Financial Statements and Independent Auditor's Report

Nodwin Gaming Private Limited

For the year ended 31 March 2020

Contents

Walker Chandiok & Co LLP
11th floor, Tower II,
One International Center,
SB Marg, Prabhadevi (W)
Mumbai – 400 013
India

T +91 22 6626 2699
F +91 22 6626 2601

Independent Auditor's Report

To the Members of Nodwin Gaming Private Limited

Report on the Audit of the Financial Statements

Opinion

1. We have audited the accompanying financial statements of **Nodwin Gaming Private 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 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 of opinion

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

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

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

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

WALKER CHANDIOK & CO LLP
MUMBAI
CHARTERED ACCOUNTANTS

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

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management for the Financial Statements and Internal financials controls with reference to the financial statements

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

6. The Company's Board of Directors is also 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, 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 and error and the timely preparation of reliable financial information, as required under the Act.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements and Internal financial controls with Reference to Financial statements

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

WALKER CHANDIOK & CO LLP
MUMBAI
CHARTERED ACCOUNTANTS

10. Under section 143(3)(i) of the Act, we are also responsible to express an opinion on the Company's internal financial controls with reference to financial statements (IFCoFR) 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.

11. Our audit of internal financial controls over financial reporting 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.

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

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

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

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

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

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

14. 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.

WALKER CHANDIOK & CO LLP
MUMBAI
CHARTERED ACCOUNTANTS

Meaning of Internal Financial Controls with Reference to Financial Statements

15. 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

16. 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.

Other Matter

17. The financial statements of the Company for the year ended 31 March 2019 were audited by the predecessor auditor, APKA & Associates, Chartered Accountants, who have expressed an unmodified opinion on those financial statements vide their audit report dated 25 September 2019.

Report on Other Legal and Regulatory Requirements

18. As required by section 197(16) of the Act, based on our audit, we report that the Company has paid and provided remuneration to its director during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act.

19. 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.

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

    a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the accompanying financial statements;

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

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

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

WALKER CHANDIOK & CO LLP
MUMBAI
CHARTERED ACCOUNTANTS

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) 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.

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

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

Sanjay Banthia
Partner
Membership No:061068

UDIN:20061068AAAAAS2270

Place: Mumbai
Date: 18 November 2020

Annexure I to the Independent Auditor's Report of even date to the members of Nodwin Gaming Private Limited on the financial statements for the year ended 31 March 2020

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

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

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

(c) The Company does not hold any immovable property (in the nature of 'property, plant and equipment'). Accordingly, the provisions of clause 3(i)(c) of the Order are not applicable.

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

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

iv) In our opinion, the Company has complied with the provisions of Section 186 in respect of investments and has not entered in to any transaction covered under Section 186 of the Act in respect of loans, guarantees and security. Further, in our opinion, the Company has not entered into any transaction covered under Section 185 of the Act.

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

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

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

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

WALKER CHANDIOK & CO LLP
MUMBAI
CHARTERED ACCOUNTANTS

Annexure I (Contd)

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 /provided by the company in accordance with the requisite approvals mandated by the provisions of Section 197 of the Act read with Schedule V to the Act.

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

xiii) In our opinion, all transactions with the related parties are in compliance with Section 188 of the Act, where applicable, and the requisite details have been disclosed in the standalone financial statements, as required by the applicable Ind AS. Further, in our opinion, the Company is not required to constitute audit committee under Section 177 of the Act.

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

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

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

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

Sanjay Banthia

Sanjay Banthia
Partner
Membership No:061068

UDIN:20061068AAAAAS2270

Place: Mumbai
Date: 18 November 2020

Nodwin Gaming Private Limited
Balance Sheet as at 31 March 2020
(Amounts are stated in ₹ millions, unless otherwise stated)

Particulars	Note No.	As at 31 March 2020	As at 31 March 2019
Assets			
Non-current assets			
(a) Property and equipment	2	3.22	2.82
(b) Right-of-use assets	3	4.82	-
(c) Intangible assets	4	176.68	241.43
(d) Financial assets			
Investments	5	5.75	5.75
(e) Deferred tax asset (net)	6	1.67	1.56
(f) Income tax asset (net)	7	5.32	5.29
Total non-current assets		**197.46**	**256.85**
Current assets			
(a) Financial assets			
Trade receivables	8	475.94	213.20
Cash and cash equivalents	9	22.46	56.26
Loans	10	13.27	2.00
Other financial assets	11	19.01	12.85
(b) Other current assets	12	67.52	33.20
Total current assets		**598.20**	**317.51**
Total assets		**795.66**	**574.36**
Equity and liabilities			
Equity			
(a) Equity share capital	13	0.13	0.13
(b) Other equity	14	396.55	383.36
Total equity		**396.68**	**383.49**
Non-current liabilities			
(a) Financial liabilities			
Lease liability	3	1.43	-
(b) Provisions	15	3.81	2.59
Total non-current liabilities		**5.24**	**2.59**
Current liabilities			
(a) Financial liabilities			
Trade payables			
Total outstanding dues to micro and small enterprises	16	-	-
Total outstanding dues to creditors other than micro and small enterprises	16	370.57	176.62
Lease liability	3	3.46	-
Other financial liabilities	17	7.03	1.61
(b) Other current liabilities	18	10.27	9.70
(c) Provisions	19	0.52	0.35
(d) Current tax liabilities (net)	20	1.89	-
Total current liabilities		**393.74**	**188.28**
Total equity and liabilities		**795.66**	**574.36**

The accompanying notes form an integral part of these financial statements.

As per our report of even date attached.

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

Sanjay Banthia

Sanjay Banthia
Partner
Membership No.: 061068

Place: Mumbai
Date: 18 November 2020

WALKER CHANDIOK & Co LLP
MUMBAI
CHARTERED ACCOUNTANTS

For and on behalf of **Board of Directors**

Akshat Rathee
Director
DIN: 00870302

Place: Gurugram
Date: 18 November 2020

Manish Agarwal
Director
DIN: 03445163

Place: Mumbai
Date: 18 November 2020

Nodwin Gaming Private Limited
Statement of Profit and Loss for the year ended 31 March 2020
(Amounts are stated in ₹ millions, unless otherwise stated)

Particulars	Note No.	For the year ended 31 March 2020	For the year ended 31 March 2019
Income			
(a) Revenue from operations	21	746.61	495.17
(b) Other income	22	7.41	6.08
Total Income		**754.02**	**501.25**
Expenses			
(a) Employee benefits expense	23	49.42	32.90
(b) Finance costs	24	0.10	-
(c) Depreciation and amortization expense	25	66.68	25.21
(d) Other expenses	26	619.71	432.17
Total expenses		**735.91**	**490.28**
Profit before tax		**18.11**	**10.97**
Tax expenses (net)	27		
(a) Current tax		4.77	3.70
(b) Deferred tax		(0.04)	(0.63)
Profit for the year		**13.38**	**7.90**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
(a) Remeasurements of post-employment benefit obligation		(0.26)	(1.84)
(b) Income tax relating to above item		0.07	0.53
Other comprehensive loss for the year (net of tax)		**(0.19)**	**(1.31)**
Total comprehensive income for the year		**13.19**	**6.59**
Earnings per equity share of face value of ₹ 10 each			
Basic and diluted (in ₹)	28	997.47	588.94

The accompanying notes form an integral part of these financial statements.

As per our report of even date attached.

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

Sanjay Banthia

Sanjay Banthia
Partner
Membership No.: 061068

Place: Mumbai
Date: 18 November 2020

WALKER CHANDIOK & Co LLP
MUMBAI
CHARTERED ACCOUNTANTS

For and on behalf of **Board of Directors**

Akshat Rathee
Director
DIN: 00870302

Place: Gurugram
Date: 18 November 2020

Manish Agarwal
Director
DIN: 08445163

Place: Mumbai
Date: 18 November 2020

Nodwin Gaming Private Limited
Statement of Cash Flows for the year ended 31 March 2020
(Amounts are stated in ₹ millions, unless otherwise stated)

Particulars		For the year ended 31 March 2020	For the year ended 31 March 2019
Cash flow from operating activities			
Profit before tax		18.11	10.97
Adjustments for :			
Depreciation and amortisation expense		66.68	25.21
Bad debts written off		4.92	-
Provision for gratuity		1.13	0.39
Allowance for expected credit loss		0.43	-
Interest income		(1.10)	(1.67)
Interest on lease liability		0.10	-
Operating profit before working capital changes		**90.27**	**34.90**
Adjustments for working capital :			
Trade and other receivables		(319.84)	(190.26)
Trade, other payables and provisions		199.96	144.83
Cash flow (used in) operations		**(29.61)**	**(10.53)**
Income taxes paid (including tax deducted at source)		(2.91)	(12.22)
Net cash flow (used in) operating activities	**(A)**	**(32.52)**	**(22.75)**
Cash flow from investing activities			
Purchase of property and equipment		(1.77)	(2.93)
Interest received		1.10	1.67
Net cash flow (used in) investing activities	**(B)**	**(0.67)**	**(1.26)**
Cash flow from financing activities			
Payment of lease liability (including interest on lease liability)		(0.61)	-
Net cash flow (used in) financing activities	**(C)**	**(0.61)**	**-**
Net (Decrease) in Cash and cash equivalents	**(A + B + C)**	**(33.80)**	**(24.01)**
Cash and cash equivalents (opening balance)		**56.26**	**80.27**
Cash and cash equivalents (closing balance) (refer note 9)		**22.46**	**56.26**

The accompanying notes form an integral part of these financial statements.

As per our report of even date attached.

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

Sanjay Banthia

Sanjay Banthia
Partner
Membership No.: 061068

Place: Mumbai
Date: 18 November 2020

WALKER CHANDIOK & Co LLP
MUMBAI
CHARTERED ACCOUNTANTS

For and on behalf of **Board of Directors**

Akshat Rathee
Director
DIN: 00870302

Place: Gurugram
Date: 18 November 2020

Manish Agarwal
Director
DIN: 03445163

Place: Mumbai
Date: 18 November 2020

Nodwin Gaming Private Limited
Statement of Changes in Equity for the year ended 31 March 2020
(Amounts are stated in ₹ millions unless otherwise stated)

A. Equity share capital (Refer note 13)

Particulars	As at 31 March 2019	As at 31 March 2020
Balance as at beginning of the year	**0.13**	**0.13**
Changes in equity share capital	-	-
Balance at the end of the year	**0.13**	**0.13**

B. Other equity

Particulars	Securities premium	Retained earnings	Other equity
Balance as at 31 March 2018	**355.29**	**21.48**	**376.77**
Profit for the year	-	7.90	7.90
Other comprehensive income	-	(1.31)	(1.31
Balance as at 31 March 2019	**355.29**	**28.07**	**383.36**
Profit for the year	-	13.38	13.38
Other comprehensive income	-	(0.19)	(0.19
Balance as at 31 March 2020	**355.29**	**41.26**	**396.55**

The accompanying notes form an integral part of these financial statements.

As per our report of even date attached.

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

Sanjay Banthia

Sanjay Banthia
Partner
Membership No.: 061068

Place: Mumbai
Date: 18 November 2020

WALKER CHANDIOK & Co LLP
MUMBAI
CHARTERED ACCOUNTANTS

For and on behalf of **Board of Directors**

Akshat Rathee
Director
DIN: 00870302

Place: Gurugram
Date: 18 November 2020

Manish Agarwal
Director
DIN: 03445163

Place: Mumbai
Date: 18 November 2020

1 Significant accounting policies and other explanatory information

(i) Corporate information

Nodwin Gaming Private Limited (the "Company") incorporated in India on 13 January 2014. The Company is subsidiary of Nazara Technologies Limited, an unlisted public company, there by becoming a deemed public company. The Company is primarily engaged in providing e-sports gaming consultancy related to organizing gaming events, sponsorship and related consultancy services. The registered office of the company is situated at 1st Plot No. 119, Sector-31, Gurugram 122001.

(ii) Basis of preparation

The financial statements of the Company have been prepared in accordance with the Indian Accounting Standards (Ind AS) as notified under Section 133 of the Companies Act 2013 read with the Companies (Indian Accounting Standards) Rules, 2015 (by Ministry of Corporate Affairs ('MCA'). The financial statements are authorized for issue by the Company's Board of Directors on 30 September 2020.

The financial statements have been prepared on a historical cost basis, except certain financial assets and liabilities which are measured at fair values at the end of each reporting period. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique.

The Company has uniformly applied the accounting policies during the periods presented, except for new accounting standards adopted by the Company.
All amounts included in the financial statements are reported in Indian rupees (in ₹ million) except share and per share data, unless otherwise stated.
The financial statements correspond to the classification provisions contained in Ind AS 1, "Presentation of Financial Statements". For clarity, various items are aggregated in the statement of profit and loss and balance sheet. These items are disaggregated separately in the notes to the financial statements, where applicable.

(iii) Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:
- Expected to be realized or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realized in normal operating cycle or within twelve months after the reporting period or
- Cash or cash equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

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

All other liabilities are classified as non-current.
Deferred tax assets and liabilities are classified as non-current assets and liabilities.
The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Company has identified period of twelve months as its operating cycle.

(iv) Foreign currency transactions and translations

i. Functional currency

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

ii. Transactions and translations

Transactions in foreign currencies are initially recorded by the Company at its functional currency spot rates at the date the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Exchange differences arising on settlement or translation of monetary items are recognized in profit or loss with the exception of the following:
Exchange differences arising on monetary items that forms part of a reporting entity's net investment in a foreign operation are recognized in profit or loss in the standalone financial statements of the reporting entity.
Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognized in OCI or profit or loss are also recognized in OCI or profit or loss, respectively).

(v) Use of estimates and judgements

The preparation of financial statements in conformity with Ind AS requires 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 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:

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, method of depreciation/ amortisation, pattern of usage or consumption 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, change in depreciation method or pattern of use of intangible assets.

The Company reveiws the depreciation/amortisation method and pattern of usage or consumption annually and, if expectatios differs from previous estimates, the change is accounted for as change in accounting estimate on a prospective basis.

WALKER CHANDIOK & CO LLP MUMBAI CHARTERED ACCOUNTANTS

NODWIN Gaming Pvt. Ltd.

(v) Use of estimates and judgements (continued)

Estimated value and useful life of ROU asset

Ind AS 116 defines a lease term as the non-cancellable period for which the lessee has the right to use an underlying asset including optional periods, when an entity is reasonably certain to exercise an option to extend (or not to terminate) a lease. The Company considers all relevant facts and circumstances that create an economic incentive for the lessee to exercise the option when determining the lease term. The option to extend the lease term is included in the lease term, if it is reasonably certain that the lessee would exercise the option. The Company reassesses the option when significant events or changes in circumstances occur that are within the control of the lessee. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances. The Company has applied an incremental borrowing rate for the purpose of computing lease liabilities based on the rate prevailing in India.

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).

Considering the nature of the business and services provided to the customers, the entire business constitutes singe cash generating unit as per Ind AS 36- 'Impairment of Assets' as the management regularly monitors and reviews the operating result of the whole Company as one segment. Therefore, the Company assess the recoverability of assets by considering the cash flow projection at the Company level since the entire business is integrated and linked to each other.

Fair value of financial instruments

Management uses valuation techniques in measuring the fair value of financial instruments where active market quotes are not available. In applying the valuation techniques, management makes maximum use of market inputs and uses estimates and assumptions that are, as far as possible, consistent with observable data that market participants would use in pricing the instrument. Where applicable data is not observable, management uses its best estimate about the assumptions that market participants would make. These estimates may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

Defined benefit plan

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

Revenue recognition

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

The Company provides brand and media sponsorship services, including exclusive or non-exclusive title sponsorships, media rights, additional infrastructural placement, social media rights (including rights to create and post social content and clips). 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). For the years ended 31 March 2020 and 2019, 42 percent and 53 percent were recognized at a single point in time and 58 percent and 47 percent of revenues were recognised over time, respectively.

The Company provides services to a few overseas customers based on the verbal or oral arrangement, which is in line with customary business practices with such customers. 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.

The Company exercises judgement in determining whether the service providers is acting in the capacity of principal or agent for the services that are rendered through them. The Company ascertains the same based on the criterias such as who is the primary obligor under the contract, who has discretion in pricing, who bears the credit risk, etc. The Company has concluded that it is the principal in all of its revenue arrangement, since it is the primary obligator in all revenue arrangements, has pricing latitude and is also exposed to credit risks.

The Company has determined that the transaction with the subsidiary is at arm's length based on the transfer pricing study conducted by an independent external expert.

During the year, the Company has rendered services related to e-sports production amounting to ₹ 250 to one customer. In addition, the Company availed advertisement services (dissimilar services) amounting to ₹ 253.00 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.

The Company has determined that the place of supply for services to the overseas customers is outside India, i.e. location of the customer/s. 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 Company is not liable to pay GST on aforesaid services provided to the customer/s.

WALKER CHANDIOK & CO LLP
MUMBAI
CHARTERED ACCOUNTANTS

NODWIN Gaming Pvt. Ltd.

(v) Use of estimates and judgements (continued)

Uncertainty relating to the global health 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, as at the date of approval of these financial statements has used internal and external sources of information including credit reports and related information, economic forecasts and consensus estimates from market sources on the expected future performance of the Company.

Management has evaluated short-term as well as long-term impact of the Covid-19 pandemic on the industry and believes that, Company being in business of esports brand and media consulting, the pandemic will not have a significant negative effect on the Company's financial position and results of its operations.

From business perspective, the Company is buoyed with the resilience of esports market in these challenging times and are confident of our ability to maintain our commercial direction and to offer a solution to the esports industry that is grappling with the mass-cancellation of live-in person events. Although there is a surge in demand for online esports tournaments hosting, primarily on account of global travel restrictions and limitations on public gatherings making large scale in-person esports events impossible and the partnership pipeline of the Company remains strong with discussion continuing with many well-known brands and organizations including expansion of existing partnerships, the Company has considered all prudent cost reduction action to minimize the impact of the pandemic.

The Company has also performed sensitivity analysis on the assumptions used and based on current estimates expects the carrying amount of these assets will be recovered, net of provisions established. In addition, the management has reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future, being a period of not less than twelve months from the date of approval of these financial statements. The company therefore continues to adopt the going concern basis in preparing its financial statements.

Though it is too early to estimate the same in view of the volatility in the global economic conditions pursuant to this pandemic; the Company as at the date of the approval of these financials statement, has used various available sources of information to analyse the carrying amount of its financial assets and exposures. The impact of Covid-19 on the Company's financial statements may differ from the estimate as on the date of the approval of the financial statements. The Company will continue to closely monitor any material changes to future economic conditions.

(vi) Revenue recognition

Revenue is recognized when the Company transfers promised goods or services to customers in an amount that reflects the consideration to which the Company 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.

The Company generates brand and media sponsorship revenues primarily from sale of various forms of sponsorship and promotional campaign on customers' online 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. All revenues are stated net of the amount of goods and service tax (GST).

Income receivable represents revenues recognised for services rendered in accordance with contractual terms, which have not been billed at the balance sheet date. Revenue billed or collected in advance is recorded as deferred revenue until the event occurs or until applicable performance obligations are satisfied as described above.

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 31 March 2020, expected credit loss, including bad debts, of ₹ 5.35 was recorded in the Statement of Profit and Loss.

(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:

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

Debt instruments at amortized cost

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

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

MUMBAI

NODWIN Gaming Pvt. Ltd.

(vii) **Financial instrument (continued)**

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

Debt instruments at fair value through profit and loss (FVTPL)

FVTPL is a residual category for company's investment instruments. Any instruments which does not meet the criteria for categorization as at amortized cost or as FVOCI, is classified as at FVTPL.
All investments (except investment in subsidiary) included within the FVTPL category are measured at fair value with all changes recognized in Statement of Profit and Loss.
In addition, the company may elect to designate an instrument, which otherwise meets amortized cost or FVOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

Derecognition

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

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

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

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

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

Impairment of financial assets

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

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

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

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

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

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

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the Statement of Profit and Loss. 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.

Debt instruments 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.

WALKER CHANDIOK & CO LLP MUMBAI CHARTERED ACCOUNTANTS

NODWIN Gaming Pvt. Ltd.

(vii) Financial instrument (continued)

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 of current tax expense and deferred tax expense/benefit. Current and deferred taxes are recognized in profit or loss, except when they relate to items 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.

i) Current tax

Current income tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the applicable income tax law. The current tax is calculated using tax rates that have been enacted or substantively enacted, at the reporting date, and any adjustment to tax payable in respect of previous years.

ii) Deferred tax

Deferred tax is recognized using the Balance sheet approach on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts.

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 credits and unused tax losses can be utilized, 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.

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 utilized. Un-recognised 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.

The Company recognises deferred tax liability for all taxable temporary differences associated with investments in subsidiaries and associates, except to the extent that both of the following conditions are satisfied:
- When the Company is able to control the timing of the reversal of the temporary difference; and
- it is probable that the temporary difference will not reverse in the foreseeable future.

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

(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 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
Computer equipment	3 years
Office equipment	3 years
Furniture and fixtures	5 years

WALKER CHANDIOK & CO LLP
MUMBAI
CHARTERED ACCOUNTANTS

NODWIN Gaming Pvt. Ltd.

(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.
Intangible asset pertains to media and content archive rights purchased.

Intangible assets are amortised over the useful economic life (5 years) 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 Company 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) Leases

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 office premises, venue for in-person esports exhibition/ events, and equipments. 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:
• the contract involves the use of an identified asset
• the Company has substantially all the economic benefits from use of the asset through the period of the lease and
• 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.

WALKER CHANDIOK & CO LLP MUMBAI CHARTERED ACCOUNTANTS

NODWIN Gaming Pvt. Ltd.

(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 changes in the net defined benefit obligation as an expense in the 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 of India. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates for the respective countries.

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

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

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

Short - term employee benefits

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

(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.

WALKER CHANDIOK & CO LLP MUMBAI CHARTERED ACCOUNTANTS

NODWIN Gaming Pvt. Ltd.

(xviii) 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

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

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

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

WALKER CHANDIOK & CO LLP
MUMBAI
CHARTERED ACCOUNTANTS

NODWIN Gaming Pvt. Ltd.

Note 2 : Property and equipment

Particulars	Computer equipment	Furniture and Fixtures	Office equipment	Total
Gross block				
Balance as on 1 April 2018	4.27	0.09	2.70	7.05
Additions	1.46	0.52	0.94	2.92
Balance as on 31 March 2019	5.73	0.61	3.64	9.97
Additions	1.16	0.26	0.35	1.77
Balance as on 31 March 2020	6.89	0.87	3.99	11.74
Accumulated depreciation				
Balance as on 1 April 2018	2.09	0.06	1.02	3.17
Depreciation for the year	2.01	0.20	1.78	3.99
Balance as on 31 March 2019	4.10	0.26	2.80	7.16
Depreciation for the year (*)	0.85	0.12	0.39	1.36
Balance as on 31 March 2020	4.95	0.38	3.19	8.52
Net block				
Balance as on 31 March 2019	1.64	0.35	0.84	2.82
Balance as on 31 March 2020	1.94	0.49	0.79	3.22

(*) The Company has changed the method of depreciation from Written Down Value (WDV) to Straight Line Method (SLM) and the impact of the change is accounted on prospective basis in the financial statements. Management believes the change in the method of depreciation is in line with the Group accounting policy. Such accounting estimate is more reliable and more relevant because it results in a more transparent treatment of depreciation and is consistent with local industry practice, making the financial statements more comparable.

<<This space has been intentionally left blank>>

WALKER CHANDIOK & Co LLP
MUMBAI
CHARTERED ACCOUNTANTS

NODWIN Gaming Pvt. Ltd.

Note 3: Leases

Operating leases as lessee until 31 March 2019

The Company has entered into cancellable operating leases for office premises, venue for in-person esports exhibitions/events and equipments. These lease arrangements range for a period between 11 months and 36 months with lock in period between 0 months and 36 months, which include both renewal and non renewal leases. These leases also include escalation clauses.

The minimum lease payments recognised in the Statement of Profit and Loss for the year ended 31 March 2019 amount to ₹ 43.30 and ₹ 3.74 for rent and equipment rental respectively (included under 'Rent' and 'Equipment rental' in note 26).

The future minimum lease payments are as follows:

Particulars	Amount
Minimum lease payments due within 1 year	3.53
Within 2-5 years	-
More than 5 years	-
Total	**3.53**

Transition w.e.f 1 April 2019

Effective 1 April 2019, the Company has adopted Ind AS 116 "Leases" using the modified retrospective method. The Company has applied the standard to its leases with the cumulative impact recognised on the date of initial application (1 April 2019). Accordingly, previous period information has not been restated.

On 1 April 2019, the Company has recognised a lease liability measured at the present value of the remaining lease payments, and right-of-use (ROU) asset at an amount equal to lease liability (adjusted for any related prepayments). Accordingly, on transition to Ind AS 116, the Company recognised lease liabilities and corresponding equivalent ROU assets.

In the Statement of Profit and Loss for the current period, operating lease expenses which were recognised within other expenses in previous periods is now recognised as depreciation expense for the right-of-use asset and finance cost for imputed interest on lease liability.

The following is the summary of practical expedients elected on initial application:

1. Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date.
2. Applied the exemption not to recognize right-of-use assets and liabilities for leases with less than 12 months of lease term on the date of initial application i.e. the rentals paid for venue and equipments for in-person esports exhibitions/ events.
3. Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application.
4. Ind AS 116 is applied only to contracts that were previously identified as leases under Ind AS 17.

The weighted average incremental borrowing rate applied to lease liabilities as at 1 April 2019 is 10.00%.

Following are the changes in the carrying value of right of use assets for the year ended 31 March 2020:

Particulars	Category of ROU assets - Building
Balance as of 1 April 2019	-
ROU assets recognised as at 01 April 2019 on adopting of IND AS 116	5.39
Depreciation (refer note 25)	(0.57)
Balance as at 31 March 2020	**4.82**

The following is the break-up of current and non-current lease liabilities as of 31 March 2020.

Particulars	Amount
Non-current lease liabilities	1.43
Current lease liabilities	3.46
Total	**4.89**

The following is the movement in lease liabilities during the year ended 31 March 2020:

Particulars	Amount
Lease liability recognised as at 01 April 2019 on adopting of IND AS 116	5.39
Interest on lease liability (refer note 24)	0.10
Payment of lease liabilities	(0.61)
Balance as at 31 March 2020	**4.88**

The table below provides details regarding the contractual maturities of lease liabilities as of 31 March 2020 on an undiscounted basis:

Particulars	Lease payment	Finance charge	Net present value
Less than 1 year	3.80	0.34	3.46
One to five years	1.48	0.05	1.43
More than five years			-
Total	**5.28**	**0.39**	**4.89**

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

Lease expense recorded for short-term leases was ₹ 11.22 and ₹ 4.96 for the year ended 31 March 2020 for rent and equipment rental respectively (included under 'Rent' and 'Equipment rental' in note 26) as the Company has elected not to a recognised a lease liability for short term leases or for lease of low value assets, payments under such leases are expensed on straight line basis.

The aggregate depreciation on ROU assets has been included under depreciation and amortisation expense in the Statement of Profit and Loss.

WALKER CHANDIOK & CO LLP MUMBAI CHARTERED ACCOUNTANTS

NODWIN Gaming Pvt. Ltd.

Nodwin Gaming Private Limited
Summary of significant accounting policies and other explanatory information
(Amounts are stated in ₹ millions unless otherwise stated)

Note 4 : Intangible asset (*)

Particulars	Intangible asset	Total
Gross block		
Balance as on 1 April 2018	**265.30**	**265.30**
Balance as on 31 March 2019	**265.30**	**265.30**
Balance as on 31 March 2020	**265.30**	**265.30**
Accumulated depreciation		
Balance as on 1 April 2018	**2.65**	**2.65**
Amortization for the year	21.22	21.22
Balance as on 31 March 2019	**23.87**	**23.87**
Amortization for the year (**)	64.75	64.75
Balance as on 31 March 2020	**88.62**	**88.62**
Net block		
Balance as on 31 March 2019	**241.43**	**241.43**
Balance as on 31 March 2020	**176.68**	**176.68**

(*) Intangible asset pertains to media rights, naming rights of a brand and content archive purchased for 5 years.

(**) During the year, the Company has changed its accounting estimate for the treatment of amortization of intangible asset. In previous years, the Company had amortized the intangible asset as per the pattern of usage or consumption of intangible asset over the useful life of 5 years. The Company has now decided to amortize the intangible asset on straight line basis over the remaining useful life of intangible asset. Management believes that the change in accounting estimate provides reliable and more relevant information, because it results in a more transparent treatment of amortization of intangible asset and is consistent with local industry practice, making the financial statements more comparable.

<<<This space has been intentionally left blank>>>

WALKER CHANDIOK & CO LLP
MUMBAI
CHARTERED ACCOUNTANTS

NODWIN Gaming Pvt. Ltd.

Note 5 : Non-current Investments

Particulars	As at 31 March 2020	As at 31 March 2019
Unquoted equity instruments - at cost, fully paid-up		
Investment in subsidiary		
Nodwin Gaming International Limited, Honk Kong (*)	0	-
Aggregate amount of unquoted investments	0	-
Aggregate amount of impairment in the value of investments	-	-
Investments at fair value through other comprehensive income (FVTOCI) (fully paid)		
AFK Gaming Private Limited [(2,783 (31 March 2019 2,783) equity shares of ₹ 2,066 each]	5.75	5.75
Aggregate amount of unquoted investments at fair value (#)	**5.75**	**5.75**
Aggregate amount of unquoted investments at cost	5.75	5.75
Aggregate amount of impairment in the value of investments	-	-

(*) Amount is below rounding off threshold adopted by the Company
(#) The management of the Company evaluates that the fair value of investments in AFK Gaming Private Limited is same as the carrying value of the investment as on 31 March 2020 and conclude that there is no impact of fair valuation in the current year.

Note 6 : Deferred tax assets (net)

Particulars	As at 31 March 2020	As at 31 March 2019
Deferred tax assets (Refer note 27)	1.67	1.56
	1.67	**1.56**

Note 7 : Income tax asset (net)

Particulars	As at 31 March 2020	As at 31 March 2019
Income tax receivables [net of provision for income tax ₹ 3.70 million, (31 March 2019: ₹ 3.70 million)]	5.32	5.29
	5.32	**5.29**

Note 8 : Trade receivables

Particulars	As at 31 March 2020	As at 31 March 2019
(Carried at amortised cost, except otherwise stated)		
Unsecured considered good (*)	475.94	213.20
Unsecured considered doubtful	0.43	-
Less: Allowance for expected credit loss	0.43	-
	475.94	**213.20**
(*) Includes amount due to related parties (refer note 34)	130.14	3.99

- For ageing analysis of trade receivables, refer note 31.

Note 9 : Cash and cash equivalents

Particulars	As at 31 March 2020	As at 31 March 2019
Balances with banks		
- in current accounts	22.30	30.10
- deposits with original maturity less than 3 months	-	26.10
Cash on hand		
- in Indian Currency	0.02	0.06
- in foreign currencies	0.14	-
	22.46	**56.26**

Note 10 : Loans

Particulars	As at 31 March 2020	As at 31 March 2019
(Unsecured, considered good unless otherwise stated)		
Security deposits	3.27	2.00
Loans to employees(*)	10.00	-
	13.27	**2.00**
(*) Includes amount due to related parties (refer note 34)	10.00	-

(*) Non-interest bearing and repayable on demand. Notional interest included as perquisite in the hands of the employee.

WALKER CHANDIOK & CO LLP MUMBAI CHARTERED ACCOUNTANTS

NODWIN Gaming Pvt. Ltd.

Note 11 : Other financial assets - current

Particulars	As at 31 March 2020	As at 31 March 2019
(Unsecured- considered good unless otherwise stated)		
Income receivable	19.01	12.85
	19.01	**12.85**

Note 12 : Other current assets

Particulars	As at 31 March 2020	As at 31 March 2019
(Unsecured- considered good unless otherwise stated)		
Balance with government authorities	63.05	32.31
Advance paid to suppliers	4.47	0.89
	67.52	**33.20**

<<<This space has been intentionally left blank>>>

Note 13 : Share capital

Particulars	As at 31 March 2020		As at 31 March 2019	
	Number	Amount	Number	Amount
Authorised shares				
Equity shares of ₹ 10 each	50,000	0.50	50,000	0.50
Issued, subscribed and fully Paid-up				
Equity shares of ₹ 10 each fully paid-up	13,414	0.13	13,414	0.13

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

Equity shares of ₹ 10 each

Name of shareholder	As at 31 March 2020		As at 31 March 2019	
	No of Shares	% Holding	No of Shares	% Holding
Good Game Investment Trust	3,019	22.51%	3,019	22.51%
Jet Synthesis Private Limited	3,019	22.51%	3,019	22.51%
Nazara Technologies Limited	7,376	54.99%	7,376	54.99%

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

Equity shares of ₹ 10 each	As at 31 March 2020		As at 31 March 2019	
	No of Shares	Amount	No of Shares	Amount
At the beginning of the year	13,414	0.13	13,414	0.13
Issued during the year	-	-	-	-
Outstanding at the end of the year	**13,414**	**0.13**	**13,414**	**0.13**

(c) Terms/rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(d) Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date.

The Company has not issued any bonus shares, shares for consideration other than cash or bought back any shares since the date of incorporation.

Note 14 : Other equity

Particulars	As at 31 March 2020	As at 31 March 2019
Retained earnings	41.26	28.07
Securities premium	355.29	355.29
	396.55	**383.36**

Nature and purpose of reserves

Retained earnings : Retained earnings represent the Company's undistributed profits.

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

WALKER CHANDIOK & CO LLP * MUMBAI * CHARTERED ACCOUNTANTS

NODWIN Gaming Pvt. Ltd. *

Note 15 : Non-current provisions

Particulars	As at 31 March 2020	As at 31 March 2019
Provision for employee benefits		
Gratuity (refer note 29)	3.81	2.59
	3.81	**2.59**

Note 16 : Trade payables

Particulars	As at 31 March 2020	As at 31 March 2019
Total outstanding dues to micro and small enterprises	-	-
Total outstanding due to creditors other than micro and small enterprises (*)	370.57	176.62
	370.57	**176.62**
(*) Includes amount payable to related parties (refer note 34)	4.69	36.05

There are no micro, small and medium enterprises, to whom the company owes dues, which are outstanding for more than 45 days as at 31 March, 2020, and no interest payment made during the year to any micro, small and medium enterprises. This information as required to be disclosed under the micro, small and medium enterprises development Act, 2006, has been determined to the extent such parties have been identified on the basis of information available with the Company.

Note 17 : Other financial liabilities

Particulars	As at 31 March 2020	As at 31 March 2019
Creditors for expenses	3.12	0.45
Employee dues (*)	3.91	1.16
	7.03	**1.61**
(*) Includes amount payable to related parties (refer note 34)	2.95	1.16

Note 18 : Other current liabilities

Particulars	As at 31 March 2020	As at 31 March 2019
Advance received from customers	0.15	-
Statutory dues	10.12	9.70
	10.27	**9.70**

Note 19 : Current provisions

Particulars	As at 31 March 2020	As at 31 March 2019
Provision for employee benefits		
Gratuity (refer note 29)	0.52	0.35
	0.52	**0.35**

Note 20 : Current tax liabilities (net)

Particulars	As at 31 March 2020	As at 31 March 2019
Provision for income tax [net of advance tax of ₹ 2.88 million, (31 March 2019 : ₹ Nil)]	1.89	-
	1.89	**-**

<<<This space has been intentionally left blank>>>

WALKER CHANDIOK & CO LLP
MUMBAI
CHARTERED ACCOUNTANTS

NODWIN Gaming Pvt. Ltd.

Note 21 : Revenue from Operations

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Sale of Services* (refer note 30)	746.61	495.17
	746.61	**495.17**

*Includes sale of services to related parties (refer note 34) | 163.83 | 7.99

Note 22 : Other Income

Interest on bank deposits	1.10	1.67
Currency fluctuation gain	4.45	4.40
Miscellaneous income	1.86	0.01
	7.41	**6.08**

Note 23 : Employee benefits expense

Salaries, wages and bonus	47.78	32.50
Staff welfare expenses	0.51	0.01
Gratuity expenses (refer note 29)	1.13	0.39
	49.42	**32.90**

Note 24 : Finance cost

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Interest on lease liability (refer note 3)	0.10	-
	0.10	**-**

Note 25 : Depreciation and amortization expense

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Depreciation on property and equipment (refer note 2)	1.36	3.99
Depreciation of right-of-use assets (refer note 3)	0.57	-
Amortisation on intangible assets (refer note 4)	64.75	21.22
	66.68	**25.21**

Note 26 : Other expenses

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Advertising	262.08	7.37
Event	174.19	240.96
Communication	76.77	58.18
Travelling and conveyance	49.85	52.15
Tools and equipment	12.48	2.31
Equipment rental	11.22	3.74
Legal and professional	5.33	1.01
Content	5.09	4.66
Rent (refer note 3) (*)	4.96	43.30
Bad debts	4.92	-
Auditor's remuneration (refer note below)	0.47	0.08
Allowance for expected credit loss	0.43	-
Miscellaneous	11.92	18.41
	619.71	**432.17**

(*) Includes venue rent for in-person esports exhibitions/ events | 1.21 | 39.00

Payment to auditors

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Audit fees	0.47	0.08
	0.47	**0.08**

WALKER CHANDIOK & CO LLP MUMBAI CHARTERED ACCOUNTANTS

NODWIN Gaming Pvt. Ltd.

Note 27: Tax expenses/ Deferred tax

(a) The major components of income tax expense for the years ended 31 March 2020 and 31 March 2019 are:

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Statement of profit or loss		
Profit and loss section		
Current Income tax charge	4.77	3.70
Deferred tax on account of temporary differences	(0.04)	(0.63)
	4.73	**3.07**
OCI section - tax related to items recognised in OCI during the year:		
Income tax relating to re-measurements gain on defined benefit plans	0.07	0.53
	0.07	**0.53**

(b) Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for 31 March 2020 and 31 March 2019:

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Accounting profit before income tax	18.11	10.97
At India's statutory income tax rate of 25.168 % (31 March 2019: 27.82%) (refer note below)	4.56	3.05
Change in tax rate	0.17	0.02
Income tax expense reported in the Statement of Profit and Loss	**4.73**	**3.07**
Effective income tax rate	**26.11%**	**28.00%**

Note:

The Government of India, on 20 September 2019 vide the Taxation Laws (Amendment) Ordinance, 2019, inserted a new Section 115 BAA in the Income Tax Act, 1961, which provides an option to the Company for paying tax at reduced rates (lower tax rate) as per the provisions/ conditions defined in the said section. Based on its evaluation, the Company expect to avail lower tax rate on account of reduced income tax rate.

(c) Deferred tax

Deferred tax relates to the following:

Particulars	As at 1 April 2019	Recognised in profit or loss	Recognised in other comprehensive income	As at 31 March 2020
Deferred tax assets (gross)				
Provision for employee benefits	0.82	0.20	0.07	1.09
Property and equipment and intangible assets	0.74	(0.28)	-	0.46
Right of use asset (net of lease liability)	-	0.01	-	0.01
Allowance for expected credit loss	-	0.11	-	0.11
Total deferred tax assets	**1.56**	**0.04**	**0.07**	**1.67**
Deferred tax assets (net)	**1.56**	**0.04**	**0.07**	**1.67**

Deferred tax assets (gross)	As at 1 April 2018	Recognised in Statement of profit or loss	Recognised in other comprehensive income	As at 31 March 2019
Provision for employee benefits	0.18	0.11	0.53	0.82
Property and equipment and intangible assets	0.22	0.52	-	0.74
Total deferred tax assets	**0.40**	**0.63**	**0.53**	**1.56**
Deferred tax assets (net)	**0.40**	**0.63**	**0.53**	**1.56**

WALKER CHANDIOK & CO LLP MUMBAI CHARTERED ACCOUNTANTS

NODWIN Gaming Pvt. Ltd.

Note 28 : Earnings per share

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Disclosure as required by Indian Accounting Standard (Ind AS) 33 - Earnings Per Share		
Profit after tax as per Statement of Profit and Loss	13.38	7.90
Weighted average number of shares for Basis/ Diluted earning per share	13,414	13,414
Basic and Diluted Earnings per Share	**997.47**	**588.94**

Note 29 : Employee benefits
Defined Benefit Plan - Gratuity

In accordance with the Payment of Gratuity Act, 1972, the Company is required to provide post employment benefit to its employees in the form of gratuity. The company has a defined benefit gratuity plan. Every employee who has completed five years or more of service is eligible for gratuity on cessation of employment and it is computed at 15 days' salary (last drawn salary) for each completed year of service.
The present value of the obligation under such defined benefit plan is determined at each balance sheet date based on an actuarial valuation using the projected unit credit method.
The following tables sets out the status defined benefit plan as required under Ind AS 19 - Employee benefits.

Particulars	31 March 2020	31 March 2019
(a) Reconciliation of net defined benefit (asset) liability		
Reconciliation for present value of defined benefit obligations		
Defined benefit obligation at the beginning of the year	2.94	0.71
Current service cost	0.92	0.34
Interest cost	0.21	0.05
Actuarial (gains)/ losses recognised in Other Comprehensive Income	0.26	1.84
Defined benefit obligation at the end of the year	**4.33**	**2.94**
(b) Amount recognised in Balance sheet		
Current provision	0.52	0.35
Non-current provision	3.81	2.59
	4.33	**2.94**
(c) Expense recognised in the Statement of Profit and Loss and Other comprehensive Income		
(i) Expense recognised in the Statement of Profit and Loss		
Current service cost	0.21	0.34
Interest cost	0.92	0.05
	1.13	**0.39**
(ii) Expense recognised in the Other comprehensive income		
Actuarial (gains) losses on defined benefit obligations		
-arising from changes in financial assumptions	0.25	0.06
-arising on account of experience changes	0.01	1.78
	0.26	**1.84**
(d) Actuarial assumptions		
The following were the principal actuarial assumptions at the reporting date (expressed as weighted averages).		
Financial assumptions		
Discount rate	5.76%	6.96%
Salary escalation	15.00%	15.00%
Demographic assumptions		
Mortality rate	100% of IALM 2006-08	100% of IALM 2006-08
Withdrawal Rate	20.00%	20.00%

(e) Sensitivity analysis

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

Particulars	31 March 2020		31 March 2019	
Defined benefit obligation (base)	4.33		2.94	
	Decrease	**Increase**	**Decrease**	**Increase**
Discount rate (1% movement)	0.24	0.21	0.14	0.15
Salary escalation (1 % movement)	0.14	0.15	0.10	0.10
Attrition rate (1% movement)	0.09	0.08	0.05	0.05

The sensitivity analyses above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

(f) Maturity analysis of projected benefit obligation

Particulars	31 March 2020	31 March 2019
1 year	0.52	0.35
2 year	0.51	0.37
3 year	0.53	0.37
4 year	0.55	0.38
5 year	0.50	0.38
6 to 10 years	1.76	1.33
More than 10 years	1.82	1.32

WALKER CHANDIOK & CO LLP MUMBAI CHARTERED ACCOUNTANTS

NODWIN Gaming Pvt. Ltd.

Note 30 : Disaggregated revenue information

(a) Disaggregation of revenue

Set out below is the disaggregation of the Company's revenue from contracts with customers and reconciliation to the Statement of Profit and Loss.

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
(i) Type of services		
IP Services	431.10	231.93
Consultancy Services	315.51	263.24
Total revenue from contract with customers	**746.61**	**495.17**
(ii) Geographical market		
India	391.67	210.87
Outside India		
Hongkong	157.96	-
Rest of the world	196.98	284.30
Total revenue from contract with customers	**746.61**	**495.17**

(iv) Timing of revenue recognitions

Particulars	Services transferred at a point in time		Services transferred over time	
	For the year ended 31 March 2020	For the year ended 31 March 2019	For the year ended 31 March 2020	For the year ended 31 March 2019
IP Services	-	-	431.10	231.93
Consultancy Services	315.51	263.24	-	-

(v) Location of service : For the years ended 31 March 2020 and 2019, 99 percent and 98 percent were recognized for services given online and 1 percent and 2 percent of revenues were recognised for services given in person, respectively.

(b) Contract balances

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Contract assets	19.01	12.85
Contract liabilities	0.15	-

Notes:

The contract assets are in form of receivables, which are included in income receivable, primarily relate to the Company rights to consideration for servies given to the customers but not billed at the reporting date. The contract assets are transferred to receivables when it will be billed subsequently.

The contract liabilities are in form advance received from customer for which the obligation of supply of goods/service is not completed at the year end.

(c) Movement in contract assets and contract liabilities

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Opening balance of contract liabilities	-	-
Addition in balance of contract liabilities for current year	0.15	-
Amount of revenue recognised against opening contract liabilities	-	-
Closing balance of contract liabilities	**0.15**	**-**
Opening balance of contract assets	12.85	-
Addition in balance of contract assets for current year	19.01	12.85
Amount of billing recognised against opening contract assets	(12.85)	-
Closing balance of contract assets	**19.01**	**12.85**

WALKER CHANDIOK & CO LLP
MUMBAI
CHARTERED ACCOUNTANTS

NODWIN Gaming Pvt. Ltd.

Note 31 : Financial instruments risk

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

The Companies principal financial liabilities comprise of trade and other payables and other financial liabilities (including lease liability). The main purpose o these financial liabilities to finance the Company's operations. The Company's principal financial assets include trade receivables, investments, cash and cas equivalents, loans and other financial assets that derive directly from its operations.

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

31.1 : Market risk analysis

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 two types of risks: currency risk and interest rate risk.

Foreign currency exchange rate risk

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

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

Particulars	Foreign currency denomination	As at 31 March 2020		As at 31 March 2019	
		Foreign Currency (in absolute value)	Indian currency	Foreign Currency (in absolute value)	Indian currency
Trade receivables	USD	0.05	3.40	0.59	40.18
	EURO	0.29	24.35	1.71	144.13
Cash on hand	USD	0.00	0.07	-	-
	Thai Bhatt	0.03	0.07	-	-
Trade payables	USD	0.00	0.11	0.01	0.73
Net exposure			**28.00**		**185.03**

Trade receivables include balance outstanding in local currency amounting to ₹ 448.19 (31 December 2019: ₹ 28.89) for which the Company does not carry any currency risk.

Trade payables include balance outstanding in local currency amounting to ₹ 370.46 (31 March 2019: ₹ 175.89) for which the Company does not carry any currency risk.

Cash on hand include balance outstanding in local currency amounting to ₹ 0.02 (31 March 2019: ₹ 0.06) for which the Company does not carry any currency risk.

The Company's sensitivity to a 5% appreciation/depreciation of USD and EURO which are major currencies with respect to Rupee on balance sheet date on monetary items would result in increase/decrease in unrealised loss on monetary assets and liabilities by approximately ₹ 0.17 (31 March 2019:₹ 1.97) and ₹ 1.22 (31 March 2019: ₹ 7.20) respectively for the year ended 31 March 2020.

In management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk because the exposure at the end of the reporting period does not reflect the exposure during the year.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is not significantly exposed to interest rate risk.

31.2 : Credit risk analysis

Credit risk refers to risk that a counter party will default on its contractual obligations resulting in financial loss to the Company. The Company is exposed to this risk for receivables from customers.

To manage credit risk, the Company periodically assesses the financial reliability of customers and other counterparties, taking into account the financial condition, current economic trends, analysis of historical bad debts and ageing of accounts receivable. Individual risk limits are set accordingly. The Company uses a provision margin to compute the expected credit loss allowance for trade receivable. Trade receivables, bad debts, ECL provisions, etc. are monitored on periodic basis for any non-recoverability of the dues. Credit risk on cash and cash equivalents is limited as the Company generally invest in deposits with banks and financial institutions with high credit ratings assigned by international and domestic credit rating agencies.

The aging analysis of the receivable (gross of provision) has been considered from the date the invoice falls due.

Particulars	Neither past due nor impaired	Past due but not impaired		Total
		0-180 days	181-365 days	
As at 31 March 2020	434.25	23.91	17.78	**475.94**
As at 31 March 2019	195.94	7.91	9.35	**213.20**

WALKER CHANDIOK & CO LLP
MUMBAI
CHARTERED ACCOUNTANTS

NODWIN Gaming Pvt. Ltd.

Movement in allowance for expected credit loss

Particulars	Amount
As at 1 April 2018	-
Provided during the year	-
As at 31 March 2019	-
Provided during the year	0.43
As at 31 March 2020	**0.43**

31.3 : Liquidity risk analysis

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by deliverin cash or another financial asset. For the Company, liquidity risk arises from obligations on account of financial liabilities - trade payables and other financia liabilities.

Liquidity risk management

The Company continues to maintain adequate amount of liquidity/treasury to meet strategic and growth objectives. The Company has ensured a balanc between earning adequate returns on liquidity/treasury assets and the need to cover financial and business risks. The Company's treasury department i responsible for liquidity and funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senic management.

Management monitors the Company's net liquidity position through rolling forecasts on the basis of expected cash flows.

Financial liabilities maturing within one year:

Particulars	As at 31 March 2020	As at 31 March 2019
Trade payables	370.57	176.62
Other financial liabilities (including lease liability)	11.92	1.61
Total	**382.49**	**178.23**

<<<This space has been intentionally left blank>>>

WALKER CHANDIOK & CO LLP
MUMBAI
CHARTERED ACCOUNTANTS

NODWIN Gaming Pvt. Ltd.

Note 32: Financial Instruments

32.1 Financial Instrument by category and hierarchy

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

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

- **Level 1:** quoted (unadjusted) prices in active markets for identical assets or liabilities.
- **Level 2:** other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.
- **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 carrying value and fair value of financial instruments by categories as at 31 March 2020, are as follows:

Particulars		Carrying Value			Fair value measurement using		
		FVTPL	FVOCI	Amortised cost (*)	Level 1	Level 2	Level 3
(i)	Trade receivables	-	-	475.94	-	-	-
(iii)	Investments	-	5.75	-	-	-	5.75
(iv)	Cash and cash equivalents	-	-	22.46	-	-	-
(v)	Loans	-	-	13.27	-	-	-
(vi)	Other financial assets	-	-	19.01	-	-	-
	Total	**-**	**5.75**	**530.68**	**-**	**-**	**5.75**

Particulars		Carrying value			Fair value measurement using		
		FVTPL	FVOCI	Amortised cost (*)	Level 1	Level 2	Level 3
(i)	Trade payables	-	-	370.57	-	-	-
(ii)	Other financial liabilities	-	-	11.92	-	-	-
	Total	**-**	**-**	**382.49**	**-**	**-**	**-**

The carrying value and fair value of financial instruments by categories as at 31 March 2019, are as follows:

Particulars		Carrying value			Fair value measurement using		
		FVTPL	FVOCI	Amortised cost (*)	Level 1	Level 2	Level 3
(i)	Trade receivables	-	-	213.20	-	-	-
(iii)	Investments	-	5.75	-	-	-	5.75
(iv)	Cash and cash equivalents	-	-	56.26	-	-	-
(vii)	Loans	-	-	2.00	-	-	-
(viii)	Other financial assets	-	-	12.85	-	-	-
	Total	**-**	**5.75**	**284.31**	**-**	**-**	**-**

Particulars		Carrying value			Fair value measurement using		
		FVTPL	FVOCI	Amortised cost (*)	Level 1	Level 2	Level 3
(i)	Trade payables	-	-	176.62	-	-	-
(ii)	Other financial liabilities	-	-	1.61	-	-	-
	Total	**-**	**-**	**178.23**	**-**	**-**	**-**

(*) Fair value of trade receivable, cash and cash equivalent, other current financial asset, trade payable and other current financial liabilities approximate their carrying amounts largely due to short term maturities of these instruments.

There were no transfers between Level 1 and Level 2 in during the years.

Note 33: Capital management policies and procedures

The Company is predominantly equity financed and continues to maintain adequate amount of liquidity to meet strategic and growth objectives. The Company manages its capital to ensure that it will be able to continue as a going concern while maximising returns for its stakeholders. The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payments to shareholders, return capital to shareholders or issue new shares. The Company has ensured a balance between earning adequate returns on treasury asset and need to cover financial and business risk. The Company actively monitors its portfolio and has a policy in place to investing surplus funds. Appropriate limits and controls are in place to ensure that investments are made as per policy.

WALKER CHANDIOK & CO LLP
MUMBAI
CHARTERED ACCOUNTANTS

NODWIN Gaming Pvt. Ltd.

Note 34 : Related party transactions

(a) Names of the Related parties

i.	**Holding company**	Nazara Technologies Limited
ii.	**Entity exercising significant influence**	Jetsynthesis Private Limited
iii.	**Subsidiary**	Nodwin Gaming International Limited, Honk Kong
iv.	**Fellow subsidiaries**	Nextwave Multimedia Private Limited Nazara Pte Ltd Nazara Technologies (Mauritius)
v.	**Other related parties (enterprises over which KMP along with relatives are able to exercise significant influence)**	Supernova Esports League Private Limited Beam me up Travel Private Limited AFK Gaming Private Limited Nodwin Consultant Private Limited
vi.	**Key management personnel (KMP)**	Akshat Rathee (Director) Rajesh Ramesh Navani (Director) Manish Agarwal (Director) Vamsi Krishna Talasila (Director) Siddharth Kedia (CEO)
vii.	**Relative of Director**	Param Vir Rathee Megha Rathee

(b) The following transactions were carried out with the related parties in the ordinary course of business.

Particulars	31 March 2020	31 March 2019
Sale of services		
Nazara Technologies Limited	3.72	0.59
Nazara Pte Ltd	-	1.73
Nazara Technologies (Mauritius)	-	1.73
Jetsynthesis Private Limited	-	2.95
AFK Gaming Private Limited	2.15	1.00
Nodwin Gaming International Limited	157.96	-
	163.83	**7.99**
Travelling and conveyance		
Beam me up Travel Private Limited	65.39	52.66
	65.39	**52.66**
Rent expense		
Param Vir Rathee	2.97	2.97
	2.97	**2.97**
Employee benefit expense(*)		
Paid to KMP	18.80	8.40
	18.80	**8.40**
Loans granted during the year		
Paid to KMP(#)	10.00	-
	10.00	**-**
Game Development Charges		
Nextwave Multimedia Private Limited	1.55	1.80
	1.55	**1.80**
Advertising		
Supernova Esports League Private Limited	2.05	1.92
	2.05	**1.92**
Casting Expenses		
AFK Gaming Private Limited	2.14	3.97
	2.14	**3.97**
Miscellaneous Expenses		
Nodwin Consultant Private Limited	2.12	2.12
Absolute Sports Private Limited	0.20	-
	2.32	**2.12**

(c) Closing balances of related parties

Trade receivables:	31 March 2020	31 March 2019
Nazara Technologies (Mauritius)	-	1.73
Nazara Pte Ltd	-	1.73
Nazara Technologies Limited	0.65	0.54
Nodwin Gaming International Limited	129.49	-
	130.14	**3.99**

WALKER CHANDIOK & CO LLP MUMBAI CHARTERED ACCOUNTANTS

NODWIN Gaming Pvt. Ltd.

Nodwin Gaming Private Limited
Summary of significant accounting policies and other explanatory information
(Amounts are stated in ₹ millions unless otherwise stated)

Note 34 : Related party transactions

Trade payables:		
Supernova Esports League Private Limited	1.86	0.21
Nodwin Consultant Private Limited	1.41	2.41
Beam me up Travel Private Limited	1.33	33.44
Absolute Sports Private Limited	0.09	-
	4.69	**36.05**
Employee dues		
To KMP	2.95	1.16
	2.95	**1.16**
Loan to employees		
To KMP	10.00	-
	10.00	**-**

(d) Terms and Conditions

All transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions and with in the ordinary course of business.
Outstanding balances at the year end are unsecured.

(*) As gratuity are computed for all employee in aggregate, the amount relating to KMP's and relative of KPM's cannot be individually identified.

(#) The managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

WALKER CHANDIOK & CO LLP MUMBAI CHARTERED ACCOUNTANTS

NODWIN Gaming Pvt. Ltd.

Note 35 : The Company has used the exemption available to companies under Companies Act,2013 and Ind AS from preparing consolidated financials certain criteria are met.

a) Details of holding company

Below is the details of holding company whose consolidated financial statements comply with IndAS:

Holding Company	Nazara Technologies Limited
Principal place of business of Holding Company	51-57, Maker Chambers 3, Nariman Point, Mumbai - 400021

b) Details of subsidiary companies

Name	Principal Place of Business	% of ownership interest and voting	
		31 March 2020	31 March 2019
Nodwin Gaming International Limited	Hongkong	100%	-

Note 36 : Segment reporting

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

Note 37 : Contingent liabilities

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

Note 38 : Post reporting date events

Subsequent to the year end, the Company has alloted 856 partly paid up equity shares of face value of ₹ 10 each at a premium of ₹ 1,80,420 per share for an amount aggregating to ₹ 154.45 million to M/s. Good Game Investment Trust. On application, the allottee paid ₹ 1,804.30 per share being 1% of the issue price and the balance ₹ 178,625.70 per share, being 99% of the issue price, shall be called up and received (i) 15 days prior to the expiry of the fourth anniversary of the issuance of the partly paid-up up equity shares or (ii) 15 days prior to happening of any liquidation event, whichever is earlier.

No adjusting or significant non-adjusting events, other than the aforesaid, have occurred between 31 March 2020 and the date of authorisation of these financial statements.

Note 39 : During the year ended 31 March 2020, the Company reclassified/regrouped certain previous year's amount i.e. 31 March 2019. Refer below the reclassified/regrouped amount in the previous year.

Reclassification of financial information of previous year ended 31 March 2019		
Reclassification from current year information in previous year	**Reclassification to in previous year information in current year**	**Amount**
Other non-current assets	Intangible assets	198.98
Other current assets	Intangible assets	42.45
Trade receivables	Other current financial assets	12.85
Trade receivables	Other current asset	0.89
Non-current provision	Current provision	0.35
Other current liabilities	Other current asset	10.85
Other current assets	Income tax assets (net)	5.28
Other non-current assets	Income tax assets (net)	0.01
Other currents assets	Loans	2.00
Other expenses	Employee benefits	8.40
Other expenses	Depreciation and amortization	21.22
Finance cost	Other expense	0.06

As per our report of even date attached.

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

Sanjay Banthia

Sanjay Banthia
Partner
Membership No.: 061068

Place: Mumbai
Date: 18 November 2020

WALKER CHANDIOK & Co LLP
MUMBAI
CHARTERED ACCOUNTANTS

For and on Behalf of **Board of Directors**

Akshat Rathee
Director
DIN: 00870302

Place: Gurugram
Date: 18 November 2020

Manish Agarwal
Director
DIN: 03445163

Place: Mumbai
Date: 18 November 2020