Intangible assets	53.94	176.68	10.09	67.07	241.43	12.49
(d) Intangible assets under development	49.73	-	-	6.83	-	-
(e) Deferred tax asset	-	1.67	30.58	-	1.56	7.37
(f) Investments	-	5.75	-	-	5.75	-
(g) Income tax asset	1.37	5.32	-	-	5.29	-
(h) Other non current financial assets	-	-	-	5.61	-	-
Current assets	**81.30**	**763.88**	**12.30**	**98.53**	**317.51**	**5.17**
(a) Investments	40.44	-	-	38.06	-	-
(b) Trade receivables	23.41	478.67	-	24.89	213.20	-
(c) Cash and cash equivalents	13.80	185.41	11.25	32.10	56.26	0.47
(d) Other bank balance	-	-	-	0.01	-	1.41
(e) Others	2.30	22.28	0.61	2.44	14.85	-
(f) Other current assets	1.35	77.52	0.44	1.03	33.20	3.29
Total assets	**203.97**	**961.34**	**53.38**	**188.01**	**574.36**	**25.03**
Non current liabilities	**16.68**	**5.24**	**-**	**14.76**	**2.59**	**-**
(a) Borrowings	-	-	-	-	-	-
(b) Non current provisions	3.51	3.81	-	-	2.59	-
(c) Lease liability	4.46	1.43	-	-	-	-
(d) Other financial liabilities	-	-	-	11.51	-	-
(e) Deferred tax liability	8.71	-	-	3.25	-	-
Current liability	**14.97**	**557.73**	**121.26**	**14.05**	**188.28**	**42.15**
(a) Borrowings	-	-	-	-	176.62	-
(b) Trade payables	0.47	523.82	14.42	4.14	0.35	40.36
(c) Short term provisions	1.10	0.52	-	-	-	-
(d) Lease liability	4.20	3.46	-	-	1.61	-
(e) Other financial liabilities	6.63	17.46	96.90	3.26	-	0.17
(f) Current tax liability	0.78	1.89	-	6.65	9.70	-
(g) Other current liabilities	1.79	10.58	9.94	-	-	1.62
Total liabilities	**31.65**	**562.97**	**121.26**	**28.81**	**190.87**	**42.15**
Total equity	**172.32**	**398.37**	**(67.88)**	**159.20**	**383.49**	**(17.12)**
Intangible assets	121.60	275.43	-	154.40	348.30	-
Deferred tax liability	30.61	69.33	-	42.93	96.95	-
Net assets	**263.31**	**604.47**	**(67.88)**	**270.67**	**634.84**	**(17.12)**
Attributable to:						
Equity holders of parent	137.92	332.40	(47.52)	141.74	349.20	(11.98)
Non-controlling interest	125.39	272.07	(20.36)	128.89	285.74	(5.14)

Significant accounting policies and other explanatory information to the consolidated financial statements

(All amounts in ₹ million, except share and per share data, unless otherwise stated)

	Halaplay Technologies Private Limited	Absolute Sports Private Limited	Paper Boat Apps Private Limited
	Year ended March 31, 2020	Year ended March 31, 2020	Year ended March 31, 2020
Non-current assets	**5.57**	**33.89**	**25.10**
(a) Property and equipment	1.39	1.72	5.78
(b) Right-of-use assets	4.15	8.38	11.11
(c) Intangible assets	-	-	-
(d) Intangible assets under development	-	13.48	-
(e) Deferred tax asset	-	6.76	-
(f) Investments	-	-	-
(g) Income tax asset	0.03	2.05	6.88
(h) Other non current financial assets	-	1.50	1.33
Current assets	**16.88**	**153.41**	**463.37**
(a) Investments	-	-	-
(b) Trade receivables	-	18.90	3.87
(c) Cash and cash equivalents	11.20	103.55	82.60
(d) Other bank balance	1.11	24.00	-
(e) Others	3.29	0.13	234.47
(f) Other current assets	1.28	6.83	142.43
Total assets	**22.45**	**187.30**	**488.47**
Non current liability	**3.24**	**6.40**	**8.30**
(a) Borrowings	-	-	-
(b) Non current provisions	0.87	0.95	1.90
(c) Lease liability	-	5.45	-
(d) Other financial liabilities	-	-	6.40
(e) Deferred tax liability	2.37	-	-
Current liability	**96.97**	**16.92**	**435.28**
(a) Borrowings	2.51	-	-
(b) Trade payables	18.86	5.90	139.56
(c) Short term provisions	0.01	1.18	2.70
(d) Lease liability	1.78	3.97	-
(e) Other financial liabilities	74.43	4.31	24.84
(f) Current tax liability	-	-	0.18
(g) Other current liabilities	-	1.56	267.98
Total liabilities	**100.83**	**23.32**	**443.56**
Total equity	**(78.38)**	**163.99**	**44.91**
Intangible Assets	278.42	98.29	918.99
Deferred tax liability	70.08	24.74	231.31
Net Assets	**129.96**	**237.53**	**732.59**
Attributable to:			
Equity holders of parent	49.90	147.66	372.96
Non-controlling interest	80.06	89.87	359.63

c) **Summarised cash flow information:-**

	Next Wave Multimedia Private Limited	Nodwin Gaming Private Limited	NZ World Kenya	Next Wave Multimedia Private Limited	Nodwin Gaming Private Limited	NZ World Kenya
	Year ended March 31, 2020	Year ended March 31, 2020	Year ended March 31, 2020	Year ended March 31, 2019	Year ended March 31, 2019	Year ended March 31, 2019
Operating activities	35.23	130.39	(52.50)	51.90	(25.08)	(24.00)
Investing activities	(51.36)	(0.63)	(0.42)	(29.55)	1.06	(14.19)
Financing activities	(2.17)	(0.61)	55.24	(1.46)	-	38.66
Net increase / (decrease) in cash and cash equivalents	**(18.30)**	**129.15**	**2.32**	**20.89**	**(24.02)**	**0.47**

Significant accounting policies and other explanatory information to the consolidated financial statements

(All amounts in ₹ million, except share and per share data, unless otherwise stated)

	Halaplay Technologies Private Limited	Absolute Sports Private Limited	Paper Boat Apps Private Limited
	Year ended March 31, 2020	Year ended March 31, 2020	Year ended March 31, 2020
Operating activities	5.87	10.37	(13.94)
Investing activities	(1.18)	(5.09)	0.04
Financing activities	(98.13)	(3.15)	1.13
Net increase / (decrease) in cash and cash equivalents	**(93.44)**	**2.13**	**(12.77)**

B) Investment in associates and joint venture

The Group has interest in associates and joint venture are as under

All the entities are private entities that is not Listed on any public exchange The Groups interest in associates and joint venture is accounted for using the equity method in the consolidated financial state tents.

Associate	Activities	Relationship	Holding %
Halaplay Technologies Private Limited (refer note 5.1(c))	Daily Fantasy Sports (DFS)Platform that empowers serious and casual sports enthusiasts to play cash based quick simple and interesting Games	Associate	**30.52%**
Mastermind Sports Limited	Value added services	Associate	**26.00%**
Crimzone Code Private Limited (refer note 5.1(b))	Providing download of games and digital advertising services	Associate	**35.53%**
Moong Labs Technologies Private Limited (refer note 5.1(a))	Development of mobile software	Associate	**24.41%**
Sports Unity Private Limited (w.e.f. May 10, 2019)	Development of quiz products	Joint venture	**62.53%**

Summarised financial information for associates

a) Summaries statement of net assets as at:

	Halaplay Technologies Private Limited	Moong Labs Technologies Private Limited	Mastermind Sports Limited	Crimzone Code Private Limited	Sports Unity Private Limited
	As at April 8, 2020	As at March 31, 2020	As at March 31, 2020	As at January 31, 2020	As at March 31, 2020
Non- current assets	13.03	0.09	53.46	0.15	29.61
Current assets	179.86	2.03	8.53	2.38	3.45
Current liabilities	166.31	3.62	3.48	2.31	4.13
Non- current liabilities	0.38	4.78	-	2.95	5.28
Total equity	**26.20**	**(6.28)**	**58.51**	**(2.73)**	**23.65**
Carrying amount of the investment	270.30	8.90	28.03	7.22	43.58

Summaries statement of net assets as at March 31, 2019:

	Halaplay Technologies Private Limited	Mastermind Sports Limited	Crimzone Code Private Limited
	Year ended March 31, 2019	Year ended March 31, 2019	Year ended March 31, 2019
Non- current assets	167.36	17.98	4.65
Current assets	49.70	0.33	13.82
Current liabilities	134.02	11.77	0.29
Non- current liabilities	1.80	0.05	3.22
Total equity	**81.24**	**6.49**	**14.96**
Carrying amount of the investment	221.44	25.67	13.50

Significant accounting policies and other explanatory information to the consolidated financial statements

(All amounts in ₹ million, except share and per share data, unless otherwise stated)

b) Summaries statement of profit and loss:

	Halaplay Technologies Private Limited	Moong Labs Technologies Private Limited	Mastermind Sports Limited	Crimzone Code Private Limited	Sports Unity Private Limited
	Period from April 1, 2019 to April 8, 2019	March 31, 2020	March 31, 2020	April 1, 2019 to Feb 20, 2020	As at March 31, 2020
Revenue	22.21	3.37	11.41	8.43	11.52
Other Income	-	0.02	0.52		0.43
Employee benefit	0.63	6.40	-	5.42	14.37
Finance cost	-	-	-	-	1.85
Depreciation and amortization	42.71	0.15	0.24	2.12	17.31
Other Expenses	52.82	1.35	10.41	7.69	13.00
Profit / (loss) before tax	(73.95)	(4.51)	1.28	(6.79)	(34.58)
Income tax expense	-		0.37		(3.28)
Profit / (loss) for the year	(73.95)	(4.51)	0.91	(6.79)	(31.30)
Total comprehensive income / (loss) for the year	(73.95)	(4.52)	0.91	(6.79)	(31.30)
Group's share of income / (loss) for the year	**(22.13)**	**(1.10)**	**0.24**	**(2.41)**	**(17.32)**

Summarized statement of profit and loss for the year ended on March 31, 2019

	Halaplay Technologies Private Limited	Mastermind Sports Limited	Crimzone Code Private Limited
Revenue	224.97	7.72	9.99
Employee benefit	11.01	-	4.03
Finance cost	0.29	-	-
Depreciation and amortization	0.22	-	2.74
Other Expenses	499.89	6.76	21.03
Profit / (loss) before tax	(286.44)	0.96	(17.81)
Income tax expense	(1.41)	-	-
Profit / (loss) for the year	(287.85)	0.96	(17.81)
Total comprehensive income / (loss) for the year	(287.85)	0.96	(17.90)
Group’s share of income / (loss) for the year	(6.38)	0.26	(3.35)

The associate had no contingent liabilities or capital commitments as at March 31, 2020 and March 31, 2019.

c) Reconciliation of net equity in associates

	Halaplay Technologies Private Limited	Moong Labs Technologies Private Limited	Mastermind Sports Limited	Crimzone Code Private Limited	Sports Unity Private Limited
	As at April 8, 2020	As at March 31, 2020	As at March 31, 2020	As at February 21, 2020	As at March 31, 2020
Opening balance of investment	221.44	7.50	25.67	13.50	-
Add : Additional investment	42.50	2.50	-	-	60.90
Add: Share of total comprehensive income / (loss)	(22.57)	(1.10)	0.24	(2.41)	(17.32)
Add: Fair value gain/ (loss) on acquisition of control	28.93			(3.87)	-
Add: Foreign exchange gain	-	-	2.12	-	-
Closing balance of investment	**270.30**	**8.90**	**28.03**	**7.22**	**43.58**

Reconciliation of net equity in associates as at March 31, 2019:

	Halaplay Technologies Private Limited	Mastermind Sports Limited	Crimzone Code Private Limited
Opening balance of investment	-	22.10	-
Add : Additional Investment	227.82	-	16.85
Add: Share of total comprehensive (loss) / income for the year	(6.38)	0.26	(3.35)
Add: Foreign exchange gain	-	3.31	-
Closing balance of investment	**221.44**	**25.67**	**13.50**

Significant accounting policies and other explanatory information to the consolidated financial statements

(All amounts in ₹ million, except share and per share data, unless otherwise stated)

39 Business combination

A. Summary of acquisitions during the current year

Subsidiary acquired during the year	Date of Acquisition	Description of the acquiree	% of voting equity instruments acquired	Description of control over the acquiree
Halaplay Technologies Private Limited	April 08, 2019	Daily Fantasy Sports (DFS) Platform that empowers serious and casual sports enthusiasts to play cash based quick simple and interesting games.	33.51%	Sole control over the decision making of significant matters of the acquiree.
CrimzonCode Technologies Private Limited	Janurary 31, 2020 (refer note 2 below)	Downloading of games and digital advertising services	100.00%	Majority of voting rights
Absolute Sports Private Limited	September 30, 2019 (refer note 3 below)	Sports website, live scores application	62.16%	Majority of voting rights
Paper Boat Apps Private Limited	January 18, 2020	Edutainment mobile application	50.91%	Majority of voting rights

1 The Group invested in Halaplay Technologies Private Limited and had interest in associate till April 8, 2019. From April 8, 2019, the Group acquired control over Halaplay after co-investor Delta Corp Limited relinquished its decision making rights over significant and relevant matters.

2 The Company has acquired Crimzoncode Technologies Private Limited on February 21, 2020, however for the purpose of convenience, the Company has chosen to consolidate w.e.f. January 31, 2020.

3 The Company has acquired Absolute Sports Private Limited on September 16, 2019, however for the purpose of convenience, the Company has chosen to consolidate w.e.f. September 30, 2019.

B Quantitative details of shares acquired and purchase consideration

Particulars	Absolute Sports Private Limited	Halaplay Technologies Private Limited	CrimzonCode Technologies Private Limited	Paper Boat Apps Private Limited
Number of equity shares acquired	137,173.00	-	2,479,480.00	5,422.00
Fair value per share	3,196.16	-	5.28	154,000.00

Purchase consideration

	Absolute Sports Private Limited	Halaplay Technologies Private Limited	CrimzonCode Technologies Private Limited	Paper Boat Apps Private Limited
Cash consideration	95.00	-	-	300.10
Issue of equity interest	343.43	-	13.11	300.00
Contingent consideration - issue of equity interest	-	-	-	135.00
Contingent consideration - cash consideration	-	-	-	100.00
Total consideration	**438.43**	**-**	**13.11**	**835.10**

C Contingent Consideration towards acquisition of Paper Boat Apps Private Limited

Particulars	No. of shares	Fair value of shares	Total consideration
Issue of equity shares	185,440.00	728.00	135.00
Cash consideration (*)	NA	NA	100.00

(*) The consideration shall be payable on target revenue being achieved by the acquiree during the agreed time period.

Particulars	Total Consideration
Cash consideration of ₹ 100 million and issue of equity interest of ₹ 135 million	Consideration of ₹ 100 million payable to promoters within a period of 30 days from the later of (a) completion of 1 year from the second closing date (a) i.e. October 17, 2019; or (b) the Company achieving 80% of the second closing target revenue of USD 7.5 million within 12 months commencing from first closing date i.e. November 7, 2019. Such purchase consideration shall not be payable by till such time the conditions as specified above are fulfilled by Promoters.

As at the acquisition date, the fair value of the contingent consideration was estimated to be ₹ 235 million.

Significant accounting policies and other explanatory information to the consolidated financial statements

(All amounts in ₹ million, except share and per share data, unless otherwise stated)

As at balance sheet date, the key performance indicators of Paperboat Apps Private Limited show that it is highly probable that the target will be achieved due to a significant expansion of the business and the synergies realised. The fair value of the contingent consideration determined at March 31, 2020 reflects this development, amongst other factors, there has been no change in the fair value of contingent consideration since the date of acquisition.

In addition, the Company has committed to purchase of additional equity shares from the promoters as below:

Particulars	Total consideration
Cash consideration of ₹ 100 million	Consideration of ₹ 100 million payable to promoters. The proportion of Shares to be transferred shall be as mutually agreed between the promoters. Number of shares to be purchased will be based on a valuation of the Company as per its fair market value. The consideration shall be payable on target revenue of 80% of USD 17 million being achieved by the acquiree between 12 to 24 months from November 7, 2019 being first closing date as per the agreement.
Cash consideration upto ₹ 100 million	Consideration shall be an aggregate amount, equal to 50% of the audited EBIDTA generated in the time period between 24 to 36 months from the first closing date i.e. November 7, 2019 upon achieving target revenue, being no more than ₹ 100 million payable by Nazara to the Promoters of the Company, for purchase of additional equity shares from promoters. The consideration shall be payable on target revenue of 80% of USD 30.6 million being achieved by the acquiree between 24 to 36 months from November 7, 2019 being first closing date as per the agreement.

Consideration by way of issue of equity interest

Particulars	Absolute Sports Private Limited	Halaplay Technologies Private Limited	CrimzonCode Technologies Private Limited	Paper Boat Apps Private Limited*
No. of shares	471,740	-	17,995	597,528
Fair value	728	-	728	728

*Issued subsequent to the year ended March 31, 2020 (refer note 39)

D Disclosure related to net assets acquired in business combination:

Particulars	Absolute Sports Private Limited	Halaplay Technologies Private Limited	CrimzonCode Technologies Private Limited	Paper Boat Apps Private Limited
	September 30, 2019	April 8, 2019	January 31, 2020	January 18, 2020
Non-current assets	**124.66**	**319.96**	**22.95**	**959.14**
Property and equipment	2.57	0.88	0.15	6.80
Right-of-use assets (refer note I below)	12.28	6.25	-	11.11
Intangible assets (refer note VI below)	103.90	310.80	22.80	935.65
Intangible assets under development	5.91	-	-	-
Other non current financial assets	-	2.01	-	1.33
Non-current tax assets	-	0.02	-	4.25
Current assets	**166.69**	**179.87**	**2.37**	**200.85**
(a) Trade receivables (refer note IV below)	25.08	-	0.48	-
(b) Cash and cash equivalents	125.42	105.76	0.14	95.37
(c) Other current financial assets	1.54	4.00	-	49.13
(d) Other current assets	8.46	70.11	1.75	56.36
Total assets	**285.16**	**499.83**	**25.32**	**1,159.99**
Non-current liabilities	**33.39**	**77.57**	**3.00**	**248.28**
(a) Provision for gratuity	1.70	0.38	-	1.60
(b) Provisions	0.07	-	-	6.40
(c) Lease liabilities (refer note I below)	12.57	-	-	4.60
(d) Deferred tax liabilities (refer note II below)	19.05	77.19	3.00	235.68
Current liabilities	**10.63**	**166.34**	**5.25**	**135.61**
(a) Trade payables	7.72	143.94	0.40	74.55
(b) Other current financial liabilities	0.08	-	4.30	59.87
(c) Other current liabilities	2.83	15.94	0.55	0.21
(d) Provision for compensated absences	-	0.19	-	0.98
(e) Lease liabilities	-	6.27	-	-
Total liabilities	**44.02**	**243.91**	**8.25**	**383.91**
Total identifiable net assets as on date of aquisition	**241.14**	**255.92**	**17.07**	**776.09**
Non-controlling interest	91.24	170.15	-	380.98
Goodwill arising on acquisition (refer note V below)	288.53	184.53	3.25	440.00
Fair value of equity interest already held	-	270.30	7.21	-
Purchase consideration transferred	**438.43**	**-**	**13.11**	**835.10**

I Measured the acquired lease liabilities using the present value of the remaining lease payments at the date of acquisition. The right-of-use assets were measured at an amount equal to the lease liabilities and adjusted to reflect the favourable terms of the lease relative to market terms. prepaid rentals and lease escalation charges

II Deferred tax liability mainly comprises the tax effect of the accelerated depreciation for tax purposes of tangible and intangible assets.

Significant accounting policies and other explanatory information to the consolidated financial statements

(All amounts in ₹ million, except share and per share data, unless otherwise stated)

III No contingent liabilities as on the acquisition date

IV Trade receivables is net of credit impairment recorded and it is expected that the amounts recorded are fully collectible

V Non-controlling interests is measured at fair value of identifible assets on the date of acquisition

VI Purchase price allocation is done on provisional basis for PaperBoat and CrimzonCode.

The fair value measurements are based on significant inputs that are not observable in the market. The fair value estimate is based on the below criterias:

Particulars	Absolute Sports Private Limited	Halaplay Technologies Private Limited	CrimzonCode Technologies Private Limited	Paper Boat Apps Private Limited
Assumed discount rate	17%	22%	29%	17%
Long-term sustainable growth rates	5%	5%	5%	5%

The goodwill comprises the value of expected synergies arising from these acquisitions and a workforce list, which is not separately recognised. Goodwill is allocated to segments as listed below. It does not meet the criteria for recognition as an intangible asset under Ind AS 38. None of the goodwill recognised is expected to be deductible for income tax purposes.

Particulars	Absolute Sports Private Limited	Halaplay Technologies Private Limited	CrimzonCode Technologies Private Limited	Paper Boat Apps Private Limited
Freemium		-	3.25	-
E-sports	288.53	-	-	-
Early learning	-	-	-	440.00
Real money gaming	-	184.53	-	-

E Details pertaining to identifiable intangible assets as on the date of acquisition

Particulars	Absolute Sports Private Limited	Halaplay Technologies Private Limited	CrimzonCode Technologies Private Limited	Paper Boat Apps Private Limited
	September 16, 2019	**April 8, 2019**	**January 31, 2020**	**January 18, 2020**
Identifiable intangible assets				
Brand	103.90	270.80		864.95
Software	-	40.00	22.80	35.30
Customer relationship	-	-		35.40
Deferred tax liability on intangible assets	(26.15)	(77.19)	(3.00)	(235.50)
Net identifiable intangible assets	**77.75**	**233.61**	**19.80**	**700.15**

F Analysis of cash flows on acquisition

Particulars	Absolute Sports Private Limited	Halaplay Technologies Private Limited	CrimzonCode Technologies Private Limited	Paper Boat Apps Private Limited
Purchase consideration transferred	(95.00)	-	-	(300.10)
Net cash acquired with the subsidiary	125.42	105.76	0.14	95.37
Net Cashflow on acquisition	**30.42**	**105.76**	**0.14**	**(204.73)**

G Disclosure related to combined entity's revenue and profits as if the acquisition had been done at beginning of the period

Particulars	Revenue for the year ended on March 31, 2020	Pre-acquisition period revenue				Consolidated Revenue as if the acquisition had been done at the beginning of the year
		Absolute Sports Private Limited	Halaplay Technologies Private Limited	CrimzonCode Technologies Private Limited	Paper Boat Apps Private Limited	
Revenue						
Telco subscription	817.96	-	-	-	-	817.96
Freemium	197.79		-	8.43	-	206.22
E-sports	841.61	74.91	-	-	-	916.52
Early learning	191.33	-	-	-	388.27	579.60
Real money gaming	426.40	-	22.21	-	-	448.61
Total Revenue	**2,475.09**	**74.91**	**22.21**	**8.43**	**388.27**	**2,968.91**
Profit/ (loss) for the year ended March 31, 2020	**(257.50)**	**5.67**	**(72.52)**	**(6.80)**	**8.10**	**(323.05)**

Significant accounting policies and other explanatory information to the consolidated financial statements

(All amounts in ₹ million, except share and per share data, unless otherwise stated)

40 Restatement of opening balances

Balance Sheet as at March 31, 2019

Particulars	As at March 31, 2019	Adjustments	As at March 31, 2019
Equity			
Retained earnings **(refer note (a) & (b))**	1,920.87	(54.88)	1,865.99
Non-controlling Interest **(refer note (a) & (b))**	354.64	54.88	409.52

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

Particulars	For the year ended March 31, 2019	Adjustments	For the year ended March 31, 2019
Revenue from operations **(refer note (c))**	1,670.98	27.33	1,698.31
Expenses **(refer note (c))**	1,731.80	27.33	1,759.13
Total comprehensive (loss) / income for the year [refer note (b)]			
Attributable to:			
Equity holders of the company	224.04	43.05	267.09
Non-controlling interest	(65.52)	(43.05)	(108.57)
Earnings per equity shares of ₹ 4 each (in ₹) **[refer note (b)]**			
Basic earnings per share	3.95	1.57	5.52
Diluted earnings per share	3.88	1.54	5.42

(a) During the year ended on March 31, 2019, there was an arithimetical error in computation of non-controlling interest where employee stock option scheme for employees of a subsidiary was not allocated appropriately between controlling interest and non-controlling interest. This resulted in increase in non-controlling interest by ₹ 97.93 million with corresponding decrease in controlling interest by ₹ 97.93 million as at March 31, 2019

(b) "During the year ended on March 31, 2019, there was an arithmetical error in computation of non-controlling interest where amortization on intangible assets, net of deferred tax liability, was not allocated appropriately between controlling interest and non-controlling interest. This resulted in decrease in non-controlling interest by ₹ 43.05 million with corresponding increase in controlling interest by ₹ 43.05 million for the year ended on March 31, 2019 and as at March 31, 2019.

This has resulted an increase in basic earnings per share ₹ 3.95 per share to ₹ 5.52 per share and diluted earnings per share from ₹ 3.88 per share to ₹ 5.42 per share"

(c) Revenue from in app purchases / aggregations in case of a subsidiary amounting to ₹ 5.30 million and subscriptions where the arrangement are with intermediaries for by its subsidiaries totalling ₹ 22.03 million should be accounted on gross basis i.e. commission paid to platform service providers/ intermediaries should be accounted for as a separate expense and revenue should be accounted for on gross basis as such platform service providers/ intermediaries are acting as agents of the Company.

41 Re-grouping/ Re-classification of opening balances

The figures for the previous year have been re-arranged, regrouped and restated wherever necessary and/ or practicable to make them comparable with those of the current year. Details of regroupings is as follows:

Particulars	For the year ended March 31, 2019	Adjustments	For the year ended March 31, 2019 (Restated)
Non-current assets (refer note a)	2,026.18	41.97	2,068.15
Current assets (refer note a)	3,187.41	(37.84)	3,149.57
Total assets	**5,213.59**	**4.13**	**5,217.72**
Non-current liabilities	240.02	-	240.02
Current liabilities	484.96	4.13	489.10
Total liabilities	**724.98**	**4.13**	**729.12**

(a) A subsidiary of the Company accounted for intangible asset (license acquired) as prepaid asset as at March 31, 2019 and April 1, 2018. Gross block of the asset as at April 1, 2018 was ₹ 265.30 million and accumulated amortisation was ₹ 2.65 million and ₹ 265.30 million and ₹ 23.87 million as at March 31, 2019 respectively. Hence reclassification of ₹ 42.45 million has been done from current assets to non-current assets to the extent of current portion of prepaid asset and reclassification of ₹ 198.98 million with in non-current assets to the extent of non-current portion of prepaid asset.

(b) The amount of movement between total assets and total liabilities ₹ 4.14 million is because of regrouping for statutory liabilities and balances with government authorities

Significant accounting policies and other explanatory information to the consolidated financial statements

(All amounts in ₹ million, except share and per share data, unless otherwise stated)

42 Events after the reporting period

i "In May, 2020, the Company has invested ₹ 14.50 million in cash for acquiring 3,228 equity shares of face value ₹ 10 each in Halaplay Technologies Private Limited ('Halaplay').

In October, 2020, the Company has invested ₹ 40.00 million in cash for acquiring 19,048 equity shares of face value ₹ 10 each. In November, 2020, the Company has invested ₹ 22.00 million in cash for acquiring 10,478 equity shares of ₹ 10 each. Post these investment, the Company owns 68.89% in Halaplay on fully diluted basis as at the date of approval of the financial statements. Further, the Company has invested ₹ 15.00 million in cash for acquiring 336 equity shares of face value ₹ 10 each, wherein allotment is pending."

ii In September, 2020, the Company has invested ₹ 49.97 million in cash for acquiring 277 equity shares of ₹ 10 each in Nodwin Gaming Private Limited. Post this investment, the Company owns 57.05% of equity shares in Nodwin Gaming Private Limited.

Issue of Share Capital

i In May 2020, the Company issued 412,088 equity shares of ₹ 4 each at ₹ 728 per share in lieu of 3,818 equity shares of ₹ 10 each of Paper Boat Apps Private Limited acquired during the year ended March 31, 2020.

ii In June 2020, the Company issued 164,416 and 36,604 equity shares of ₹ 4 each at ₹ 728 per share to KAE Capital Fund II and Kalastya Capital Fund II (Mauritius) by way of swap of 10 equity share of ₹ 100 each and 20,552 Compulsory Convertible Preference Shares of ₹ 100 each of Halaplay Technologies Private Limited.

iii Consideration of ₹ 100.00 million was paid in November 2020 to the acquiree upon achievement of target revenue. In addition, the consideration payable in the form of 185,440 equity shares will be issued upon shareholder approval in the ensuing general meeting.

Increase in authorised share capital

i In April 2020, the Company has in accordance with section 61 of the Companies Act, 2013 reclassified its authorised share capital of ₹ 150 million into 37,500,000 Equity Shares of ₹ 4 each.

The Company has evaluated all subsequent events though November 23, 2020, the date on which these financial statements are authorized for issuance. No adjusting or significant non-adjusting events, other than those disclosed above, have occurred between March 31, 2020 and the date of authorization of these financial statements that would have a material impact on these financial statements or that would warrant additional disclosures.

The accompanying notes are an integral part of the consolidated financial statements
As per our report of even date

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

Sanjay Banthia
Partner
Membership No. 061068

Place : Mumbai
Date : November 25, 2020

For and on behalf of the Board of directors of
Nazara Technologies Limited

Vikash Mittersain
Chairman Cum Managing Director
DIN - 00156740

Nitish Mittersain
Managing Director
DIN-02347434
Place: Dubai

Manish Agarwal
Chief Executive Officer

Rakesh Shah
Chief Financial Officer

Turabbhai Chimthanawala
Company Secretary
Membership no. A52320

Place : Mumbai
Date : November 23, 2020

NAZARA TECHNOLOGIES LIMITED
CIN: U72900MH1999PLC122970
Regd. Office: 51-57, Maker Chambers 3, Nariman Point, Mumbai-400021
Tel.: +91-22-40330800 **Fax:** +91-22-22810606 **Email:** info@nazara.com **Website:** www.nazara.com

NOTICE

NOTICE is hereby given that the Twenty First Annual General Meeting of **NAZARA TECHNOLOGIES LIMITED** will be held on Wednesday, the 30th day of December, 2020 at 3.30 P.M. IST through Video Conference (VC)/ Other Audio Visual Means (OAVM), to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements (including Audited Consolidated Financial Statements) of the Company for the financial year ended 31st March 2020 together with the Board's Report and Auditors' Report thereon.
2. To appoint a Director in place of Mr. Nitish Mittersain (DIN: 02347434), who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

3. **Appointment of Mr. Rajiv Ambrish Agarwal (DIN: 00379990) as Non-Executive Director of the Company**

   *To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:*

   "RESOLVED THAT pursuant to the provisions of section 149, 152 and all other applicable provisions of the Companies Act, 2013 ("Act") read with the Companies (Appointment and Qualification of Directors) Rules, 2014, Mr. Rajiv Ambrish Agarwal (DIN: 00379990) who was appointed as an Additional Director of the Company by the Board of Directors w.e.f 22nd June, 2020 and who holds office upto the date of this Annual General Meeting in terms of Section 161(1) of the Companies Act, 2013, and whose appointment has been recommended by the Nomination, Remuneration & Compensation Committee and the Board of Directors and in respect of whom the Company has received a notice in writing from a Member under Section 160 of the Act proposing his candidature for the office of Director of the Company , be and is hereby appointed as Non-Executive Director of the Company, liable to retire by rotation."

   "RESOLVED FURTHER THAT the Board of Directors of the Company (including its committee thereof) and / or any of the Key managerial personnel of the Company, be and are hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution."

4. **Appointment of Mr. Karan Bhagat (DIN: 03247753) as Non-Executive Director of the Company**

   *To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:*

   "RESOLVED THAT pursuant to the provisions of section 149, 152 and all other applicable provisions of the Companies Act, 2013 ("Act") read with the Companies (Appointment and Qualification of Directors) Rules, 2014, Mr. Karan Bhagat (DIN: 03247753) who was appointed as an Additional Director of the Company by the Board of Directors w.e.f 23rd November, 2020 and who holds office upto the date of this Annual General Meeting in terms of Section 161(1) of the Companies Act, 2013, and whose appointment has been recommended by the Nomination, Remuneration & Compensation Committee and the Board of Directors and in respect of whom the Company has received a notice in writing from a Member under Section 160 of the Act proposing his candidature for the office of Director of the Company , be and is hereby appointed as Non-Executive Director of the Company, to hold office for a period of one year commencing from November 23, 2020, and shall be liable to retire by rotation."

   "RESOLVED FURTHER THAT the Board of Directors of the Company (including its committee thereof) and / or any of the Key managerial personnel of the Company, be and are hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution."

5. **Re-Designation and Appointment of Mr. Kuldeep Jain (DIN:02683041) as Independent Director of the Company**

   *To consider and, if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution:***

   "**RESOLVED THAT** pursuant to the provisions of the Section 149, 152 and all other applicable provisions, if any of the Companies Act, 2013 ("the Act") (including any statutory modification or re-enactment thereof for the time being in force), the Companies (Appointment and Qualifications of Directors) Rules, 2014 read with Schedule IV to the Act and pursuant to the recommendation of the Nomination, Remuneration & Compensation Committee and the Board of Directors, Mr. Kuldeep Jain (DIN: 02683041), who has submitted a declaration that he meets the criteria for Independence as provided in Section 149(6) of the Act, be and is hereby re-designated and appointed as an Independent Director of the Company, for a period of 5 years commencing from 23rd November, 2020 to 22nd November 2025 , not liable to retire by rotation.

   RESOLVED FURTHER THAT pursuant to the provisions of section 149 and 197 of the Companies Act, 2013, Mr. Kuldeep Jain shall be entitled to receive sitting fees of such amount for attending meetings of the Board or any committee(s) thereof as detailed in the letter of appointment to be issued to Mr. Kuldeep Jain, as may be determined / revised by the Board from time to time.

"RESOLVED FURTHER THAT the Board of Directors of the Company (including its committee thereof) and / or any of the Key managerial personnel of the Company, be and are hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution."

6. **Approval for payment of remuneration to Mr. Vikash Pratapchand Mittersain (DIN: 00156740), Chairman & Managing Director of the Company**

*To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution:***

"**RESOLVED THAT** further to the resolution passed by the Board of Directors and the shareholders at their meeting held on 17th January 2018 and 24th January, 2018 respectively for approval of re-appointment Mr. Vikash Mittersain, Chairman & Managing Director and remuneration payable to him and pursuant to the provisions of Sections 197, 198 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") read with Schedule V of the Act, including any statutory modification(s) or re-enactment thereof and such other permissions, sanction(s) as may be required and pursuant to the recommendation of the Nomination Remuneration and Compensation committee and the Board of Directors in their meeting held on 23rd November, 2020, the consent of the members be and is hereby accorded for revision in the maximum remuneration payable to Mr. Vikash Mittersain, Chairman & Managing Director of the Company with effect from December 13, 2020 for the remaining period of his present term of appointment upto January 16, 2023, as stated below, is hereby specifically sanctioned with the other terms and conditions of his appointment remaining the same.

A. **Salary**: Mr. Vikash Mittersain will be paid salary of ₹ 94,00,000/- (Rupees Ninety-Four lakhs) per annum including variable bonus.

B. **Perquisites:** He will be entitled to furnished/non-furnished accommodation or house rent allowance for an amount not exceeding ₹ 65,00,000 (Rupees Sixty-five Lakhs only) per annum and gas, electricity, medical reimbursement, leave travel concession for self and family, club fees, personal accident insurance, company's maintained car, telephone and such other perquisites in accordance with the Company's rules.

C. Reimbursement of all the expenses that may be incurred by him for and on behalf of the Company or in conduct of the business/affairs of the Company.

D. Company's contribution to provident fund and superannuation fund or annuity fund, gratuity payment as per Company's rules shall be included in the computation of ceiling on remuneration and perquisites as aforesaid. Leave with full pay or Encashment thereof as per prevailing policy of the Company.

RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in any financial year, Mr. Vikash Mittersain alia shall be entitled to receive remuneration including perquisites, etc. upto the limit as approved by the members herein above, as minimum remuneration.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to alter, vary and modify or increase the remuneration (including the minimum remuneration), that is, the salary, perquisites, allowances, etc. within such prescribed limit or ceiling and the terms and conditions of the said appointment as agreed to between the Board and Mr. Vikash Mittersain be suitably amended to give effect to such modification, relaxation or variation, subject to such approvals as may be required by law."

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds and things, to enter into such agreement(s), deed(s) of amendment(s) or any such document(s), as the Board may, in its absolute discretion, consider necessary, expedient or desirable including power to sub-delegate and to file the relevant forms, documents and returns with the office of the Registrar of Companies as per the applicable provisions of the Companies Act, 2013 in order to give effect to this resolution or as otherwise considered by the Board to be in the best interest of the Company, as it may deem fit."

7. **Approval for payment of remuneration to Mr. Nitish Vikash Mittersain (DIN: 02347434),Joint Managing Director of the Company**

*To consider and if thought fit, to pass with or without modification(s) the following resolution as a **Special Resolution:***

"**RESOLVED THAT** further to the resolution passed by the Board of Directors and the shareholders at their meeting held on 17th January 2018 and 24th January, 2018 respectively for approval of re-appointment Mr. Nitish Mittersain, Joint Managing Director and remuneration payable to him and pursuant to the provisions of Sections 197, 198 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") read with Schedule V of the Act, including any statutory modification(s) or re-enactment thereof and such other permissions, sanction(s) as may be required and pursuant to the recommendation of the Nomination Remuneration and Compensation committee and the Board of Directors in their meeting held on 23rd November, 2020, the consent of the members be and is hereby accorded for revision in the maximum remuneration payable to Mr. Nitish Mittersain, Joint Managing Director of the Company with effect from December 13, 2020 for the remaining period of his present term of appointment upto January 16, 2023, as stated below, is hereby specifically sanctioned with the other terms and conditions of his appointment remaining the same.

A. **Salary:** Mr. Nitish Vikash Mittersain will be paid salary of ₹ 3,37,00,000/- (Rupees Three Crore Thirty Seven lakhs) per annum including variable bonus.

B. **Perquisites:** He will be entitled to furnished/non-furnished accommodation or house rent allowance for an amount not exceeding ₹ 65,00,000 (Rupees Sixty-five Lakhs only) per annum and gas, electricity, medical reimbursement, leave travel concession for self and family, club fees, personal accident insurance, company maintained car, telephone and such other perquisites in accordance with the Company's rules.

C. Reimbursement of all the expenses that may be incurred by him for and on behalf of the Company or in conduct of the business/affairs of the Company.

D. Company's contribution to provident fund and superannuation fund or annuity fund, gratuity payment as per Company's rules shall be included in the computation of ceiling on remuneration and perquisites as aforesaid. Leave with full pay or Encashment thereof as per prevailing policy of the Company.

RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in any financial year, Mr. Nitish Mittersain alia shall be entitled to receive remuneration including perquisites, etc. upto the limit as approved by the members herein above, as minimum remuneration.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to alter, vary and modify or increase the remuneration (including the minimum remuneration), that is, the salary, perquisites, allowances, etc. within such prescribed limit or ceiling and the terms and conditions of the said appointment as agreed to between the Board and Mr. Nitish Mittersain be suitably amended to give effect to such modification, relaxation or variation, subject to such approvals as may be required by law."

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds and things, to enter into such agreement(s), deed(s) of amendment(s) or any such document(s), as the Board may, in its absolute discretion, consider necessary, expedient or desirable including power to sub-delegate and to file the relevant forms, documents and returns with the office of the Registrar of Companies as per the applicable provisions of the Companies Act, 2013 in order to give effect to this resolution or as otherwise considered by the Board to be in the best interest of the Company, as it may deem fit."

8. **Offer and Issuance of Equity Shares for consideration other than cash on Private Placement basis:**

*To consider and, if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:*

"RESOLVED THAT pursuant to the provisions of Section 42, Section 62(1)(c) and all other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) read with Companies (Prospectus and Allotment of Securities) Rules, 2014 and Companies (Share Capital and Debentures) Rules, 2014 (as may be amended from time to time), the Articles of Association of the Company and such other applicable laws or guidelines and other approvals, consents, permissions and sanctions as may be necessary and in terms of Investment Agreement dated October 11, 2019 entered amongst Paper Boat Apps Private Limited, the Company and others as amended by First Amendment Agreement dated October 15, 2019 and Second Amendment Agreement dated November 29,2019 (**"Investment Agreement"**) in relation to the acquisition of equity shares (**Sale Shares**) of Paper Boat Apps Private Limited (hereinafter referred to as **"Acquisition Transaction")** and subject to any other alterations, modifications, conditions, corrections, changes and variations that may be decided by the Board in its absolute discretion, the consent of the Members be and is hereby accorded to offer and issue upto 1,85,440 (One Lakh Eighty Five Thousand Four Hundred and Forty) equity shares of face value of ₹ 4/- (Rupees Four Only) at a premium of ₹ 724/- aggregating to ₹ 13,50,00,320/- (Rupees Thirteen Crores Fifty Lakhs Three Hundred and Twenty Only) based on the valuation report issued by CA Harsh Chandrakant Ruparelia, Chartered Accountant (Registered Valuer) for consideration other than cash (i.e. swap of sale shares of Paper Boat Apps Private Limited with equity shares of the Company), being discharge of balance of Purchase Consideration for the Acquisition Transaction on private placement/preferential basis to the following person(s)/ entity **("the proposed allottees")** as detailed below:

Sr. No.	Name of the Proposed Allottee(s)	No. of Equity Shares of INR 4/-each to be allotted
1	Ms. Anshu Dhanuka **Address:** 23, Happy Home Soc, Nehru Road, Vile Parle-East, Mumbai 400057	92,720
2	Mr. Anupam Dhanuka **Address**: 23 Happy Home Society, Nehru Road, Vile Parle-East, Mumbai 400057	92,720
	TOTAL	**1,85,440**

RESOLVED FURTHER THAT the aforesaid Equity Shares shall rank *pari-passu* in all respect with the existing Equity Shares (including right to receive dividend or other corporate benefits, if any) of the Company.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things as may be deemed necessary and settle any or all questions/matters arising with respect to the offer, issue and allotment, utilization of the proceeds of the issue of the shares, execute all such deeds, documents, agreements and writings as may be necessary and to take such other steps that are incidental and ancillary in this regard."

9. **Approval of Nazara Technologies Limited Employee Stock Option Plan 2020**

*To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:*

"RESOLVED THAT pursuant to the provisions of Section 62(1)(b), and all other applicable provisions, if any of the Companies Act, 2013 (including any modification or re-enactment thereof for the time being in force) read with Rule 12 of the Companies (Share Capital and Debentures) Rules, 2014, and in accordance with the provisions of Memorandum and Articles of Association of the Company, and subject to all other approvals, permissions and sanctions as may be necessary and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions, the approval and consent of the Members be and is hereby accorded to the Board of Directors (hereinafter referred to as the "Board" which term shall be deemed to include any Committee(s) including Nomination, Remuneration & Compensation Committee, which the Board has constituted to exercise its powers conferred by this Resolution) to introduce and implement **Nazara Technologies Limited Employee Stock Option Plan 2020 ("ESOP 2020")** to create, grant, offer, issue and allot at any time for the benefit of such person(s) who are in permanent employment of the Company, including any Director of the Company, whether whole time or otherwise but excluding the Independent Directors, Promoters of the Company and Directors holding more than 10% of the outstanding equity shares of the Company and such number of stock options convertible into equity shares not exceeding 1,50,000 (One Lac Fifty thousand only) in one or more tranches, at such price and on such terms and conditions as may be fixed or determined by the Board in accordance with the provisions of the law or guidelines issued by the relevant Authority.

RESOLVED FURTHER THAT each option would be exercisable for one Equity Share of a face value of ₹ 4/- each fully paid-up on payment of the requisite exercise price to the Company in terms of ESOP 2020.

RESOLVED FURTHER THAT the Board be and is hereby authorised to formulate, evolve, decide upon and bring into effect to ESOP 2020 on such terms and conditions as approved by the Board and to make any modification(s), change(s), variation(s), or revision(s) in the terms and conditions of the scheme from time to time including but not limited to amendments with respect to vesting period, exercise period price eligibility criteria, vesting schedule or to suspend, withdraw or revive the ESOP 2020

RESOLVED FURTHER THAT all actions taken by the Board in connection with the above and all incidental and ancillary things done are hereby specifically approved and ratified.

RESOLVED FURTHER THAT the Board be and is hereby authorised to make all the changes as may be required for the purpose of making fair and reasonable adjustments to the number of options or such other terms and conditions consequent to any corporate action (s) such as right issues, bonus issues, splitting, etc. of the Equity Shares of the Company.

RESOLVED FURTHER THAT the Board be and is hereby authorized to issue and allot Equity Shares upon exercise of options from time to time in accordance with the ESOP 2020 and such equity shares shall rank paripassu with existing equity shares of the company in all respects.

RESOLVED FURTHER THAT in case the Equity Shares of the Company are either sub-divided or consolidated, then the number of shares to be allotted and the price of acquisition payable by the option grantees under the schemes shall automatically stand augmented or reduced, as the case may be, in the same proportion as the present face value of ₹ 4/- per equity share bears to the revised face value of the Equity Shares of the Company after such sub-division or consolidation, without affecting any other rights or obligations of the said allottees.

RESOLVED FURTHER THAT the Board be and is hereby authorized to make modifications, changes, variations, alterations or revisions in the ESOP 2020 as it may deem fit, from time to time in its sole and absolute discretion in conformity with the provisions of the Companies Act, 2013 read with Rule 12 of the Companies (Share Capital and Debentures) Rules, 2014, the Memorandum and Articles of Association of the Company and any other applicable laws.

RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution, the consent and authority be and is hereby given to the Board of Directors to do all such acts, deeds, matters and things and execute all such deeds, documents and writings as it may in its discretion deem fit and proper and to settle all questions, difficulties or doubts that may arise in relation to the implementation of the Scheme and to the shares issued herein without being required to seek further consent or approval of the members or otherwise to the end and intent that the members shall be deemed to have given their approval thereto expressly by authority of this resolution."

By Order of the Board of Directors,
Nazara Technologies Limited

Vikash Mittersain
Chairman & Managing Director
DIN: 00156740

Date : December 07, 2020
Place: Mumbai

IMPORTANT NOTES:

1. In view of the continuing COVID-19 pandemic, and the consequent restrictions and requirements like social distancing the Ministry of Corporate Affairs ("MCA") vide Circular No. 14/2020 dated 08 April 2020, Circular No.17/2020 dated 13 April, 2020, Circular No. 20/2020 dated 5 May, 2020 followed by Circular No. 28/2020 dated 17 August 2020 have allowed Companies to hold their Annual General Meeting ("AGM") through Video Conferencing ("VC") or Other Audio Visual Means (" OAVM") during the calendar year 2020. In terms of the said circulars read with the applicable provisions of the Companies Act, 2013, the AGM of the Company will be held through VC or OAVM, hereinafter called as Electronic Annual General Meeting ("e-AGM"), and the members can attend and participate in the e-AGM through VC/OAVM only. The detailed procedure for participating in the meeting though VC/OAVM Facility is mentioned hereunder in this notice. The deemed venue for the aforesaid AGM shall be the Registered Office of the Company.
2. Since the AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
3. The Body Corporates members are entitled to appoint authorised representatives and are requested to send a duly certified copy of Board Resolution authorizing their representative(s) to attend and vote at the AGM, pursuant to Section 113 of the Companies Act, 2013 ("the Act").
4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
5. The Explanatory Statement pursuant to the provisions of Section 102 of the Companies Act, 2013, relating to the Special Business to be transacted at this Annual General Meeting (AGM), including the relevant details, pursuant to Secretarial Standards on General Meetings issued by the Institute of Company Secretaries of India is annexed.
6. Brief resume of Directors proposed to be appointed/re-appointed at the ensuing AGM in accordance with Secretarial Standard on General Meeting (SS-2) issued by the Institute of Company Secretaries of India (ICSI) is annexed to the Notice. The Company is in receipt disclosures/consents from the Directors pertaining to their appointment/re-appointment.

7. The Register of Directors and Key Managerial Personnel and their Shareholdings asmaintained under Section 170 and Register of Contracts or Arrangements in which Directors are interested maintained under Section 189 of the Companies Act, 2013 and all other document mentioned in the notice will be available for inspection electronically. Members can send an email for the purpose to cs@nazara.com.

8. Members holding shares in physical form are requested to notify immediately changes, if any, in their address or bank mandate to the Company/Registrar & Share Transfer Agents (RTA) i.e. Link Intime India Private Limited quoting their Folio Number and Bank Account Details along with self-attested documentary proofs. Members holding shares in the dematerialized (electronic) form may update such details with their respective Depository Participants. The Company or its Registrars cannot act on any request received directly from the shareholders holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised only to the Depository Participant of the shareholders.

9. Ministry of Corporate Affairs of India has mandated the transfer of securities of unlisted public companies in dematerialized form. In view of the above and to avail various benefits of dematerialization, members are advised to dematerialize shares that are held by them in physical form.

10. Members desirous of seeking any information relating to the accounts and operations of the Company are requested to address their queries to the Company Secretary of the Company at least 7 (Seven) days in advance of the meeting to enable the Company to provide the information required at the meeting.

11. Non Resident Indian members are requested to inform the Company's RTA, immediately of any change in their residential status on return to India for permanent settlement, their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code, IFSC and MICR Code, as applicable if such details were not furnished earlier.

12. To comply with the provisions of Section 88 of the Companies Act, 2013 read with Rule 3 of the Companies (Management and Administration) Rule 2014, the Company shall be required to update its database by incorporating some additional details of its members in its records. Members are therefore are requested to kindly submit their e-mail ID and other details in the e-mail updation form attached with this Annual Report. The same could be done by filling up and signing at the appropriate place in the said form and returning the same by post. The e-mail ID provided shall be updated subject to successful verification of their signatures as per records available with the RTA of the Company.

13. In compliance with Section 108 of the Act, read with the corresponding rules, the Company has provided a facility to its members to exercise their votes electronically through the electronic voting ("e-voting") facility provided by the Link Intime India Private Limited. The manner of voting remotely is provided in the instructions for e-voting section which forms part of this Notice. The Board has appointed M/s. Manish Ghia & Associates, Company Secretaries as the Scrutinizer to scrutinize the e-voting in a fair and transparent manner.

14. The facility for e-voting will be available during the AGM to those Members who do not cast their votes by remote e-voting prior to the AGM. Members, who cast their votes by remote e-voting, may attend the AGM but will not be entitled to cast their votes once again.

15. During the voting period, members can login to LIIPL's e-voting platform any number of times till they have voted on all the resolutions. Once the vote on a resolution is cast by a member, whether partially or otherwise, the member shall not be allowed to change it subsequently or cast the vote again.

16. The Notice of the 21st AGM and instructions for e-voting along with instruction for participating in the Meeting through Video conferencing are being sent by electronic mode to all members whose e-mail address are registered with the Company/Depository Participant(s) unless member has requested for hard copy of the same.

17. Members who have not registered their e-mail addresses are requested to register the same with the Company's Registrars and Transfer Agents / Depository Participant(s) for sending future communication(s) in electronic form.

18. In line with the Ministry of Corporate Affairs (MCA) Circulars, the Notice calling the AGM has been uploaded on the website of the Company at https://corp.nazara.com/ The Notice of AGM Notice is also available on the website of LIIPL (agency for providing the Remote e-Voting facility) i.e. https://instavote.linkintime.co.in

19. Since the meeting will be conducted through VC/OAVM facility, the route map is not annexed to this Notice.

20. **Voting through electronic means:**

    a. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as substituted by the Companies (Management and Administration) Amendment Rules, 2015 ('Amended Rules 2015'), and Secretarial Standard on General Meetings (SS2) issued by the Institute of Company Secretaries of India, the Company is pleased to provide its members facility to exercise their right to vote on resolutions proposed to be considered at the AGM by electronic means and the business may be transacted through e-Voting Services.

    b. The Company has engaged the services of LIIPL to provide the e-voting facility. The members who have already cast their votes through e-voting may attend the meeting but shall not be entitled to cast their vote again at the AGM. During the voting period, members can login to LIIPL's e-voting platform any number of times till they have voted on all the resolutions. Once the vote on a resolution is cast by a member, whether partially or otherwise, the member shall not be allowed to change it subsequently or cast the vote again.

    c. The e-voting period begins on Friday, December 25, 2020 (09:00 am) and ends on Tuesday December 29, 2020 (5.00 pm). During this period, members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of Wednesday, December 23, 2020 may cast their vote electronically. The e-voting module shall be disabled by LIIPL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not allowed be to change it subsequently.

d. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date i.e. Wednesday, December 23, 2020. A person whose name is recorded in the Register of Members maintained by Registrar and Share Transfer Agent or in the Register of Beneficial Owners maintained by the depositories as on the cut-off date i.e. Wednesday, December 23, 2020 shall be entitled to avail the facility of e-voting.

e. The Company has appointed M/s. Manish Ghia & Associates, Company Secretaries, Mumbai as the Scrutinizer for scrutinizing the process of e-voting in a fair and transparent manner. The Scrutinizer will submit his report to the Chairman of the Company ('the Chairman') or to any other person authorized by the Chairman after the completion of the scrutiny of the e-voting (votes casted during the AGM and votes casted through remote e-voting), not later than 48 hours from the conclusion of the AGM. The result declared along with the Scrutinizer's report shall be communicated to the LIIPL and will also be displayed on the Company's website, corp.nazara.com.

f. Any person, who acquires shares of the Company and becomes a member of the Company after dispatch of the Notice and holding shares as of the cut-off date i.e. Wednesday, December 23, 2020 may obtain the login ID and Password by sending a request at enotices@linkintime.co.in or to the Company at cs@nazara.com

g. The Member(s) requiring any assistance with regard to use of technology for remote e-voting or voting at the AGM may contact Mr. Rajiv Ranjan (Assistant Vice-President) at the designated email ID: rajiv.ranjan@linkintime.co.in or contact at 022-49186000

Information and other instructions relating to e-voting are as under:

IMPORTANT COMMUNICATION TO MEMBERS

The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the Companies and has issued circulars stating that service of notice /documents addressed to the shareholders can be sent by e-mail to their registered email-id's. To support this green initiative of the Government in full measure, members who have not registered their e-mail addresses, so far, are requested to give their consent by providing their e-mail addresses to the Company or to Link Intime India Private Limited, Registrar and Share Transfer Agent (RTA) of the Company.

Instructions for shareholders to vote electronically:

Event No. 200427

1. Open the internet browser and launch the URL: https://instavote.linkintime.co.in

   Those who are first time users of LIIPL e-voting platform or holding shares in physical mode have to mandatorily generate their own Password, as under:

➢ Click on **"Sign Up"** under **'SHARE HOLDER'** tab and register with your following details:

A. **User ID:** Enter your User ID

- Shareholders/ members holding shares in **CDSL demat account shall provide 16 Digit Beneficiary ID**
- Shareholders/ members holding shares in **NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID**
- Shareholders/ members holding shares in **physical form shall provide** Event No + Folio Number registered with the Company

B. **PAN:** Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.

C. **DOB/DOI:** Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP / Company - in DD/MM/YYYY format)

D. **Bank Account Number:** Enter your Bank Account Number (last four digits), as recorded with your DP/ Company.

- Shareholders/ members holding shares in **CDSL demat account shall provide either 'C' or 'D', above**
- Shareholders/ members holding shares in **NSDL demat account shall provide 'D', above**
- Shareholders/ members holding shares in **physical form** but have not recorded 'C' and 'D', shall provide their Folio number in 'D' above

➢ Set the password of your choice (The password should contain minimum 8 characters, at least one special Character (@!#$&*), at least one numeral, at least one alphabet and at least one capital letter).

➢ Click "confirm" (Your password is now generated).

NOTE: If Shareholders/ members are holding shares in demat form and have registered on to e-Voting system of LIIPL: https://instavote.linkintime.co.in, and/or voted on an earlier event of any company then they can use their existing password to login.

2) Click on 'Login' under 'SHARE HOLDER' tab.

3) Enter your User ID, Password and Image Verification (CAPTCHA) Code and click on 'Submit'.

4) After successful login, you will be able to see the notification for e-voting. Select 'View' icon.

5) E-voting page will appear.

6) Refer the Resolution description and cast your vote by selecting your desired option 'Favour / Against' (If you wish to view the entire Resolution details, click on the 'View Resolution' file link).

7) After selecting the desired option i.e. Favour / Against, click on 'Submit'. A confirmation box will be displayed. If you wish to confirm your vote, click on 'Yes', else to change your vote, click on 'No' and accordingly modify your vote.

8. Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on the e-voting system of LIIPL at https://instavote.linkintime.co.in and register themselves as **'Custodian / Mutual Fund / Corporate Body'**. They are also required to upload a scanned certified true copy of the board resolution /authority letter/power of attorney etc. together with attested specimen signature of the duly authorised

representative(s) in PDF format in the **'Custodian / Mutual Fund / Corporate Body'** login for the Scrutinizer to verify the same.

If you have forgotten the password:

- Click on **'Login'** under **'SHARE HOLDER'** tab and further Click **'forgot password?'**
- Enter **User ID,** select **Mode** and Enter Image Verification (CAPTCHA) Code and Click on **'Submit'.**
- In case shareholders/ members is having valid email address, Password will be sent to his / her registered e-mail address.
- Shareholders/ members can set the password of his/her choice by providing the information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. as mentioned above.
- The password should contain minimum 8 characters, at least one special character (@!#$&*), at least one numeral, at least one alphabet and at least one capital letter.
- It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

General Guidelines for shareholders:

- For shareholders/ members holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.
- During the voting period, shareholders/ members can login any number of time till they have voted on the resolution(s) for a particular "Event".
- Shareholders/ members holding multiple folios/demat account shall choose the voting process separately for each of the folios/demat account.

In case shareholders/ members have any queries regarding e-voting, they may refer the **Frequently Asked Questions ('FAQs')** and **InstaVote e-Voting manual** available at https://instavote.linkintime.co.in, under **Help** section or send an email to enotices@linkintime.co.in or contact on: - Tel: 022 –4918 6000.

Process and manner for attending the Annual General Meeting through InstaMeet:

Shareholders/Members are entitled to attend and participate in the Annual General Meeting ("AGM") through VC/OAVM Facility being provided by Link Intime by following the below mentioned process:

1. Facility for joining the AGM through VC/OAVM shall open 15 minutes before the time scheduled for the AGM and shall be kept open till the expiry of 15 minutes after the schedule time on first come first basis.
2. Shareholders/Members with >2% shareholding, Promoters, Institutional Investors, Directors, KMPs, Chairpersons of Audit Committee, Nomination, Remuneration & Compensation Committee, Stakeholders Relationship Committee and Auditors etc. may be allowed to the meeting without restrictions of first come first basis.
3. Shareholders/ Members will be provided with InstaMeet facility wherein Shareholders/ Members shall register their details and attend the AGM `as under:

1. Open the internet browser and launch the URL: https://instameet.linkintime.co.in

➢ Select the **"Company"** and **'Event Date'** and register with your following details: -

A. **Demat Account No. or Folio No:** Enter your 16 digit Demat Account No. or Folio No
   - Shareholders/ members holding shares in **CDSL demat account shall provide 16 Digit Beneficiary ID**
   - Shareholders/ members holding shares in **NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID**
   - Shareholders/ members holding shares in **physical form shall provide** Folio Number registered with the Company

B. **PAN:** Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.

C. **Mobile No.:** Enter your mobile number.

D. **Email ID:** Enter your email id, as recorded with your DP/Company.

➢ Click "Go to Meeting" (You are now registered for InstaMeet and your attendance is marked for the meeting).

Please refer the instructions (annexure) for the software requirements and kindly ensure to install the same on the device which would be used to attend the meeting. Please read the instructions carefully and participate in the meeting. You may also call upon the InstaMeet Support Desk for any support on the dedicated number provided to you in the instruction/ InstaMEET website.

Instructions for Shareholders/ Members to Speak during the Annual General Meeting through InstaMeet:

1. Shareholders who would like to speak during the meeting must register their request 5 days in advance with the company on the cs@nazara.com created for the general meeting.
2. Shareholders will get confirmation on first cum first basis depending upon the provision made by the client.
3. Shareholders will receive "speaking serial number" once they mark attendance for the meeting.
4. Other shareholder may ask questions to the panellist, via active chat-board during the meeting.
5. Please remember speaking serial number and start your conversation with panellist by switching on video mode and audio of your device.

Shareholders are requested to speak only when moderator of the meeting/ management will announce the name and serial number for speaking.

Instructions for Shareholders/ Members to Vote during the Annual General Meeting through InstaMeet:

Once the electronic voting is activated by the scrutinizer/ moderator during the meeting, shareholders/ members who have not exercised their vote through the remote e-voting can cast the vote as under:

1. On the Shareholders VC page, click on the link for e-Voting “Cast your vote”
2. Enter your 16 digit Demat Account No. / Folio No. and OTP (received on the registered mobile number/ registered email Id) received during registration for InstaMEET and click on ‘Submit’.
3. After successful login, you will see “Resolution Description” and against the same the option “Favour/ Against” for voting.
4. Cast your vote by selecting appropriate option i.e. “Favour/Against” as desired. Enter the number of shares (which represents no. of votes) as on the cut-off date under ‘Favour/Against’.
5. After selecting the appropriate option i.e. Favour/Against as desired and you have decided to vote, click on “Save”. A confirmation box will be displayed. If you wish to confirm your vote, click on “Confirm”, else to change your vote, click on “Back” and accordingly modify your vote.
6. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.

Note: Shareholders/ Members, who will be present in the Annual General Meeting through InstaMeet facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting facility during the meeting. Shareholders/ Members who have voted through Remote e-Voting prior to the Annual General Meeting will be eligible to attend/ participate in the Annual General Meeting through InstaMeet. However, they will not be eligible to vote again during the meeting.

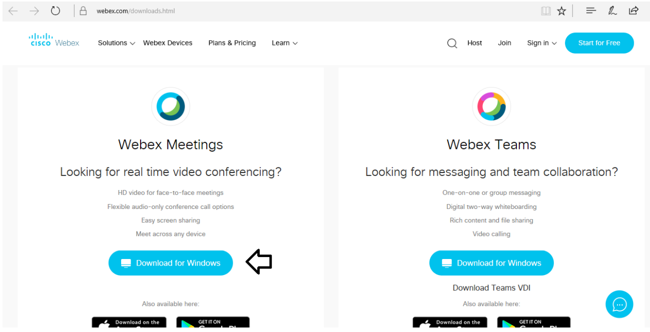
Shareholders/ Members are encouraged to join the Meeting through Tablets/ Laptops connected through broadband for better experience. Shareholders/ Members are required to use Internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during the meeting. Please note that Shareholders/ Members connecting from Mobile Devices or Tablets or through Laptops connecting via Mobile Hotspot may experience Audio/Visual loss due to fluctuation in their network. It is therefore recommended to use stable Wi-FI or LAN connection to mitigate any kind of aforesaid glitches.

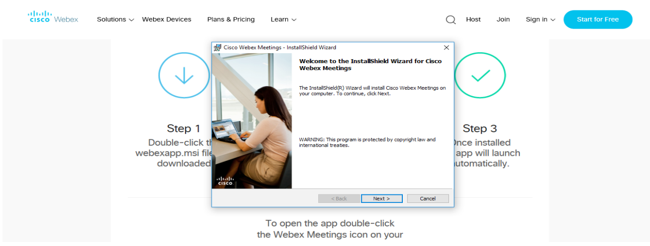
In case shareholders/ members have any queries regarding login/ e-voting, they may send an email to instameet@linkintime.co.in or contact on: - Tel: 022-49186175.

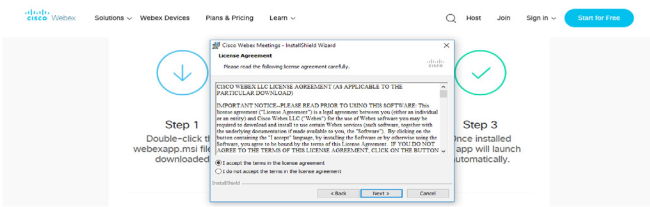
Guidelines to attend the AGM proceedings of Link Intime India Pvt. Ltd.: InstaMEET

For a smooth experience of viewing the AGM proceedings of Link Intime India Pvt. Ltd. InstaMEET, shareholders/ members who are registered as speakers for the event are requested to download and install the Webex application in advance by following the instructions as under:

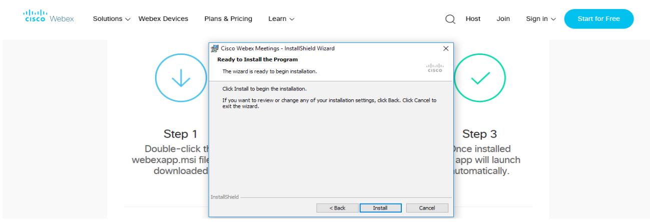
a) Please download and install the Webex application by clicking on the link https://www.webex.com/downloads.html/







Step 1 Enter your First Name, Last Name and Email ID and click on Join Now.



or

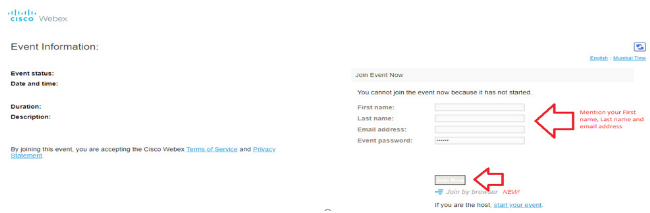
b) If you do not want to download and install the Webex application, you may join the meeting by following the process mentioned as under:

Step 1 Enter your First Name, Last Name and Email ID and click on Join Now.

1 (A) If you have already installed the Webex application on your device, join the meeting by clicking on Join Now

1 (B) If Webex application is not installed, a new page will appear giving you an option to either Add Webex to chrome or Run a temporary application.

Click on Run a temporary application, an exe file will be downloaded. Click on this exe file to run the application and join the meeting by clicking on Join Now



Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 (hereinafter referred to as "the Act")

Item No. 3:

Based on the recommendation of Nomination, Remuneration & Compensation Committee, Mr. Rajiv Ambrish Agarwal was appointed as an Additional (Non-Executive) Director of the Company effective from 22nd June, 2020 who holds the office up to the date of forthcoming Annual General Meeting of the Company, in accordance with the Articles of Association of the Company and Section 161 of the Companies Act, 2013. The Company has, in terms of Section 160 of the Act, received, in writing, a notice from a Member, proposing the candidature of Mr. Rajiv Agarwal for the office of Director. Mr. Rajiv Agarwal, once appointed, will be liable to retire by rotation. However, in order to regularize his appointment as a Director the approval of members of the Company is sought.

The brief profile and other details of Mr. Rajiv Agarwal in terms of Secretarial Standards on General Meetings (SS-2) is annexed to the Notice as **Annexure I.**

The Company has received from Mr. Rajiv Agarwal (i) Consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014 and (ii) Intimation in Form DIR-8 in terms of the Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under Section 164(2) of the Act.

None of the Director(s) and Key Managerial Personnel of the Company or their relatives of the aforementioned persons, except Mr. Rajiv Agarwal, to whom the resolution relates, are concerned, or interested in the Resolution mentioned at Item No. 3 of the Notice.

The Board recommends the resolution set forth in Item No. 3 for the approval of the Members as an ordinary resolution.

Item No. 4:

Based on the recommendation of Nomination, Remuneration & Compensation Committee, the board appointed Mr. Karan Bhagat as an Additional (Non-Executive) Director of the Company effective from 23rd November, 2020 for the period of one year and reappointment, if any, shall be subject to annual evaluation and approval of the shareholders of the Company. Mr. Karan Bhagat holds the office up to the date of forthcoming Annual General Meeting of the Company, in accordance with the Articles of Association of the Company and Section 161 of the Companies Act, 2013. The Company has, in terms of Section 160 of the Act, received, in writing, a notice from a Member, proposing the candidature of Mr. Karan Bhagat for the office of Director. Mr. Karan Bhagat, once appointed, will be liable to retire by rotation. However, in order to regularize his appointment as a Director the approval of members of the Company is sought.

The brief profile and other details of Mr. Karan Bhagat in terms of Secretarial Standards on General Meetings (SS-2) is annexed to the Notice as **Annexure I.**

The Company has received from Mr. Karan Bhagat (i) Consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014 and (ii) Intimation in Form DIR-8 in terms of the Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under Section 164(2) of the Act.

None of the Director(s) and Key Managerial Personnel of the Company or their relatives of the aforementioned persons, except Mr. Karan Bhagat, to whom the resolution relates, are concerned, or interested in the Resolution mentioned at Item No. 4 of the Notice.

The Board recommends the resolution set forth in Item No. 4 for the approval of the Members as an ordinary resolution.

Item No. 5:

Mr. Kuldeep Jain is proposed to be re-designated as an Independent Director of the Company, in accordance with applicable laws of the Companies Act, 2013 ("the Act"). In this regard, the Board is of the opinion that Mr. Kuldeep Jain fulfils the criteria for being appointed as independent directors, as set out in the Act, and that Mr. Kuldeep Jain is independent of the management of the Company.

Mr. Kuldeep Jain who was appointed as Non-Executive, Non-Independent Director of the Company w.e.f. 20.08.2013, has given his consent vide letter dated 20th November, 2020, to be re-designated as Independent Director of the Company. Mr. Kuldeep Jain has also submitted a declaration stating that he meets the criteria of Independence pursuant to Section 149 (6) of the Companies Act, 2013.

In compliance with the provisions of Section 149, 152 read with Schedule IV and other applicable provisions of the Act and based on the recommendation of Nomination, Remuneration & Compensation Committee, the Board of Directors has re-designated/appointed Mr. Kuldeep Jain as an Independent Director to hold the office for a period of 5 years commencing from 23rd November, 2020 to 22nd November, 2025, not liable to be retire by rotation, subject to the approval of members.

A brief profile and additional information in respect of Secretarial Standards on General Meetings (SS-2), is annexed to the Notice as **Annexure I.**

The terms of the appointment shall be open for inspection electronically by the Members during business hours on any working day upto the date of the Meeting and will also be placed on the website of the Company which shall be accessible during the Meeting.

The Board of Directors accordingly recommends the Special Resolution set out in Item No. 5 of the accompanying Notice for the approval of the Members.

None of the Director(s) and Key Managerial Personnel of the Company or their respective relatives, except Mr. Kuldeep Jain, to whom the resolution relates, are concerned, or interested in the Resolution mentioned at Item No. 5 of the Notice.

Item No. 6 and 7:

The shareholders at their Extra-Ordinary General Meeting of company held on 24th January, 2018 had approved re-appointment of Mr. Vikash Pratapchand Mittersain (DIN: 00156740), as Managing Director and Mr. Nitish Vikash Mittersain (DIN: 02347434) as Joint Managing Director for a period of 5 (five) years i.e from 17th January, 2018 to 16th January, 2023 along with approval of remuneration for a period of 3 years w.e.f. December 13, 2017 as per the provisions read with schedule V of the Companies Act,2013.

Further, Mr. Vikash Mittersain and Mr. Nitish Mittersain are the founders and promoters of the Company and have played key role in the organic and inorganic growth of the Company. Considering the contribution of Mr. Vikash

Mittersain and Mr. Nitish Mittersain and progress made by the Company under their leadership and guidance and based on the recommendation of Nomination, Remuneration & Compensation Committee, the Board of Directors in their meeting held on 23rd November, 2020 have approved the revision in remuneration of Mr. Vikash Mittersain and Mr. Nitish Mittersain by increasing overall remuneration by ₹ 50 Lakhs per annum each., w.e.f December 13, 2020 for the reminder period of their appointment i.e January 16, 2023. The said revision in remuneration of the Managing Directors requires the approval of the shareholders of the Company.

Statement of information pursuant to Section II of Part II of Schedule V of Companies Act, 2013 about appointees seeking approval of remuneration is annexed to the Notice as **Annexure II**

Accordingly, the Board is seeking the approval of the shareholders by way of special resolutions, for payment of remuneration for the remaining period of their tenure with effect from 13th December, 2020, as set out in Item no. 6 & 7 of this Notice .

Except Mr. Vikash Mittersain and Mr. Nitish Vikash Mittersain, none of the Directors or Key Managerial Personnel and their relatives, are in any way concerned or interested, financially or otherwise in the Resolutions as set out at Item nos. 6 & 7 of the Notice except to the extent of their shareholding, if any, in the Company.

Mr. Vikash Mittersain and Mr. Nitish Vikash Mittersain are related to each other as Father and Son. However, they are not related to any other Directors or Key Managerial Personnel of the Company.

Item No. 8

The following terms used in the proposed resolution/ explanatory statement hereinafter have the meaning as set forth herein below:

- **Allotment Shares**- 1,85,440 (One Lakh Eighty- Five Thousand Four Hundred and Forty) equity shares of face value of ₹ 4/- (Rupees Four Only) each of the Company proposed to be issued and allotted to the proposed allottees on preferential allotment basis for consideration other than cash aggregating to ₹ 13,50,00,320/- (Rupees Thirteen Crores Fifty Lakhs Three Hundred and Twenty Only), being discharge of balance of Purchase Consideration.
- **Acquisition Transaction**- proposed acquisition by the Company of Sale Shares in the Paper Boat Apps Private Limited from the respective Sellers by way of issue and allotment of Equity Shares in the company on private placement basis.
- **Proposed Allottee(s)/Sellers –**

Sr. No	Name of the Proposed Allottees	No of Equity Shares to be allotted @ 728 /-
1	Ms. Anshu Dhanuka	92,720
2	Mr. Anupam Dhanuka	92,720
Total		**1,85,440**

- **Purchase Consideration:**

  Consideration for acquisition of Sale Shares has been discharged in the following manner:

  o Partly by way of cash amounting to INR 10,00,00,000 to Ms. Anshu Dhanuka (Indian Rupees Ten Crores Only). the same has been paid on Janaury 17, 2020.

  o Partly by way of issue and allotment of 4,12,088 equity shares of Rs 4/- each at a price of Rs 728/- per share amounting to INR 30,00,00,064 (Indian Rupees Thirty Crores and Sixty Four Only) to the aforesaid allottees. the said equity share of the Company have been allotted on May 06, 2020.

  o In addition to the Purchase Consideration as specified above, Nazara shall, within a period of 30 (Thirty) days from the later of (a) completion of 1 (one) year from the Second Closing Date – I(a) of the Investment Agreement; or (b) the Company achieving the Second Closing Target Revenue, further pay to the Promoters, an aggregate consideration of (a) INR 10,00,00,000/- (Rupees Ten Crores only) as cash; and (b) 1,85,440 (One Lakh Eighty Five Thousand Four Hundred and Forty only) number of fully diluted Nazara Equity Shares, having a fair market value (with respect to Nazara Equity Shares) of no more than INR 13,50,00,000/- (Rupees Thirteen Crore Fifty Lakh only) as consideration other than cash payable by Nazara to the Promoters in accordance with the Investment Agreement in respect of Sale Shares and balance payment for acquisition of 954 equity shares of Paper Boat Apps Private Limited from Mr. Anupam Dhanuka, in the following manner:

Promoter	Purchase Consideration – II (in cash) (Rupees)	Purchase Consideration – II (other than cash) (Rupees)
Ms. Anshu Dhanuka	5,00,00,000	92,720
Mr. Anupam Dhanuka	5,00,00,000	92,720

It was further informed that Paper Boat Apps Private Limited has achieved the Second Closing Traget Revenue and thus accordingly, the Company is proposing to issue the said equity shares so as to fulfill the commitments as specified in the Investment Agreement.

- **Sale Shares:** 3818 Equity shares of INR 10/- each in Paper Boat Apps Private Limited. (Ms. Anshu Dhanuka 2386 Equity Shares and Mr. Anupam Dhanuka 1432 Equity Shares).

As approved by the Board of Directors of the Company and subject to receipt of all requisite approvals, the Company is proposing to issue and allot the Allotment Shares in order to discharge balance of the purchase consideration for the Acquisition Transaction.

Accordingly, the Board of Directors at their meeting held on October 10, 2020 has proposed to offer and issue upto 185,440 equity shares of INR. 4/- each to Mr. Anupam Dhanuka and Ms. Anshu Dhanuka at premium of INR 724/- aggregating to INR 13,50,00,320/- (Rupees Thirteen Crores Fifty Lakhs Three Hundred and Twenty Only) for consideration other than cash on private placement basis towards discharge of the balance purchase consideration for swap of 3818 equity shares held in Paper Boat Apps Private Limited.

Section 42 read with section 62(1)(c) of Companies Act, 2013, provides, *inter alia*, that whenever a company is offering or making an invitation to subscribe its securities and increase the subscribed share capital of the company by issue of further shares or any securities, such shares or securities may be offered to any persons, whether or not those person are holder of the equity shares of the company or employees of the company, it is required to obtain prior approval of the Shareholders by way of a Special Resolution for each of the offers or invitations.

Accordingly, the consent of the shareholders is being sought, pursuant to the provisions of section 42 read with section 62(1) (c) and other applicable provisions of Companies Act, 2013 and such other approval as may be necessary, to issue and allot securities as stated in the Special Resolution.

The disclosures as required under Rule 13 of the Companies (Share Capital and Debentures) Rules, 2014 and Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules 2014 are given here-in-below:

(i) **The objects of the issue:**

In accordance with the fulfillment of the conditions as mentioned in the Investment Agreement dated October 11, 2019 in relation to the completion of second closing target revenue

(ii) **Intention of Promoters, Directors or Key Managerial Personnel to Subscribe to the offer:**

None of the Directors, Key Managerial Personnel and Promoters of the Company intends to subscribe to this Private Placement offer authorized by the resolution. None of the Directors or Promoters of Company or their relatives is concerned or interested in the passing of this resolution.

(iii) **The Total Number of Equity Shares to be issued:**

Upto 1,85,440 (One Lakh Eighty Five Thousand Four Hundred and Forty) equity shares of face value of ₹ 4/- (Rupees Four Only) at a premium of ₹ 724/- aggregating to ₹ 13,50,00,320/- (Rupees Thirteen Crores Fifty Lakhs Three Hundred and Twenty Only) for consideration other than cash on Private Placement basis, being discharge of balance of Purchase Consideration.

(iv) **The Price at which the allotment is proposed:**

The issue price per share is ₹ 728/- (Rupees Seven Hundred and Twenty Eight Only) including a premium of ₹ 724/- (Rupees Seven Hundred and Twenty Four Only).

(v) **Basis on which the price has been arrived at along with report of the Registered Valuer:**

The issue price is determined based on the valuation report of CA Harsh Chandrakant Ruparelia, Chartered Accountant (Registered Valuer) dated 10th October, 2020.

(vi) **The relevant date with reference to which the price has been arrived at:**

The Relevant date is 30th September, 2020

(vii) **The class or classes of persons to whom the allotment is proposed to be made:**

Existing shareholders of the Company

(viii) **The proposed time within which the allotment shall be completed**:

The allotment of equity shares as proposed under the Special Resolution will be completed within a period of 12 months from the passing of this resolution.

(ix) **The number of persons to whom allotment on private placement basis have already been made during the year, in terms of number of securities as well as price:**

The Company has issued and allotted the following securities to five persons during the year:

- 412,088 Equity shares of ₹ 4/- each at a premium of ₹ 724/- aggregating to ₹ 30,00,00,064 /- to Founders of Paper Boat Apps Private Limited.
- 201,020 Equity Shares of ₹. 4/- at a premium of ₹ 724/- aggregating to ₹ 14,63,42,560/- to Shareholders of Halaplay Technologies Private Limited.

(x) **Identity of the proposed allottees and the percentage of post private placement offer capital that may be held by them:**

Sr. No.	Name of the proposed allottees	Before Preferential Offer		Post preferential Offer	
		No. of Equity Shares	%	No. of Equity Shares	%
1.	Ms. Anshu Dhanuka	2,06,044	0.72	2,98,764	1.04
2.	Mr. Anupam Dhanuka	1,91,044	0.67	2,83,764	0.99
	Total	**4,07,088**	**1.39**	**5,82,528**	**2.02**

(xi) **The change in control, if any, in the company that would occur consequent to the preferential offer:**

There shall be no change in the control of the management or control of the Company pursuant to the issue of the equity shares as the majority shares shall be continue to be held by the Promoters.

(xii) **The justification for the allotment proposed to be made for consideration other than cash together with valuation report of the registered valuer:**

In accordance with the fulfillment of the conditions as mentioned in the Investment Agreement dated October 11, 2019 in relation to the completion of second closing target revenue, it is proposed that the Company shall discharge the balance of purchase consideration by issuing the Allotment Shares to the Sellers.

The equity shares are issued for consideration other than cash (i.e. Swap of 3818 shares of ₹10/- each of Paper Boat Apps Private Limited with 1,85,440 Equity shares of ₹ 4/- each of the Company) being discharge of balance of Purchase Consideration in accordance with the provisions of Investment Agreement dated 11th October, 2019 entered between the Company, Paper Boat Apps Private Limited and others.

(xiii) **The pre issue and post issue shareholding pattern of the company in the following format-**

Shareholding pattern before and after issue is as follows:

Sr. No.	Category	Pre Issue		Post-Issue	
		No. of shares held	% of shareholding	No. of shares held	% of shareholding
A	**Promoters' holding :**				
1	Indian:				
	Individual	10,11,703	3.54	10,11,703	3.51
	Bodies Corporate	59,55,125	20.82	59,55,125	20.68
	Sub Total:	69,66,828	24.35	69,66,828	24.19
2	Foreign Promoters	-	-		
	Sub Total (A)	**69,66,828**	24.35	**69,66,828**	**24.19**
B	**Non Promoters' holding:**				
1	Institution Investors	1,25,01,667	43.7	1,25,01,667	43.42
2	Non-Institution:				
A	Bodies Corporate	22,94,780	8.02	22,94,780	7.97
B	Indian Public	60,91,857	21.29	60,91,857	21.16
	Proposed Allottees				
	Ms. Anshu Dhanuka	2,06,044	0.72	2,98,764	1.04
	Mr. Anupam Dhanuka	1,91,044	0.67	2,83,764	0.99
C	Others	3,57,551	1.25	3,57,551	1.24
	Sub Total (B)	**2,16,42,943**	**75.65**	**2,18,28,383**	**75.81**
	Grand Total (A+B)	**2,86,09,771**	**100**	**2,87,95,211**	**100**

**** At present, 795779 number of stock options issued under Employee Stock Option Plans of the Company are in force. The Post Shareholding pattern shall stand change subject to exercise of stock options by the employees, if any.***

Relevant documents are open for inspection by the members at the Registered Office of the Company on all working days, during business hours up to the date of the Meeting. Additionally, copies of the relevant documents are available for inspection at the corporate office of the Company and will also be placed before the Meeting of the shareholders held through VC / OAVM.

The Board of Directors of the Company believes that the proposed Private Placement issue is in the best interest of the Company and its members. The Board of Directors, therefore, recommends the special resolution for your approval at Item No. 08 of this Notice.

None of the Directors / key managerial persons of the Company or their relatives are interested, financially or otherwise, in the aforesaid resolution.

Item No. 09

Equity based Compensation is an effective means of aligning the long term interests of the employees with those of the Company and provide an opportunity to employees to participate in the growth of the Company and create long term wealth. With a view to motivate the key work force seeking their contribution to the corporate growth, to create an employee ownership culture, to attract new talents, and to retain them for ensuring sustained growth, your Company intends to implement an employee stock option plan namely "Nazara Technologies Limited Employee Stock Option Plan 2020 ("Nazara ESOP 2020")" seeking to cover eligible employees of the Company.

With the above objective, the Board of Directors of the Company has proposed the Nazara ESOP 2020 and the terms and broad framework of the "Nazara ESOP 2020" has been approved by them in their meeting held on November 23,2020 as per the recommendation of Nomination and Remuneration Committee.

The salient features, relevant disclosures and details of the Nazara ESOP 2020 are as follows:

Particulars as required under S.62 (1)(b) read with Rule 12 of Companies (Share Capital and Debentures) Rules, 2014 are given below:

1. **Total number of options to be granted**:

   A total number of options equal to 1,50,000 of the Equity Shares of ₹ 4/- each would be available for being granted to eligible employees of the Company, under ESOP 2020. Each option when exercised would be converted into one Equity Share of ₹ 4/- each fully paid-up.

   Vested options that lapse due to non-exercise or unvested options that get cancelled due to resignation of the employees or otherwise, would be available for being re-granted at a future date at the sole discretion of the Board

   In case of any corporate action(s) such as rights issues, bonus issues, merger and sale of division and others, a fair and reasonable adjustment will be made to the options granted. Accordingly, if any additional Equity Shares are issued by the Company to the Option Grantees for making such fair and reasonable adjustment, the ceiling of 1,50,000 of Equity Shares shall be deemed to be increased to the extent of such additional Equity Shares issued.

2. **Identification of classes of employees entitled to participate in the Employee Stock Option Plan**:

   Permanent employees of the Company, including the Directors but excluding –

   a) Independent Directors,

   b) promoters or persons belonging to promoter group,

   c) director who either himself or through his relative or through any body-corporate, directly or indirectly, holds more than ten percent of the outstanding equity shares of the company.

   ESOPs may be granted to such employees as decided by the Board in compliance with the applicable laws from time to time.

3. **Appraisal Process for determining the eligibility of the employees to ESOPs:**

   The appraisal process for determining the eligibility of the employee will be specified by the Board, and will be based on criteria such as role/designation of the employee, length of service with the Company, past performance record, future potential of the employee and/or such other criteria that may be determined by the Board at its sole discretion.

4. **Requirements of vesting and period of vesting**:

   The Options granted shall vest so long as the employee continues to be in the employment of the Company, as the case may be. The Board may, at its discretion, lay down certain performance metrics on the achievement of which the granted options would vest, the detailed terms and conditions relating to such performance-based vesting, and the proportion in which options granted would vest (subject to the minimum and maximum vesting period as specified below).

   The vesting period of options granted shall vest in not less than one year and not more than five years from the date of grant of such options. The exact proportion in which and the exact period over which the options would vest would be determined by the Board, subject to the minimum vesting period of one year from the date of grant of options.

5. **The maximum period within which the options shall be vested:**

   The options granted shall vest in not more than five years from the date of grant of such options.

6. **Exercise Price or pricing formula:**

   The Exercise Price shall not be less than Face Value of the Equity Shares and shall not exceed the Fair Market Value of the Equity Shares as on date of grant, as decided by the Board in consideration of the value determined by the registered valuer.

7. **Exercise Period and the process of Exercise**:

   The options granted shall be exercised within a period of five years from the date of vesting of options.

   The options will be exercisable by the Employees by a written application to the Company to exercise the options in such manner, and on execution of such documents, as may be prescribed by the Board from time to time. The options will lapse if not exercised within the specified exercise period.

8. **Lock-in period for options:**

   The shares issued pursuant to exercise of options shall not be subject to any lock-in period.

9. **Maximum number of options to be issued per employee and in aggregate**:

   Number of options that may be granted to an employee under ESOP 2020 shall not exceed 1,50,000 in aggregate per employee under ESOP 2020 or any such ceiling number of options as may be determined by the Board within such limit with respect to an individual employee.

10. **Method of option valuation:**

    The Company shall use such valuation methods as may be prescribed from time to time in accordance with applicable laws for valuation of the Options granted, to calculate the employee compensation cost.

11. **The conditions under which option vested in employees may lapse:**

    The vested options will lapse in case of termination of employment due to misconduct or due to breach of Company policies or the terms of employment. The vested options may also get cancelled in event of abandonment of employment by an employee or such conditions as the Board may decide.

12. **The specified time period within which the employee shall exercise the vested options in the event of a proposed termination of employment or resignation of employee:**

    All the Vested Options as on that date shall be exercisable by the employee within 30 days from the date of resignation/termination of the Employee (other than due to misconduct or breach of company policies/terms of employment)

    In the event of termination of employment due to Death or Permanent Incapacity of the employee, all vested options shall be settled by the Board of Directors in such a manner as may deem fit in accordance with the ESOP 2020 / Option Agreement/ Letter of Grant.

13. **Disclosure and Accounting Policies**:

    The Company shall comply with the with the requirements of the ‘Guidance Note on Accounting For Employee-Share Based Payments’ (“Guidance Note”) of Accounting Standards or any relevant accounting standard as may be prescribed by the Institute of Chartered Accountants of India (“ICAI”) from time to time, including the disclosure requirements prescribed therein.

Accordingly, your Directors recommend the Special Resolution as set out in Item No 09 of this notice for the approval of the Members of the Company.

A copy of the Scheme is open for inspection by the members electronically on all working days, during business hours up to the date of the Meeting. Members may write to copy for the purpose at cs@nazara.com. Additionally, copies of the relevant documents will be available for inspection electronically during the Annual General Meeting.

None of the Directors, Managers, Key Managerial Personnel (KMPs) of the Company and their relatives is in any way, concerned or interested in this Resolution, except to the extent of the option granted that may be offered to certain KMPs under the Plan.

By Order of the Board of Directors
For Nazara Technologies Limited

Vikash Mittersain
Chairman & Managing Director
DIN: 00156740

Date : December 07, 2020
Place: Mumbai

Registered Office:
51-57, Maker Chambers 3,
Nariman Point, Mumbai -400021

Annexure I

In pursuance of SS -2 issued by the ICSI, details of Director seeking appointment/re-appointment at the ensuing Annual General Meeting (AGM) is as follows:

Name of the Director	**Mr. Rajiv Ambrish Agarwal**	**Mr. Karan Bhagat**	**Mr. Nitish Mittersain**	**Mr. Kuldeep Jain**
DIN	00379990	03247753	02347434	02683041
Date of Birth	March 28, 1971	April 25, 1977	March 03,1979	January 27, 1975
Nationality	Indian	Indian	Indian	Indian
Date of Appointment on the Board	June 22,2020	November 23, 2020	December 08,1999	August 20,2013
Designation	Non-Executive Director	Non- Executive Director	Joint Managing Director	Non-Executive Independent Director
Qualification	B. Tech, Chemical Engineering Institute of Technology, Benares Hindu University	MBA, Finance IIM Bangalore	Commerce Graduate Mumbai University	Post graduate diploma in management from The Indian Institute of Management, Ahmedabad.
Experience/ Expertise	Prior to 2006, for 12 years, Mr. Rajiv was responsible for Sales & Delivery of Strategy & Operations Consulting work at Accenture, a global management and technology consulting firm. Rajiv has had advised a diverse set of business across geographies such India, UK, UAE, US and Indonesia. Rajiv made a career shift from Management Consulting to PE investing and joined Rare Enterprises in 2006. RaRe Enterprises is the investment firm of Mr. Rakesh Jhunjhunwala, where he is responsible for investing, managing and monitoring the firm's Private Equity investments. Rajiv has experience and deep understanding of B2B and B2C businesses spanning Consumer, Education, Mobile Entertainment, Media, Financial Services and Oil Drilling which form a part of RaRe's PE portfolio.	Mr. Karan Bhagat has more than two decades of experience in the financial services industry He is the Founder, Managing Director, & Chief Executive Officer of IIFL Wealth & Asset Management. Under his able leadership, IIFL Wealth & Asset Management has grown from its humble beginnings to one of the leading wealth management companies in India managing around USD21 billion in client assets He featured in Fortune India's '40 under 40' list in 2016 and 2017 and The Economic Times '40 under Forty' list in 2017. He has received the URS Asia One Global Indian of the Year award in 2018.	Mr. Nitish Mittersain is the Founder and Managing Director of Nazara Technologies Limited. Mr. Nitish is having more than 18 years of experience in the internet and mobile sectors. He has also served as the Chairman of the Mobile Value Added Services Committee of the Indian Merchants Chambers - India's oldest business organization and has been widely recognized in the media for his contributions to the gaming and mobile vas industries in India.	He has over a decade's experience in a global consulting firm and was a partner at McKinsey & Company, Inc. He is currently the managing director of Clean Max Enviro Energy Solutions Private Limited.
Terms & Conditions of Appointment/ Re-appointment along with details of remuneration sought to be paid and the remuneration last drawn by such person, if applicable	Non-Executive Director, liable to retire by rotation Mr. Rajiv Agrawal shall be entitled for sitting fees and commission paid, if any.	Director, liable to retire by rotation Mr. Karan Bhagat shall be entitled for sitting fees and commission paid, if any.	Joint Managing Director, liable to retire by rotation	Non-Executive Independent Director, not liable to retire by rotation

Relationship with other Directors of the Company	Mr. Rajiv Agarwal is not related to any Director or Key Managerial Personnel (KMP) of the Company.	Not related to any Director or Key Managerial Personnel (KMP) of the Company	He is son of Mr. Vikash Mittersain, Chairman & Managing Director	Not related to any Director or Key Managerial Personnel (KMP) of the Company.
Number of Meetings of the Board attended during the year	Nil	Nil	5	3
Shareholding in the Company (Equity Shares of ₹ 4/- each) as on 31st March 2020	7,310	Nil	1,011,453	Nil
List of Directorships in other Companies	1. APTECH Limited 2. Hungama Digital Media Entertainment Private Limited 3. Concord Biotech Limited 4. Fullife Healthcare Private Limited 5. Equirus Capital Private Limited 6. Alchemy Capital Management Private Limited 7. Cinestaan Entertainment Private Limited	1. IIFL Wealth Finance Limited 2. NSDL E-Governance Infrastructure Limited 3. Kyrush Trading & Investments Private Limited 4. IIFL Wealth Management Limited	1. Neerja International Fashions Limited 2. Cube3 Labs Private Limited 3. YPO Mumbai Connect Foundation 4. Paper Boat Apps Private Limited 5. Cube 3 Pte Ltd	1. Clean Max Surya Energy Private Limited 2. Clean Max Aditya Power Private Limited 3. Clean Max Energy Ventures Private limited 4. Chitradurga Renewable Energy India Private Limited 5. Cleanmax IPP 1 Private Limited 6. Cleanmax IPP 2 Private Limited 7. Clean Max Photovoltaic Private Limited 8. Clean Max Mercury Power Private Limited 9. Cmes Jupiter Private Limited 10. CMES Power 1 Private Limited 11. CMES Power 2 Private Limited 12. CMES Saturn Private Limited 13. CMES Infinity Private Limited 14. Clean Max Power Projects Private Limited 15. Clean Max Enviro Energy Solutions Private Limited
List of Chairmanship or membership of various Committees in others public Companies (includes only Audit Committee and Stakeholders Relationship Committee)	None	NSDL E-Governance Infrastructure Limited-Audit Committee	None	None

Annexure II

Statement of information pursuant to Section II of Part II of Schedule V of Companies Act, 2013 about appointees seeking approval of remuneration:

Sr. No	General Information		
1.	**Nature of industry**	The Company is engaged in the business of mobile gaming including subscription and download business on mobile devices to telecom operators across the globe.	
2.	**Date or expected date of commencement of commercial production**	NA. Since the Company has already commenced its business activities.	
3	**In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus**	Not Applicable	
4	**Financial performance based on given indicators**	**Financial Year 2019-20 (₹ in Millions)**	**Financial Year 2018-19(₹ in Millions)**
	Paid up capital	111.99	109.89
	Reserves and Surplus/ Other Equity	3322.08	2416.73
	Turnover	461.21	434.47
	Profit/(Loss) before tax	104.73	31.44
	Profit/(Loss) after tax	75.91	22.18
	Diluted EPS	2.68	0.79
5	**Foreign investments or collaborations, if any.**	The Company has made foreign investments in its wholly owned subsidiaries i.e. Singapore and Dubai and has not entered into any foreign collaborations.	

Sr. No	Information about the appointee – Mr. Vikash Mittersain	
1.	Background details	He has been associated as Director of the Company since its incorporation. He holds a diploma in industrial electronics from Walchand College of Engineering, Sangli. He has 40 years of experience in multiple business sectors. He is a member of Advisory Board on Dr. APJ Abdul Kalam Centre, Lucknow. He is also the founder and president of India Business Group. He has been part of various panel discussions and conferences including the sessions at VESIM Literati and Innovators Pitching Session at Maker Mela 2018.
2.	Past remuneration	The details of remuneration drawn by Mr. Vikash Mittersain, in the preceding FY 2018-2019 from the Company is ₹ 5.64 millions
3	Recognition or awards	None
4	Job profile and his suitability	He is the Managing Director of the Company and devotes whole time attention to the management of the affairs of the Company and exercises powers under the Supervision and superintendence of the Board of the Company.
5	Remuneration proposed	₹ 94,00,000/- (Rupees Ninety-Four lakhs) per annum including variable bonus.
6	Comparative remuneration profile with respect to industry, size of the company, profile of the position and person	The proposed remuneration is comparable and competitive, considering the industry, size of the Company, the managerial position and the credentials of the appointee.
7	Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any.	Mr. Vikash Mittersain has no pecuniary relationship with the Company, directly or indirectly, or with managerial personnel, except remuneration drawn as Managing Director and relative of Mr. Nitish Mittersain, Joint Managing Director of the Company.

Sr. No	Information about the appointee - Mr. Nitish Mittersain	
1.	Background details	He holds a bachelor of commerce degree from the University of Mumbai. He founded our Company in 1999 and has been associated in the promotion of our Company for the last 20 years. He was selected as a member of the Young Presidents' Organization in 2014 and he has been the recipient of many awards including the Visionary Award from the Vision Foundation in 2012, the Young Achievers Award from the Indo American Society in 2000 and the Outstanding Young Person Award from Junior Chamber International, Marine Lines in 2017. He is also a member of the MEF Asia Board.
2.	Past remuneration	The details of remuneration drawn by Mr. Nitish Mittersain, in the preceding FY 2018-2019 from the Company is ₹ 26.51 millions
3	Recognition or awards	As referred in point 1 above
4	Job profile and his suitability	Mr. Nitish Mittersain has been appointed as the Joint Managing Director by the Board of Directors and is entrusted with the substantial power of the Management of Company's Affairs. He is instrumental in the ideation and reviewing performances of games developed at Nazara Technologies Ltd. He aims to combine technology with a compelling experience to create innovative applications to the mobile environment.
5	Remuneration proposed	₹ 3,37,00,000/- (Rupees Three Crore Thirty Seven lakhs) per annum including variable bonus
6	Comparative remuneration profile with respect to industry, size of the company, profile of the position and person	The proposed remuneration is comparable and competitive, considering the industry, size of the Company, the managerial position and the credentials of the appointee.
7	Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any.	Mr. Nitish Mittersain has no pecuniary relationship with the Company, directly or indirectly, or with managerial personnel, except that he is one of the Promoter Shareholder of the Company and relative of Mr. Vikash Mittersain, Managing Director of the Company.
Sr. No	**Other Information**	
1.	**Reasons of loss or inadequate profits**	The Company earned a net profit of ₹ 75.91 millions during the financial year ended 31st March, 2020. The inadequate amount of profit was largely due to stiff competition in the Industry.
2.	**Steps taken or proposed to be taken for improvement**	The management has taken concrete steps to further improve the overall business volume and profitability, To overcome the Competition, the management with a clear cut road map, is focusing on long term business models and emerging opportunities in Gaming Sector, With its rich experience in the arena, the management is confident of harnessing the same to its advantage.
3.	**Expected increase in productivity and profits in measurable terms**	The Company expect increase in revenue and profits by improved margins in coming years

Nazara

NAZARA TECHNOLOGIES LIMITED

CIN: U72900MH1999PLC122970
Regd. Office: 51-57, Maker Chambers 3, Nariman Point, Mumbai - 400021
Tel.:+91-22-40330800 **Fax:** +91-22-22810606 **Email:** info@nazara.com **Website:** www.nazara.com

FOR KIND ATTENTION OF SHAREHOLDERS

Dear Shareholders,

As per the provisions of Section 88 of the Companies Act, 2013 read with Companies (Management & Administration) Rules, 2014, the Company needs to update its 'Register of Members' to incorporate certain new details, as required under the said provisions. Further, as per the "Green Initiative in the Corporate Governance" initiated by the Ministry of Corporate Affairs (MCA), vide its Circular No. 17/2011 dated 21/04/2011, the Company proposes to send all the notices, documents including Annual Report in electronic form to its members.

We, therefore, request you to furnish the following details for updation of Register of Members and enable the Company to send all communication to you through electronic mode:

Registered Folio/DP ID & Client ID	
Name of the Shareholder(s)	
Father's/Mother's/Spouse's Name	
Address (Registered Office Address in case the Member is a Body Corporate)	
E-mail ID	
PAN or CIN (in case of Body Corporate)	
UIN (Aadhar Number)	
Occupation	
Residential Status	
Nationality	
In case member is a minor, name of the guardian	
Date of birth of the Member	

Place: _____________

Date: ______________

____

Signature of the Member

Kindly submit the above details duly filled in and signed at the appropriate place to the Registrar & Share Transfer Agent of the Company viz. " Link Intime Pvt. Ltd.; C-101, 247 Park, LBS Road, Vikhroli West, Mumbai, Maharashtra – 400 083

The E-mail ID provided shall be updated subject to successful verification of your signature. The members may receive Annual Reports in physical form free of cost by post by making request for the same.

Thanking you,

For Nazara Technologies Limited,

Vikash Mittersain
Chairman and Managing Director
DIN: 00156740

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ESPORTS

USHERING IN THE NEW FORM OF GAMING

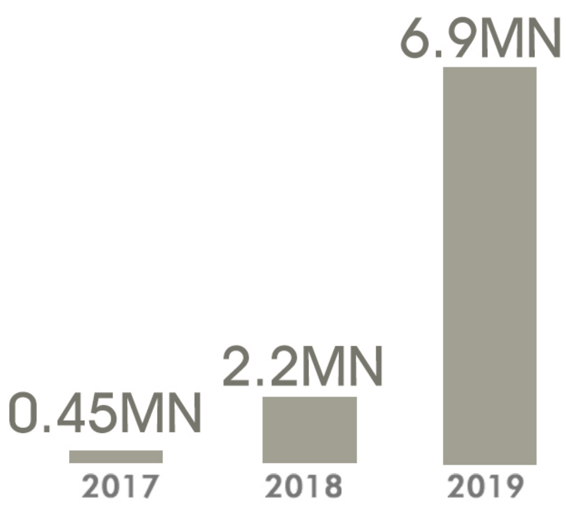
120+ EVENTS

20M+ GAMERS ENGAGED

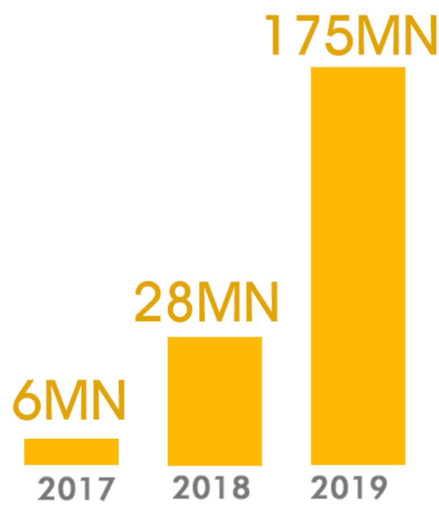
3000+ HOURS OF CONTENT ANNUALLY

3M USD OF PRIZES

EXPONENTIAL GROWTH



PARTICIPATION

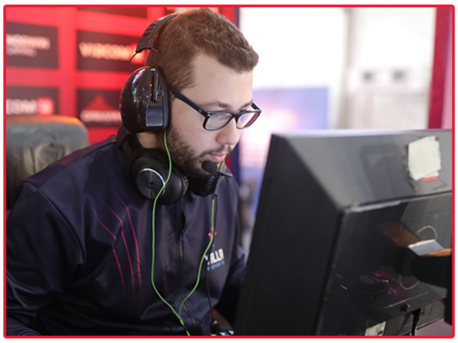


REACH

Vertical Leadership in Large & Growing Audience Segments

Sports Fans

eSports



Intersection of sports and gaming : spectator sports

Tam (No.)	2bn+ (Sports Fans)
Age	14+

Sports Simulator

Intersection of sports and gaming : Play + Compete

Tam (No.)	2bn+ (Sports Fans)
Age	14+

Early Learners

Intersection of Learning and gaming

Tam (No.)	1bn+ (Early Learners)
Age	2 to 8

KEY ASPECTS OF NAZARA OFFERING

Large TAM / Scale / Exponential Growth	✓
No Regulatory Risk	✓
Diversified Player / Geos / Segments / Business Models	✓
Domination : eSports / Early Learning / Virtual Cricket	✓
Original IP creation	✓
Nazara DNA : Profitable Growth / Capital Efficient	✓
Track Record of Delivering Multibagger Exits for Investors	✓

Nazara Technologies Limited
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www.nazara.com