



DILIGENT MEDIA CORPORATION LIMITED

CIN : L22120MH2005PLC151377

ANNUAL REPORT 2020-21

CORPORATE INFORMATION

BOARD OF DIRECTORS

Shilpi Asthana

Independent Director & Chairperson

Manoj Agarwal

Independent Director

Prakash Vaghela (w.e.f. 30/06/2021)

Independent Director

Vishal Malhotra (till 01/04/2021)

Independent Director

Nishikant Upadhyay

Non-Executive Director

Ronak Jatwala

Non-Executive Director

Dinesh Kumar Garg

Non-Executive Director

SENIOR MANAGEMENT

Shikhar Ranjan (till 30/06/2021)

Chief Executive Officer

Rajendra Bathula

Chief Financial Officer

Ankit Shah (till 12/02/2021)

Company Secretary

Dhaval Ashar (w.e.f. 13/02/2021)

Company Secretary

AUDITORS

M/s. B S Sharma & Co.

Chartered Accountants

BANKERS

Yes Bank Limited

IDBI Bank Limited

OFFICES

Registered & Corporate Office

18th Floor, A Wing,
Marathon Futurex,
N M Joshi Marg,
Lower Parel,
Mumbai - 400 013.

Printing Press

Plot No. EL-201,
TTC Industrial Area, MIDC, Mahape,
Navi Mumbai - 400 705

Notice

Notice is hereby given that the 16th Annual General Meeting of the Members of Diligent Media Corporation Limited will be held on Monday, the 27th day of September 2021 at 2.00 p.m. through Video Conferencing (“VC”)/ Other Audio Visual Means (“OAVM”) to transact the following business:

Ordinary Business:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2021 including the Balance Sheet as at March 31, 2021, the Statement of Profit & Loss for the financial year ended on that date and the Reports of the Auditors and Directors thereon.
2. To appoint a Director in place of Mr. Nishikant Upadhyay (DIN 07779721), who retires by rotation, and being eligible, offers himself for re-appointment.

Special Business:

3. To consider and if thought fit to pass the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (‘Act’) and the rules made thereunder, Mr. Prakash Vaghela (DIN 07768595), who upon recommendation of Nomination and Remuneration Committee was appointed by the Board of Directors as an Additional Director in the category of Independent Director, pursuant to Section 161 of the Act with effect from June 30, 2021 and who holds such office up to the date of this Annual General Meeting in terms of Section 161 (1) of the Act, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, for a term of three years from June 30, 2021 till June 29, 2024.”

4. To consider and if thought fit to pass the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to Regulation 23 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (‘Listing Regulations’) and in compliance with other regulatory requirements, if any, approval of the Shareholders be and is hereby accorded for material

related party transaction proposed to be entered into by the Company in ordinary course of business with M/s. Rapidcube Technologies Private Limited (‘Rapidcube’), related party as per Indian Accounting Standards, in connection with revenue sharing of Digital Media Content with Rapidcube, on arms-length terms as detailed in the explanatory statement.”

“RESOLVED FURTHER THAT the Board of Directors of the Company including the Audit Committee of the Board be and is hereby authorized to (i) finalise from time to time, the financial and other terms of the said arrangement/ agreement, on an arms-length basis, including any future renewals, notwithstanding that the value of such current and future transaction(s) may exceed the materiality threshold prescribed under Regulation 23 of Listing Regulations or any other regulatory requirements; and (ii) carry out all such acts, matters, deeds and things in respect of the said material related party transaction with Rapidcube as may be deemed appropriate/necessary in the best interests of the Company.”

5. To consider and if thought fit to pass the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to Regulation 23 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (‘Listing Regulations’) and in compliance with other regulatory requirements, if any, approval of the Shareholders be and is hereby accorded for material related party transaction(s) as detailed in the explanatory statement, proposed to be entered into by the Company with M/s. Essel Infraprojects Limited and M/s. Digital Subscriber Management and Consultancy Services Private Limited, related parties as per Indian Accounting Standards, in connection with the services proposed to be availed by the Company from said related parties, on arms-length terms as detailed in the explanatory statement.”

“RESOLVED FURTHER THAT the Board of Directors of the Company including the Audit Committee of the Board be and is hereby authorized to do all such acts, matters, deeds and things, from time to time, in respect of the said material related party transactions as may be deemed appropriate/necessary in the best interest of

the Company.”

6. To consider and if thought fit to pass the following resolution as Special Resolution:

“RESOLVED THAT pursuant to Section 149, 152 and other applicable provisions of Companies Act 2013 (‘Act’) and the rules made there under read with Schedule IV of the Act, Mr. Manoj Agarwal (DIN 00590535), who holds the office of Independent Director of the Company until May 28, 2022 and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Act proposing his re-appointment for the second term, be and is hereby re-appointed for the second term as an Independent Director of the Company not liable to retire by rotation for a period of three years from May 28, 2022 until May 28, 2025.”

7. To consider and if thought fit to pass the following resolution as Special Resolution:

“RESOLVED THAT pursuant to Section 149, 152 and other applicable provisions of Companies Act 2013 (‘Act’) and the rules made there under read with Schedule IV of the Act, Mrs. Shilpi Asthana (DIN 08465502), who holds the office of Independent Director of the Company until May 28, 2022 and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Act proposing her re-appointment for the second term, be and is hereby re-appointed for the second term as an Independent Director of the Company not liable to retire by rotation for a period of three years from May 28, 2022 until May 28, 2025.”

By order of the Board

Place: Mumbai
Date: 5th August, 2021

Dhaval Ashar
Company Secretary

Registered Office:

18th Floor, A Wing, Marathon Futurex,
N M Joshi Marg, Lower Parel,
Mumbai 400 013
CIN: L22120MH2005PLC151377
Website: www.dnaindia.com
e-mail: companysecretary@dnaindia.net

NOTES:

1. As you are aware, in view of the situation arising due to COVID-19 global pandemic, the Ministry of Corporate Affairs (MCA) had vide General Circular No. 10/2021 dated June 23, 2021 extended timeline for holding General Meetings through Video Conferencing (VC)/ Other Audio Visual Means (OAVM) in accordance with framework / requirements prescribed in Circular Nos. 20/2020 dated May 5, 2020, 14/2020 dated April 8, 2020 and No.17/2020 dated April 13, 2020 (collectively referred to as MCA Circulars). Accordingly, in compliance with SEBI Listing Regulations and MCA Circular and SEBI Circular, the 16th AGM of the Company is being held through VC/OAVM on Monday, 27th September, 2021 at 2.00 p.m, with deemed venue of AGM as Continental Building, 135, Dr. Annie Besant Road, Worli, Mumbai 400 018.
2. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 (the Act) setting out material facts concerning the Special business of the Notice, is annexed hereto. The relevant details, pursuant to Regulations 26(4) and 36(3) of the SEBI Listing Regulations and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of Directors seeking appointment/ reappointment at this AGM are also annexed to this Notice.
3. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, representatives in pursuance of Section 112 and Section 113 of the Companies Act, 2013, can attend the AGM through VC/OAVM and cast their votes through e-voting.
4. The Members can join the AGM via VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility for participation at the AGM through VC/OAVM will be made available to atleast 1000 members on first come first served basis. This will not include large Shareholders (Shareholders with holding 2% or more), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit

- Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
5. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
 6. In line with MCA circular dated May 5, 2020 & January 13, 2021 and SEBI Circular dated May 12, 2020 & January 15, 2021, the Notice of AGM along with the Annual Report for FY 2020-21 is being sent only through electronic mode to those Members whose e-mail address is registered with the Company / Depositories. The Notice convening the AGM has been uploaded on the website of the Company at www.dnaindia.com. and can also be accessed on the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively. The AGM Notice is also available on the website of CDSL at www.evotingindia.com.
 7. As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from, 1st April, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or the Company's Registrar and Transfer Agent in this regard.
 8. Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.
 9. **E-voting**

Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended), Regulation 44 of Listing Regulations (as amended), and MCA Circulars your Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, your Company has entered

into an arrangement with Central Depository Services (India) Limited (CDSL) as the authorised e-Voting agency for facilitating voting through electronic means. The facility of casting votes by members using remote e-voting as well as e-voting system on the date of the AGM will be provided by CDSL.

The remote e-voting period would commence from Thursday, 23rd September, 2021 at 9.00 a.m. and end on Sunday, 26th September, 2021 at 5.00 p.m. During this period Members of the Company, holding shares either in physical mode or in dematerialized mode, as on the cut-off date of Monday, 20th September, 2021 may cast their vote electronically.

Members will be provided the facility for voting through electronic voting system during the VC/OAVM proceedings at the AGM.

Members whose names are recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the Cut-off date i.e. Monday, 20th September, 2021 shall be entitled to avail the facility of remote e-voting as well as e-voting on the date of the AGM. Any person who acquires shares and becomes a member after dispatch of the Notice but holding shares as on the cut-off date for remote e-voting i.e. 20th September, 2021, may obtain log-in Id and password by sending a request to helpdesk.evoting@cdslindia.com or contact the Registrar & Share Transfer Agent of the Company. Those Members who will be present in the AGM through VC/OAVM facility and had not cast their vote through remote e-voting earlier and are not otherwise barred from doing so, shall be eligible to vote through e-voting system during the AGM.

The remote e-voting module on the day of the AGM will be disabled by CDSL for voting 15 minutes after the conclusion of AGM.

10. Members who have cast their vote by remote voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.
11. Members can opt for only one mode of voting i.e. either by remote e-voting or e-voting at AGM. The procedure and instructions for e-voting is furnished in this notice.

12. The voting rights of Members either by way of remote e-voting prior to the meeting or voting at the meeting shall be in proportion to their shareholding in the Company as on the cut-off date of Monday, 20th September, 2021.
13. The Company has appointed FCS Mita P Sanghavi, Practicing Company Secretary (holding ICSI Certificate of Practice No. 6364) as Scrutinizer to report on votes cast by the Members using remote e-voting as well as e-voting at the AGM.
14. The Scrutinizer, immediately after conclusion of voting at the AGM, shall first count votes cast at the meeting, thereafter unblock the votes cast through remote e-voting and submit within 48 hours of conclusion of the meeting, a consolidated scrutinizer's report of the total votes cast in favor or against, if any, to the Chairman of the Meeting or to any other Director or Company Secretary of the Company, who shall countersign the same and declare the result of the voting forthwith.
15. The results declared along with Scrutinizer's report shall be placed on the website of the Company and shall simultaneously be forwarded to the Stock Exchanges. The resolutions shall be deemed to be passed, if approved, on the date of Annual General Meeting.
16. The instructions for shareholders for remote e-voting are as under:
- (i) The voting period begins on Thursday, 23rd September, 2021 at 9.00 a.m. and ends on Sunday, 26th September, 2021 at 5.00 p.m. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of Monday, 20th September, 2021, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.
- Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.
- In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.
- (iv) In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.
- Pursuant to abovesaid SEBI Circular, Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in Demat mode CDSL/ NSDL is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL	<p>1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi.</p> <p>2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly.</p> <p>3) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration.</p> <p>4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page or click on https://evoting.cdslindia.com/Evoting/EvotingLogin The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</p>

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL	<p>1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p> <p>2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS" "Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</p> <p>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting</p>

Type of shareholders	Login Method
Individual Shareholders (holding securities in demat mode) login through their Depository Participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

- (v) Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022-23058738 and 22-23058542-43.
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30

- (vi) Login method for e-Voting and joining virtual meetings for **Physical shareholders and shareholders other than individual holding in Demat form.**

- The shareholders should log on to the e-voting website www.evotingindia.com.
- Click on “Shareholders” module.
- Now Enter your User ID

- For CDSL: 16 digits beneficiary ID
- For NSDL: 8 Character DP ID followed by 8 Digits Client ID
- Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.

- Next enter the Image Verification as displayed and Click on Login.
- If you are holding shares in demat form and had logged on to www.evotingindia.com and voted electronically earlier for any Company, then use your existing password is to be used.
- If you are a first-time user follow the steps given below:

For Physical Shareholders & other than Individual shareholders holding shares in Demat.

PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details OR Date of Birth	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. If both the details are not recorded with the depository or the Company, please enter the Folio number id/ folio number in the Dividend Bank details field as mentioned in instruction (v).

- After entering these details appropriately, click on “SUBMIT” tab.
- Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach ‘Password Creation’ menu wherein they are

- required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- For Shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
 - Click on the EVSN of Diligent Media Corporation Limited.
 - On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
 - Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution.
 - After selecting the resolution, you decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
 - Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
 - You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
 - If a demat account holder has forgotten the Login / Password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (vii) Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as “Corporates” module.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
 - Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer at mita.sanghavi@yahoo.in. and to the Company at the email address viz; companysecretary@dnaindia.net, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.
- (viii) Process for those Shareholders whose Email addresses/ Mobile No. are not registered with the Company/ Depositories.
- For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to Company/RTA email id.
 - For Demat shareholders: Please update your email id & mobile no. with your respective Depository Participant (DP) .
 - For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

INSTRUCTIONS FOR ATTENDING THE AGM THROUGH VC/OAVM & E-VOTING DURING MEETING:

- a. The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for e-voting.
- b. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
- c. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
- d. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
- e. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
- f. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
- g. Members who would like to express their views/ask questions during the AGM may register themselves as a speaker by sending their request from their registered email address mentioning their name, demat account number/folio number, email id, mobile number to companysecretary@dnaindia.net from 17th September, 2021 to 24th September, 2021 (till 5.00 p.m.). Members who do not wish to speak during the AGM but have queries may send their queries from their registered email address mentioning their name, demat account number/folio number, email id, mobile number and query to companysecretary@dnaindia.net from 17th September, 2021 to 24th September, 2021 (till 5.00 p.m.). These queries will be replied by the Company suitably by email.
- h. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
- i. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
- j. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

For any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, Members can send email to helpdesk.evoting@cdslindia.com or contact at 022- 23058738 and 022-23058542/43. All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call on 022-23058542/43.

EXPLANATORY STATEMENT UNDER SECTION 102 OF COMPANIES ACT, 2013

Item No. 3

Based on recommendations of the Nomination & Remuneration Committee, the Board of Directors, had after taking on record confirmation of independence along with integrity, experience and expertise of Mr. Prakash Vaghela (DIN 07768595) approved his appointment as an Additional Director in the category of Independent Director of the Company with effect from June 30, 2021. Pursuant to Section 161(1) of the Companies Act, 2013, Mr. Prakash Vaghela holds office of Additional Director till this Annual General Meeting. The Company has received appropriate notice from a member proposing appointment of Mr. Prakash Vaghela as an Independent Director of the Company and requisite consent has been received from Mr. Prakash Vaghela, pursuant to Section 152 of the Companies Act 2013 for the said appointment.

In the opinion of the Board, Mr Prakash Vaghela who is proposed to be appointed as an Independent Director of the Company for the period of 3 years up to June 29, 2024, fulfils the conditions specified under Section 149(6) and Schedule IV of the Companies Act 2013 and is Independent of the management. Brief Profile and other details of Mr. Prakash Vaghela is annexed to this Notice.

Your Board recommends the Ordinary Resolution as set out in Item No. 3 of the Notice for your approval

None of the Directors and/or Key Managerial Personnel of the Company or their relatives, except Mr. Prakash Vaghela (whose appointment is proposed in this resolution) are in any way concerned or interested in the resolution.

Item No. 4

With a view to capitalize on group's strength in Digital Media business, your Company proposes to enter into Revenue Sharing Arrangement with Rapidcube Technologies Pvt Ltd, an Essel Group entity and related party as per Indian Accounting Standards, handling Digital Media of other Media entities. Under the proposed arrangement, the Company shall grant to Rapidcube a non-sublicensable, non-transferable, limited and specific license to Company's sites & Company's Youtube Channels for the sole purpose of distribution, licensing, sharing etc., for advertisement operations and search engine optimization. In consideration whereof, the Media (non-video) and Video revenue, net of

Agency Commission and taxes, on account of Company's Digital Media content shall be shared by the Company and Rapidcube in the ratio of 85:15, i.e. 15% of net revenue shall be retained by Rapidcube and 85% shall be remitted to the Company. The proposed arrangement is expected to exceed the materiality threshold of 10% of Company's turnover, prescribed under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'). In view of this, the above material related party transaction(s) between the Company and Rapidcube would require approval of Shareholders by way of Ordinary Resolution as per Regulation 23 of Listing Regulations. Further as per Listing Regulations, all related parties of the Company, including Promoters, entities forming part of Promoter Group, Directors and Key Managerial Personnel of the Company including their relatives shall not vote to approve the Ordinary resolution proposed in Item No. 4 of this Notice.

Since the related party transactions as mentioned above between the Company and Rapidcube, being on arms-length terms, would be beneficial to the Company by way of enhanced revenues, your Board recommends the Ordinary resolution as set out in Item No. 4 of the Notice for approval of the Shareholders.

None of the Directors and/or Key Managerial Personnel of the Company or their relatives are in any way concerned or interested either financially or otherwise in the resolution as detailed in Item No. 4 of this Notice.

Item No. 5

The Company proposes to enter into following related party transactions which are expected to exceed materiality threshold provided under Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations')

Name of related Party & relation	Services proposed to be availed	Transaction value (excluding taxes)
Essel Infraprojects Limited (EIL), an Essel Group entity is related party as per Indian Accounting Standards	Professional Services for (i) assisting in obtaining regulatory approvals; (ii) assisting in identifying potential buyer, negotiations and co-ordination for execution of agreements in connection with sale of Leasehold Land, Building and Plant & Machinery relating to Company's Printing Press at Navi Mumbai.	Fees based on period/manhours involved subject to maximum of Rs. 15,00,00,000/- (Rupees Fifteen Crores only).
Digital Subscriber Management and Consultancy Services Pvt Ltd (DSMCSPL) an Essel Group entity is related party as per Indian Accounting Standards	Providing all Support services including inter alia advising on Business strategy, corporate restructuring, Merger & Acquisitions, arranging for bank loans/fund raising, financial management, Internal audit, tax compliances, IT services, legal and regulatory compliance services etc.	Management fees of Rs. 25,00,000/- (Rupees Twenty Five Lakhs) per month.

Detailed justification for proposed related party transaction:

(i) Related Party transaction with EIL – In pursuance of Special Resolution passed by the Shareholders on September 19, 2019, your Company proposes to commence the process for sale of Printing Press assets comprising of leasehold Land, Building and Plant and Machinery. The process would require identification and negotiation with prospective buyers, obtaining approval of MIDC and other regulatory authorities etc. Since the Company has only 2 employees and limited in-house expertise, the process would require engaging external experts. To facilitate extracting best value of the assets for the Company, it is proposed to engage EIL who has requisite resources and expertise in infrastructure business.

Service Fees proposed to be paid to EIL for aforesaid services would be based on time and manhours involved subject to maximum of Rs. 15 Crores. The said fees have been negotiated on arms-length basis and are in line with the expenses that the Company would be required to be incurred in engaging different service providers.

(ii) Related Party transaction with DSMCSPL: Currently the Company has only 2 employees and as part of the business strategy it is proposed to concentrate on content creation for Digital Media assets of the Company and outsource support services including inter alia finance, legal, IT, strategy etc. to have control over operating expenses. DSMCSPL, is engaged in providing outsourced Management support services and has requisite expertise and resources to provide wide range of professional services to business entities at competitive cost.

The proposed Management fees of Rs. 25 Lakhs per month payable to DSMCSPL, has been negotiated on arms-length basis and is in line with the cost Company would be required to incur for engaging professionals or fees generally payable to external service agencies that may be engaged for similar services.

The above transactions are expected to exceed the materiality threshold prescribed under SEBI Listing Regulations. In view of this, the above material related party transaction(s) would require approval of Shareholders by way of Ordinary Resolution as per Regulation 23 of SEBI Listing Regulations.

Further as per SEBI Listing Regulations, all related parties of the Company, including Promoters, entities forming part of Promoter Group, Directors and Key Managerial Personnel of the Company including their relatives shall not vote to approve the Ordinary resolution proposed in Item No. 5 of this Notice.

Since the related party transactions as mentioned above, being on arms-length terms, would be beneficial for the Company by extracting better value on sale of assets; and availability of expert outsourced support services, your Board recommends the Ordinary resolution as set out in Item No. 5 of the Notice for approval of the Shareholders.

None of the Directors and/or Key Managerial Personnel of the Company or their relatives, except Mr. Nishikant Upadhyay, CEO & CFO of EIL, are in any way concerned or interested either financially or otherwise in the resolution as detailed in Item No. 5 of this Notice.

Item No. 6 & 7

At the 14th Annual General Meeting held on September 19, 2019, Members of the Company had approved appointment of Mr. Manoj Agarwal (DIN 00590535) and Mrs. Shilpi Asthana (DIN 08465502), as an Independent Directors of the Company not liable to retire by rotation for a period of three years with effect from May 29, 2019. The current term of the said appointment of Mr. Manoj Agarwal and Mrs Shilpi Asthana as Independent Directors of the Company is set to expire on May 28, 2022. As per Section 149(10) of Companies Act, 2013, an Independent Director shall be eligible for re-appointment for a second term of upto 5 years on passing of a Special resolution by the Shareholders of the Company.

Based on the performance evaluation and after reviewing confirmation of independence received, your Board recommends re-appointment of Mr. Manoj Agarwal and Mrs Shilpi Asthana as Independent Directors, for the second term of three years from May 28, 2022 until May 28, 2025. Appropriate notices have been received from Member(s)

proposing appointment of Mr. Manoj Agarwal and Mrs. Shilpi Asthana as an Independent Directors of the Company for second term and requisite consent has been received from the said Directors pursuant to provisions of Section 152 of the Companies Act, 2013.

In the opinion of the Board, Mr. Manoj Agarwal and Mrs Shilpi Asthana who are proposed to be appointed for the second term as an Independent Directors of the Company for the period of 3 years up to May 28, 2025, fulfil the conditions specified under Section 149(6) and Schedule IV of the Companies Act 2013 and are Independent of the management. Brief profile and other details of Mr. Manoj Agarwal and Mrs. Shilpi Asthana are annexed to this Notice.

Your Board recommends the Special resolutions as set out in Item No 6 and 7 respectively for your approval.

None of the Directors and/or Key Managerial Personnel of the Company or their relatives, except Mr. Manoj Agarwal and Mrs Shilpi Asthana (whose appointment are proposed in the Special resolutions in Item No. 6 and 7 respectively) are in any way concerned or interested in the resolution.

By order of the Board

Dhaval Ashar
Company Secretary

Place: Mumbai
Date: 5th August, 2021

Registered Office:

18th Floor, A Wing, Marathon Futurex,
N M Joshi Marg, Lower Parel,
Mumbai 400 013
CIN: L22120MH2005PLC151377
Website: www.dnaindia.com
e-mail: companysecretary@dnaindia.net

Annexure

Details of Directors seeking appointment / re-appointment at the Annual General Meeting:

Mr. Nishikant Upadhyay, (Age 49 years) (DIN 07779721), is a Chartered Accountant with over 25 years' experience is having rich expertise in the fields of Finance, Accounts, Taxation and Audit and has been associated with Essel Group for four years and handled various assignments relating to Operational and process Improvement Projects, Management audit, review of controls, ERP systems, Corporate restructuring, outsourced Finance and HR services etc. in India and overseas.

Apart from the Company, Mr. Nishikant Upadhyay holds directorship in Elouise Green Mobility Limited, Rge Surat Private Limited, Raipur Water Supply Private Limited, Warora-Kurnool Transmission Limited, Rge Sikar Private Limited, Rge Wb Waste Management Private Limited, Essel Airport Infrastructure Private Limited, Mukarba Chowk-Panipat Toll Roads Limited, Smart Personnel Management Services Private Limited, Essel Msw Energia Limited, Jabalpur Waste Collection And Transportation Management Private Limited. Mr. Nishikant Upadhyay does not hold any shares of the Company and is not related to any other Director of the Company.

Mr. Prakash Vaghela, (Age 47 years) (DIN 07768595), is Chartered Accountant by profession. He is also a Cost and Works Accountant (CWA), LLB and has done DISA. Mr. Prakash Vaghela has rich and varied experience of over 25 years in the field of Accountancy & Taxation.

Apart from the Company, Mr. Vaghela holds Directorship in other listed entities like National Standard (India) Ltd, Ducon Infratechnologies Ltd, SVP Global Ventures Ltd and Roselabs Finance Ltd and unlisted entities like Platinum Textiles Ltd, Hi-Class Buildcon Pvt Ltd, Citron Infraprojects Ltd, Shrivallabh Pittie Industries Ltd, Helios Exports Ltd and Shrivallabh Pittie Ventures Pvt Ltd. Mr. Vaghela does not hold any shares of the Company and is not related to any other Director of the Company.

Mr. Manoj Agarwal, (Age 53 years) (DIN 00590535), a Commerce Graduate, is a first-generation entrepreneur with hands-on experience in running and managing businesses. Mr. Agarwal currently manages his own Home Textile and Steel Trading business. Apart from business, Mr. Agarwal is also an active member of a charitable institution viz. Pranami Seva Samiti.

Apart from the Company, Mr. Manoj Agarwal holds Directorship in Shirpur Gold Refinery Limited (Listed entity), Ceska Cormen Limited, Super Dynic Clothing Private Limited, Siti Siri Digital Network Private Limited and Shirpur Gold DMCC, Dubai. Mr. Manoj Agarwal does not hold any shares of the Company and is not related to any other Director of the Company.

Mrs. Shilpi Asthana, (Age 42 years) (DIN 08465502), a Commerce graduate from Delhi University, MBA from Sikkim Manipal University and Diploma in Industrial Relations and Labor Law from Symbiosis, Pune, is a Professional with experience in various facets of HR function including Manpower Planning, Industrial relations, People Management etc. During around a decade of work experience, Mrs. Asthana was associated with reputed Companies in Real Estate, Infrastructure & Project Engineering industry.

Mrs. Shilpi Asthana neither holds any other Directorship nor holds any shares of the Company. Further, Mrs. Shilpi Asthana is not related to any other Director of the Company.

Directors' Report

To the Members

Your Directors present the 16th Annual Report of your Company together with Audited Financial Statement for the year ended March 31, 2021, prepared as per Indian Accounting Standards prescribed under Section 133 of the Companies Act, 2013.

FINANCIAL HIGHLIGHTS:

The financial performance of your Company for the year ended March 31, 2021 is summarized below:

(Rs in Lakhs)

Particulars	For the year ended 31st March 2021	For the year ended 31st March 2020
Revenue from Operations	315	140
Other Income	10	-
Total Revenues	325	140
Total Expenses	31	117
Profit before tax	294	23
Tax Expenses	-	-
Net Profit after tax	294	23
Profit/(Loss) from discontinued Operations	(4,856)	(6,499)
Re-measurement gains/(losses) on defined benefit obligations	-	38
Profit/(Loss) for the year	(4,562)	(6,438)

Note: The financial statement for the year ended March 31, 2020 has been restated to make them comparable with the current year.

There have been no material changes and commitments that have occurred after close of the financial year till the date of this report which may have an adverse effect on the financial position of the Company. Based on internal financial control framework and compliance systems established in the Company, verified by the statutory and internal auditors and reviews performed by the management and/or the Audit Committee of the Board, your Board is of the opinion that Company's internal financial controls were adequate and operating effectively during the financial year 2020-21.

DIVIDEND

In view of the carry forward losses, your Board express their

inability to recommend any dividend on Equity Shares or Preference Shares for the year under review.

REVIEW OF OPERATIONS

Your Company discontinued its Printing and Publication business since October 2019. During the year under review your Company had arrived at settlement with the workers at the printing press and has initiated steps for completion of necessary formalities for executing such Settlement Agreement. Considering the present scenario due to Covid 19 and multifarious factors, your Board is hopeful to close sale of Print Media assets during FY 2021-22. Additional efforts are being put towards recovery of old receivables. During the year under review, the discontinued operations comprising of Printing and Publication business had incurred loss of Rs. 4,856 Lakhs as against loss of Rs. 6,499 Lakhs during previous year.

Your Company now concentrates its efforts to build and grow its Online News Media business. During the year under review, your Company's Digital Media business revenue stood at Rs. 315 Lakhs as against Rs. 140 Lakhs during previous year. Continuing Operations during the year resulted in Net Profit (after tax) of Rs. 294 Lakhs as against Net Profit (after tax) of Rs. 23 Lakhs during previous year.

As part of the business strategy, your Company proposes to enter into Revenue Sharing Arrangement for Digital Media business with Rapidcube Technologies Pvt Ltd, related party as per Indian Accounting Standard on arms-length basis. Further with a view to extract best value from sale of Printing press assets and to outsource activities other than content creation, the Company proposes to avail services from EsseL Infraprojects Limited and Digital Subscriber Management and Consultancy Services Private Limited, respectively. Proposals seeking shareholders' approval for the said material related party transactions proposed to be entered into by the Company forms part of the Notice of ensuing Annual General Meeting. Your Board recommends these proposals for approval of Public Shareholders.

REDEMPTION OF NON-CONVERTIBLE DEBENTURES

During the year under review, IDBI Trusteeship Services Ltd, the Debenture Trustee in connection with Non-Convertible Debentures of Principal amount of Rs. 250 Crores (NCDs), issued by Pri-Media Services Private Limited and vested on the Company in pursuance of a Scheme of Arrangement and

Amalgamation approved by Hon'ble National Company Law Tribunal had vide order passed on June 8, 2017, had directed the Company to redeem the said NCDs along with interest thereon aggregating to Rs. 457.11 Crores, as per the terms of issue. In view of default on redemption of the said NCDs, the Debenture Trustee invoked Corporate Guarantee and directed the Guarantor M/s. Zee Media Corporation Limited to meet Company's obligations in connection with the said NCDs.

Based on the discussions between the parties, the said liability of the Company, was discharged by Zee Media Corporation Limited at a total consideration of Rs. 290 Crore. Consequently, the said NCDs stood redeemed and the Company received the No Dues Certificate from the Debenture Trustee for the said NCD's. Accordingly, the Company is now liable to pay Rs. 290 Crore to Zee Media Corporation Limited.

CORPORATE GOVERNANCE & POLICIES:

Your Company is in compliance with the applicable Corporate Governance requirements mentioned under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') and Companies Act, 2013. Additionally, your company has complied with the requirements of applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

A Report on Corporate Governance as stipulated in the Listing Regulations as also a Management Discussion and Analysis Report forms part of this Annual Report. Certificate from the Statutory Auditors of the Company, M/s B S Sharma & Co. Chartered Accountants, confirming compliance with the provisions of Corporate Governance as stipulated under the Listing Regulations, is annexed to the said Corporate Governance Report.

In compliance with the requirements of the Companies Act, 2013 and the Listing Regulations, your Board had approved various Codes and Policies including Code of Conduct for Directors & Senior Management, Policy for determining Material Events, Policy for Preservation of Documents and Archival of Records, Related Party Transaction Policy, Whistle Blower and Vigil Mechanism Policy and Remuneration Policy. Further in accordance with SEBI (Prohibition of Insider Trading) Regulations, 2015, your Board had approved and implemented Insider Trading Code and Policy on Fair Disclosure of Unpublished Price Sensitive Information. All these Codes and Policies along with the terms and conditions of appointment of Independent Directors and brief on Directors Familiarization Programs can be viewed on Company's website www.dnaindia.com.

DIRECTORS & KEY MANAGERIAL PERSONNEL:

As at March 31, 2021, your Board comprised of 6 (Six) Directors including three (3) Independent Directors and three(3) Non-Executive Directors. Independent Directors provide declarations both at the time of appointment and annually, confirming that they meet the criteria of independence as prescribed under Companies Act, 2013 and Listing Regulations. Additionally, as per Listing Regulations, the Independent Directors in their annual confirmation had confirmed that there are no circumstances or situation which exist or may be reasonably anticipated that could impair their ability to discharge their duties with an objective independent judgement and without any external influence. During FY 2020- 21 your Board met 4 (four) times details of which are available in the Corporate Governance Report annexed to this report.

During the year under review, Mr. Nishikant Upadhyay and Mr. Ronak Jatwala, who were appointed as Additional Directors in the category of Non-Executive Non-Independent Directors with effect from July 30, 2020 were regularized as Directors liable to retire by rotation at the Annual General Meeting held on December 28, 2020.

Further subsequent to March 31, 2021, Mr. Vishal Malhotra resigned as Independent Director, due to pre-occupation, with effect from April 1, 2021, your Board places on record its appreciation for contributions of Mr. Vishal Malhotra during his tenure as Director of the Company.

Your Board had, based on recommendations of the Nomination and Remuneration Committee, appointed Mr. Prakash Vaghela as an Additional Director in the category of Independent Director with effect from June 30, 2021. As per Section 161 of the Companies Act, 2013, Mr. Prakash Vaghela shall hold the office of Director till ensuing Annual General Meeting. Your Company has received notice from Member proposing his appointment and requisite proposal seeking your approval for the appointment of Mr. Prakash Vaghela, along with his brief profile, forms part of the Notice of ensuing Annual General Meeting. In the opinion of the Board, Mr. Prakash Vaghela, has requisite integrity, expertise and experience and recommends the proposal for approval of Shareholders.

Additionally, proposals seeking Shareholders' approval for re-appointment of Mr. Manoj Agarwal and Mrs. Shilpi Asthana as Independent Directors of the Company, not liable to retire by rotation, for second term of three years from expiry of their

current term on May 22, 2022 forms part of the Notice of the ensuing Annual General Meeting. Your Board recommends their re-appointment.

As per Section 152 of the Companies Act, 2013, Mr. Nishikant Upadhyay, retires by rotation at the ensuing Annual General Meeting and being eligible has offered himself for re-appointment. Your Board recommends his re-appointment.

As at March 31, 2021, Mr. Shikhar Ranjan, Chief Executive Officer, Mr. Rajendra Bathula, Chief Financial Officer and Mr. Dhaval Ashar, Company Secretary were nominated as Key Managerial Personnel of the Company in compliance with the requirements of Section 203 of the Companies Act, 2013. During the year under review, Mr. Ankit Shah had resigned as Company Secretary with effect from close of business on 12th February 2021 and the resultant vacancy was filled with appointment of Mr. Dhaval Ashar as Company Secretary and Compliance Officer of the Company with effect from 13th February 2021. Mr. Rajendra Bathula was appointed as Chief Financial Officer with effect from July 30, 2020. Mr. Shikhar Ranjan who was appointed as Chief Executive Officer of the Company with effect from July 30, 2020 resigned from the said position with effect from the close of business on June 30, 2021.

BOARD EVALUATION:

At a separate meeting of Independent Directors held without presence of other Directors and management, the Independent Directors had, based on various criteria, evaluated performance of the Board and Board Committees. Independent Directors comment on outcome of evaluation process was taken on record by the Board and further, the Board had in compliance with the requirements of Companies Act, 2013 evaluated performance of all Independent Directors based on various parameters including attendance, contribution etc. The details of the evaluation process forms part of the Corporate Governance Report annexed to this Report.

BOARD COMMITTEES:

In compliance with the requirements of Companies Act, 2013 and Listing Regulations, your Board had constituted Audit Committee, Nomination & Remuneration Committee and Stakeholders Relationship Committee. Details of constitution of these Committees are available on the website of the Company. The details of constitution, terms of reference,

number of meetings of the Board Committees held during the financial year ended on March 31, 2021 along with the details of attendance of Committee Members therein forms part of the Corporate Governance Report annexed to this report.

Section 135 of the Companies Act, 2013 mandating constitution of Corporate Social Responsibility (CSR) Committee and CSR spend does not apply to the Company.

AUDITORS:

Statutory Audit: M/s. B. S. Sharma & Co., Chartered Accountants, holding Firm Registration No. 128249W, were appointed as Statutory Auditors of the Company by the Members at the 12th Annual General Meeting held on 20th July, 2017, to hold such office for the second term of five (5) years until the conclusion of 17th Annual General Meeting to be held in the year 2022, subject to ratification by the Members at every Annual General Meeting. Pursuant to an amendment to Section 139 of the Companies Act, 2013, effective May 7, 2018, ratification by the Shareholders every year for the appointment of Statutory Auditors was no longer required and accordingly the Notice of ensuing Annual General Meeting does not include the proposal for seeking Shareholders' approval for ratification of Statutory Auditors appointment. The Company has received certificate of eligibility from M/s. B. S. Sharma & Co., Chartered Accountants in accordance with the provisions of the Companies Act, 2013 read with rules thereunder along with a confirmation that they continue to hold valid Peer Review Certificate as required under Listing Regulations.

The report of the Statutory Auditors to the Members forming part of this Annual report does not contain any qualification, reservation or adverse remarks. The Auditors report however includes an Emphasis of Matters drawing member's attention to various notes of Notes to Accounts of the company for FY 2021 which are self-explanatory. During FY 2020-21 the Statutory Auditors had not reported any matter under Section 143(12) of the Companies Act, 2013 and therefore no disclosures are required pursuant to Section 134(3) (ca) of the Companies Act, 2013.

Secretarial Audit: In terms of Section 204 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Secretarial Audit for the financial year ended on 31st March, 2021 was carried out by Mr. Satish K Shah, Practicing Company Secretary

(holding ICSI Certificate of Practice No. 3142). Copy of the Secretarial Audit report for the financial year ended March 31, 2021, along with the observations of Secretarial Auditor relating to non-compliance of certain requirements of Listing regulations as mentioned therein is annexed to this report. In response to the observations in the Secretarial Audit report, your Board wish to state that, the Company had paid requisite fines levied by the Stock Exchanges in connection with non-compliance / delay in filing of documents/details required under Listing Regulations. As on date of this report the Company is in compliance with the requirements mentioned in the observations in Secretarial Audit report.

Additionally, in compliance with the requirements of Listing Regulations, the Secretarial Auditor had also provided Annual Secretarial Compliance Report for financial year ended on 31st March, 2021, detailing therein their observations on non-compliance of Listing regulations by the Company. Copy of the said report was filed with Stock Exchanges as per Listing regulations.

Cost Audit: The requirement of maintenance of Cost records and carry out Cost Audit as prescribed under Section 148 of the Companies Act, 2013 is not applicable to the Company.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:

The Printing operations of the Company stands suspended since October 2019, accordingly, your Company's Printing press was not operational during FY 2020-21. In view of this the information relating to Conservation of Energy and Technology Absorption during the financial year 2020-21 as prescribed under Section 134(3) (m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 for the year ended 31st March 2021 is Nil / Not Applicable.

During the year under review, your Company had foreign exchange earnings of Rs. 3.58 lakhs and outgo of Rs. 31 lakhs.

PARTICULARS OF EMPLOYEES:

As at 31st March, 2021, your Company had only two (2) employees. The information required under the provisions of Section 197 of the Companies Act, 2013 read with Rule 5 of Companies (Appointment and Remuneration of Managerial

Personnel) Rules, 2014 along with statement showing names and other particulars of top 10 employees including employees drawing remuneration in excess of the limits prescribed under the said rules is annexed to this report as Annexure A.

RISK MANAGEMENT:

In accordance with Section 134(3)(n) of the Act, the Company had framed a Risk Management Policy to identify and assess the key risk areas. However, considering the revision in business strategy and discontinuation of Printing and Publication operations, the management is in process of reviewing and identifying risk areas which may threaten the existence of the Company.

DISCLOSURES:

- i. **Particulars of loans, guarantees and investments:** Particulars of loans, guarantees and investments made by the Company as required under Section 186(4) of the Companies Act, 2013 are given in Note No. 37 to the Financial Statements.
- ii. **Transactions with Related Parties:** All contracts/ arrangements/ transactions entered by the Company during the financial year 2020-21 with related parties were on arm's length basis, in the ordinary course of business and in compliance with applicable provisions of the Companies Act, 2013 and Listing Regulations. During the year under review there have been no materially significant transactions of the types prescribed under Section 188(1) with related parties as defined under Section 2(76) of the Companies Act, 2013 (Act) and accordingly the information as prescribed under Section 134(3)(h) of the Act read with Rule 8(2) of the Companies (Accounts) Rules, 2014 in Form AOC-2 are not provided.

Related party transactions proposed to be entered into by the Company are placed before the Audit Committee for its approval and statement of all executed related party transactions are placed before the Audit Committee for its review on quarterly basis.

- iii. **Internal Financial Controls and their adequacy:** Your Company has implemented internal financial controls and policies/processes for orderly and efficient conduct of the business including safeguarding of assets, prevention and detection of frauds and errors, ensuring accuracy and completeness of the accounting records and the timely preparation of reliable financial information.

- iv. **Deposits:** Your Company has not accepted any public deposit as prescribed under Chapter V of the Companies Act, 2013.
 - v. **Annual Return:** As per regulatory amendments, Annual Return of the Company for FY 2020-21 will be uploaded on the website of the Company and can be viewed on <https://www.dnaindia.com/investors/annual.html>.
 - vi. **Sexual Harassment:** Your Company has zero tolerance towards sexual harassment at workplace and has adopted a Policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the requirement of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH Act) and the Rules thereunder. There was no complaint on sexual harassment during the year under review.
 - i. **Regulatory Orders:** No significant or material orders were passed by any regulators or courts or tribunals which impact the going concern status and Company's operations in future. There are no proceedings initiated or pending against the Company under the Insolvency and Bankruptcy Code, 2018 ('IBC'). For recovery of outstanding dues aggregating to Rs. 72.23 Crore on discontinued operations, the Company had initiated proceedings under IBC against various parties. The same are pending before Hon'ble NCLT.
- c) Accounting policies selected were applied consistently and the judgments and estimates related to the financial statements have been made on a prudent and reasonable basis, so as to give a true and fair view of the state of affairs of the Company as at 31st March 2021, and, of the loss of the Company for the year ended on that date;
 - d) Proper and sufficient care has been taken for maintenance of adequate accounting records in accordance with the provisions of the Act, to safeguard the assets of the Company and for preventing and detecting fraud and other irregularities;
 - e) Requisite Internal financial controls were laid down and that such financial controls are adequate and operating effectively; and
 - f) Proper systems have been devised to ensure compliance with the provisions of all applicable laws and such systems are adequate and operating effectively.

ACKNOWLEDGEMENTS:

Your Board takes this opportunity to place on record its appreciation for the valuable support and co-operation extended by all stakeholders.

DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to the requirement under Section 134 of the Companies Act, 2013, in relation to the Annual Financial Statements for the Financial Year 2020-21, your Directors confirm that:

- a) The Financial Statements of the Company comprising of the Balance Sheet as at 31st March 2021 and the Statement of Profit & Loss for the year ended on that date, have been prepared on a going concern basis;
- b) In preparation of the Financial Statements, applicable accounting standards have been followed and there are no material departures;

For and behalf of the Board

Ronak Jatwala
Director
DIN: 08812389

Nishikant Upadhyay
Director
DIN:07779721

Place: Mumbai
Date: August 5, 2021

Annexure A to Directors' Report

Particulars of Remuneration of Employees as required under Section 197 of the Act read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

A. Particulars of increase in remuneration of each Director and Key Managerial Personnel (KMP) during financial year 2020-21 along with Ratio of remuneration of Directors to the Median remuneration of employees:

Name of Director / Key Managerial Personnel	% increase in Remuneration during Financial Year	Ratio of Director's Remuneration to median remuneration
Non-Executive Directors		
Dinesh Garg	NA	NA
Vishal Malhotra (till March 31, 2021)	NA	NA
Manoj Agarwal	NA	NA
Shilpi Asthana	NA	NA
Nishikant Upadhyay	NA	NA
Ronak Jatwala	NA	NA
Key Managerial Personnel		
Shikhar Ranjan, CEO	NA	NA
Rajendra Bathula, CFO	Nil	Nil
Ankit Shah, Company Secretary (till February 12, 2021)	NA	NA
Dhaval Ashar, Company Secretary (w.e.f. February 13, 2021)	NA	NA

- Note:** 1. Non-Executive Directors are not paid any remuneration other than sitting fees
2. The Company Secretary is/was remunerated by one of the group entity.

Sr	Requirement	Disclosure
1	The Percentage increase / (decrease) in median remuneration of employees in financial year	Nil
2	Number of permanent employees on the rolls of the Company	2 (two)
3	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration	Nil
4	Affirmation that the remuneration is as per the remuneration policy of the Company	While the remuneration is as per Remuneration Policy, in view of suspension of business operations the Company has only 2 employees as at March 31, 2021 and no increments were granted during the year

- B.** During FY 2020-21, none of the Employees drew remuneration in excess of Rs. 8.50 Lakhs per month or Rs. 1.02 Crores per annum. During FY 2020-21, the Company had only 3 employees, particulars of the said employees in terms of remuneration drawn are mentioned herein:

Name	Age	Designation	Remuneration	Qualification Exp.	Exp in Years	Date of Joining	Date of Cessation	Last Employment
Rajendra Bathula	45	Asst-Vice President	13,51,104	B.Com.	22	13-08-08	-	Batliboi & Purohit
Amit Seth	45	Asst-Vice President	11,78,568	B.Com.	17	05-10-16	-	Millennium Post
Rahul Pralhad Shirsath	42	Manager	4,06,989	Diploma in Journalism & Mass Communication	12	20-05-19	07-10-20	Lokmat Media

Notes:

1. All appointments are contractual and terminable by notice on either side.
2. None of the employees are related to any Directors.
3. Remuneration includes Salary, Allowances, Company's contribution to Provident Fund, Medical Benefits, LTA & other perquisites and benefits valued as per Income Tax Act, 1961 and in case of employees resigned during the year the remuneration includes terminal benefits.
4. None of the Employees hold 2% or more of the Equity Shares of the Company.

For and behalf of the Board

Ronak Jatwala
Director
DIN: 08812389

Nishikant Upadhyay
Director
DIN:07779721

Place: Mumbai
Date : August 5, 2021

Secretarial Audit Report – 2020-21

To,
The Members of
Diligent Media Corporation Limited

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Diligent Media Corporation Limited (CIN: L22120MH2005PLC151377) (hereinafter called 'the Company') for FY 2020-21. Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, during the audit period covering the financial year ended on 31st March, 2021 ('Audit Period'), the Company has complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2021 according to the provisions of following acts and regulations, to the extent applicable to the Company during the Audit period:

- I. The Companies Act, 2013 (the Act) and the Rules made thereunder including any re-enactment thereof;
- II. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there under;
- III. The Depositories Act, 1996 and the Regulations & Bye-laws framed thereunder;
- IV. Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder;
- V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') to the extent applicable to the Company: -
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations')
- VI. Since the Company suspended and discontinued its Printing and Publication business w.e.f. October 2019, regulatory requirements prescribed by Registrar of Office of Newspapers of India are no more applicable. Further there are no business specific regulations applicable to the Company.

I have also examined compliance with the applicable clauses of the Secretarial Standards 1 & 2 issued by the Institute of Company Secretaries of India.

During the Audit period under review, based on the said verification and as per representations and clarifications provided by the management, I confirm that the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. as mentioned hereinabove except the below non-compliances of SEBI Listing Regulations by the Company for which National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) had imposed fines, which have been duly paid by the Company:

Sr. No.	Compliance Requirement (Regulations/ circulars / guidelines including specific clause)	Fines levied
1.	Board of Directors of Company comprised of 4 Directors during the period from April 1, 2020 to July 29, 2020 as against 6 Directors required as per Regulation 17(1) of SEBI Listing Regulations since company formed part of top 2000 listed entities in NSE	NSE – Rs. 7,08,000 BSE – NA
2.	Two-third of the Audit Committee Members of the Board were not Independent Directors during the period from July 30, 2020 to October 30, 2020 resulting in violation of Regulation 18(1) of SEBI Listing Regulations	NSE – Rs. 2,19,480 BSE – Rs. 2,19,480
3.	There was delay of 9 days in submission of Shareholding Pattern for the quarter ended September 30, 2020 resulting in violation of Regulation 31 of SEBI Listing Regulations	NSE – Rs. 21,240 BSE – Rs. 21,240
4.	There was delay in submission of Unaudited Financial Results for the quarter ended June 30, 2020 resulting in violation of Regulation 33 of SEBI Listing Regulations	NSE – 2,65,500 BSE – 2,65,500

I further report that:

- Compliance of applicable financial laws including Direct and Indirect Tax Laws by the Company has not been reviewed in this Audit since the same has been subject to review by the Statutory Auditors and other designated professional.
- the Board of Directors of the Company is duly constituted. The changes in the composition of the Board of Directors that took place during the year under review were carried out in compliance with the provisions of the Act and Listing Regulations.
- Adequate notice was given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were generally sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- Decisions at the Board Meetings, as represented by the Management and recorded in minutes, were taken unanimously.

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the Audit Period, in connection with Non-Convertible Debentures (NCDs) of Principal Amount of INR 25000 Lakhs issued in June 2015 and due for repayment on June 2020, in view of default on redemption of the said NCDs, the Debenture Trustee invoked Corporate Guarantee and directed the Guarantor M/s. Zee Media Corporation Limited to meet Company's obligations in connection with the said NCDs. Based on the discussions between the parties, the said liability of the Company, was discharged by Zee Media Corporation Limited at a total consideration of Rs. 290 Crore. Consequently, the said NCDs stood redeemed and the Company received the No Dues Certificate from the Debenture Trustee for the said NCD's and the Company has filed relevant e-form CHG-4 for Satisfaction of Charge along with the said No due Certificate with Registrar of Companies, Maharashtra, Mumbai on February 4, 2021 and the Company received Certificate of Satisfaction of Charge from the said Registrar of Companies dated February 5, 2021 evidencing the satisfaction of the said charge in full. Accordingly, the Company is now liable to pay Rs. 290 Crore to Zee Media Corporation Limited.

CS Satish K. Shah
FCS1313/CP3142
UDIN F001313000743450

Place : Mumbai
Date : 5th August, 2021

Corporate Governance Report

PHILOSOPHY

Corporate Governance encompasses ethically driven business systems and processes in order to ensure accountability, transparency and fairness in the conduct of the Company's affairs in the widest sense. It requires strict adherence to moral and ethical principles, legal and regulatory framework and the adoption of practices in consonance with the regulatory requirements. Good corporate governance promotes sustainable value creation in the larger interest of the stakeholders.

The Corporate Governance philosophy at Diligent Media Corporation Limited (the Company) is founded on the principles of Transparency, Fairness, Integrity, Honesty & Accountability which ensures that the Company is managed and monitored in a responsible manner for creating and sharing value.

A report on compliance with the principles of Corporate Governance, as prescribed under Listing Regulations is given below:

BOARD OF DIRECTORS:

Composition & Category of Directors: As at 31st March 2021 your Board comprised of 6 (Six) Directors including 3 (Three) Non-Executive Directors and 3 (Three) Independent Directors, including 1 (one) Woman Independent Director. Subsequent to closure of financial year, Mr. Vishal Malhotra resigned as Independent Director with effect from April 1, 2021 and Mr. Prakash Vaghela, was appointed as an Additional Director in the category of Independent Director with effect from June 30, 2021. The composition of the Board of Directors of the Company as on date of this report is in accordance with

During the year under review, 4 (four) meetings of the Board were held on 30th July 2020, 30th October 2020, 12th November 2020 and 12th February 2021 respectively. Particulars of Directors, their attendance at the Annual General Meeting and Board Meetings detailed above held during the Financial Year 2020-21 along with the details of the Board/ Board Committees of Indian Public Companies wherein the Directors of the Company were Directors and/or Chairperson as at 31st March 2021 are as under:

Regulation 17(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations).

The Policy on criteria for nomination of a person on the Board, as decided by the Nomination and Remuneration Committee suggests that the qualification and experience of Directors are desired in following areas viz. Finance, Legal, Print Media, Social Media, Marketing, Advertisement, Business Development & Technology /Digital. In line with the said criteria, as at 31st March 2021 the Company's Board had Directors with experience in following areas:

Name of Director	Experience areas
Mr. Dinesh Garg	Finance & Media industry
Mr. Vishal Malhotra	Marketing, Business Development & Technology/Digital
Mrs. Shilpi Asthana	Finance & HR
Mr. Manoj Agarwal	Marketing & Business Development
Mr. Nishikant Upadhyay	Finance, Accounts, Taxation and Audit
Mr. Ronak Jatwala	Corporate Finance – Fund Raising & Acquisition Financing, Strategy and Treasury

Independent Directors provide appropriate certifications annually and at the time of appointment to the Board confirming satisfaction of the conditions of their being independent, as laid down in Section 149 (6) of the Companies Act, 2013 and Regulation 16(1)(b) of Listing Regulations. In opinion of the Board, the Independent Directors fulfil the conditions specified in the Listing Regulations and are independent of the management.

Name of Director	Attendance at		No. of Directorship in other public companies		No. of Committee positions held in other public companies	
	Board Meeting (Total 4 Meetings)	15th AGM held on Dec. 28, 2020	Member	Chairperson	Member	Chairperson
Non-Executive Director						
Dinesh Garg	2	Yes	2	-	2	-
Ronak Jatwala#	3	Yes	1	-	-	-
Nishikant Upadhyay#	3	Yes	8	-	-	-
Independent Director						
Vishal Malhotra*	4	Yes	-	-	-	-
Manoj Agarwal	4	Yes	2	-	-	2
Shilpi Asthana	4	Yes	-	-	-	-

Appointed as Directors with effect from July 30, 2020

* Resigned as Director with effect from April 1, 2021

Notes:

- None of the Directors held directorship in more than 8 Listed Companies. Further none of the Independent Directors of the Company served as Independent Director in more than 7 Listed Companies.
- None of the Directors held directorship in more than 20 Indian Companies, with not more than 10 public limited companies.
- None of the Directors is a member of more than 10 Committees or Chairperson of more than 5 Committees across all the Public Limited Companies in which he/she is Director. As per Listing Regulations, only membership of Audit Committee and Stakeholders Relationship Committee have been taken into consideration for the purpose of ascertaining the limit.
- None of the Directors of the Company are related inter-se and none of the Directors of the Company hold any equity shares of the Company.

Details of Directorship of Directors in other Listed entities as at March 31, 2021 are as under:

Sr	Name of Director	Directorship in other Listed entities
1	Dinesh Garg	Zee Media Corporation Ltd as Executive Director
2	Vishal Malhotra	None
3	Manoj Agarwal	Shirpur Gold Refinery Limited as Independent Director
4	Shilpi Asthana	None
5	Ronak Jatwala	None
6	Nishikant Upadhyay	None

Board Procedure: All Board meetings during the year were held at Mumbai. Board agenda along with the explanatory notes are sent to the Directors well in advance to enable them to take informed decisions. The Chief Executive Officer and the Chief Financial Officer normally attends the Board meetings to provide necessary insight into the working of the Company and for discussing corporate strategies. Any Board Member may, in consultation with the Chairman and with the consent of all Independent Directors present at the meeting, bring up any matter at the meeting for consideration by the Board. All relevant information required to be placed before the Board as per Companies Act, 2013 and/or SEBI Listing Regulations are considered and taken on record/approved by the Board. The Board periodically reviews certificate in respect of compliance of various laws and regulations applicable to the Company. During the year, there was no instance where in the Board had not accepted recommendations of any Board Committee(s).

Independent Directors Meeting & Board Evaluation

Process: In compliance with the requirements of Regulation 25 of Listing Regulations and Section 149 read with Schedule IV of the Companies Act, 2013, Independent Directors of the Company met on February 12, 2021 to evaluate performance of the Board / Board Committees and review flow of information between the management and the Board. The evaluation process was carried out based on a standard assessment sheet structured in line with ICSI guidance note and the guidance note issued by SEBI in this regard.

The parameters for evaluation of performance of the Board & Board Committees inter alia include the structure & composition, contents of agenda, quality and timelines of

information provided, decision-making process & review thereof, attention to the Company's long term strategic issues, evaluation of strategic risks, overseeing and review of major plans of action, corporate restructuring, acquisitions, divestment, etc. Outcome of such evaluation exercise was discussed at subsequent board meeting.

The performance of the Independent Directors was also evaluated taking into account the time devoted, attention given to professional obligations for independent decision making, contribution towards providing strategic guidance, determining important policies, utilising their expertise & independent judgment that contributes objectively in the Board's deliberations - particularly on issues of strategy, performance and conflict management etc.

Familiarisation Program for Independent Directors:

Independent Directors are familiarized with their roles, rights and responsibilities at the time of their appointment as Directors and regular discussions/presentations covering business operations are done at the Meetings. The details of familiarisation programme can be viewed on the Company's website www.dnaindia.com.

Code of Conduct: The Company has adopted a Code of Conduct for the Members of the Board of Directors and Senior Management and all the Directors and senior functionaries as defined in the Code provide their annual confirmation of compliance with the Code. The role and responsibilities of Independent Directors as prescribed in Schedule IV of the Companies Act, 2013 and/or prescribed in SEBI Listing Regulations forms part of the appointment letters issued to Independent Directors. Copy of the Code and the terms of appointment of Independent Directors is available on the website of the Company www.dnaindia.com.

A declaration affirming compliance with the Code of Conduct by the Members of the Board and Senior Management Personnel is given below:

Declaration

I confirm that the Company has obtained from all Directors and Senior Management Personnel of the Company their affirmation of compliance with the Code of Conduct for Members of the Board and Senior Management of the Company for the financial year ended 31st March 2021.

Nishikant Upadhyay

Non-Executive Director
Mumbai, August 5, 2021

BOARD COMMITTEES

Particulars of Meetings of Board Committees held during FY 2020-21 and Directors' attendance at such Committee Meeting(s) are detailed herein:

Particulars	Audit Committee	Nomination & Remuneration Committee	Stakeholders Relationship Committee
No. of Meetings held	4	2	1
<u>Directors attendance</u>			
Mr. Dinesh Garg	2	2	-
Mr. Vishal Malhotra	4	2	1
Mr. Manoj Agarwal	3	2	1
Mrs. Shilpi Asthana	4	NA	NA
Mr. Ronak Jatwala	NA	NA	NA
Mr. Nishikant Upadhyay	1	NA	NA

Note:

NA denotes that the Director is not a Member of such Committee

Details of Board Committees are as under:

(a) Audit Committee

Constitution: As at 31st March 2021, the Audit Committee comprised of four (4) Directors including Ms. Shilpi Asthana, Independent Director as Chairperson along with Mr. Vishal Malhotra- Independent Director, Mr. Manoj Agarwal- Independent Director and Mr. Dinesh Garg- Non-Executive Director as Members. During the year under review, with a view to align constitution of the Audit Committee in line with the requirements of Listing Regulations, Mr. Nishikant Upadhyay, who was appointed as Member of the Committee w.e.f. July 30, 2020 resigned from the Membership of the Committee w.e.f. October 30, 2020.

During the year under review, Audit Committee met four (4) times on 30th July 2020, 30th October 2020, 12th November 2020 and 12th February 2021 respectively.

Terms of reference: The Terms of reference and role of the Audit Committee are as per SEBI Listing Regulations and Section 177 of Companies Act, 2013 and broadly includes:

- Oversight of Company's financial reporting process, Internal Financial Control and disclosure of financial information to ensure that the financial statement is correct, sufficient and credible.

- Review and recommend for approval of the Board quarterly and annual financial statements before submission to the Board for approval.
- Review and approve internal audit report, related party transactions and functioning of Whistle Blower and Vigil Mechanism Policy.
- Review with the management, external and internal auditors, the adequacy of internal control systems.
- Recommend to the Board for approval, the proposal for appointment of and payment of remuneration to the Statutory auditors/Internal auditors.
- Review the adequacy of internal audit function and recommend appointment and remuneration payable to Internal Auditor.
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend their appointment to the Board;
- Formulating criteria for determining qualification, positive attributes and independence of a Director and recommend to the Board a policy relating to the remuneration for the directors, key managerial personnel and other employees;
- Ensuring that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate employees/directors of the quality required to run the Company successfully;
- Ensuring that relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- Formulating policy with regard to remuneration of directors, key managerial personnel and senior management involving a balance between fixed and variable pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.

Audit Committee meetings are generally attended by the Chief Executive Officer, Chief Financial Officer and representative of the Statutory Auditors of the Company. Internal Auditor attends the Audit Committee Meetings wherein the Internal Audit report is considered by the Committee. The Company Secretary acts as the Secretary of the Audit Committee.

All recommendations made by the Audit Committee during the year under review were accepted by the Board.

(b) Nomination & Remuneration Committee

Constitution: As at 31st March 2021, the Nomination & Remuneration Committee comprised of Mr. Vishal Malhotra, Independent Director as Chairman along with Mr. Manoj Agarwal, Independent Director and Mr. Dinesh Garg, Non-Executive Director as Members.

During the year under review the Committee met twice on 30th July 2020 and 12th February 2021 respectively.

Terms of reference: The terms of reference of the Nomination & Remuneration Committee are as per Listing Regulations and Section 177 of Companies Act, 2013 and broadly includes:

Remuneration Policy: Focus on productivity and pay-for-performance have been the cornerstones of the Company's remuneration policy with differentiated compensation growth to high performing employees. The Remuneration Policy of the Company can be accessed on Company's website www.dnaindia.com. During the year under review, due to discontinuation of Printing & Publication business and resignation of most of the employees, the Company had only 2 (two) employees as at March 31, 2021.

Remuneration payable to Non-Executive Directors: Non-Executive Directors of the Company who are in employment with other Essel group entity are not paid any remuneration either by way of Sitting Fees or otherwise. Independent Directors are only paid sitting fee of Rs. 20,000 for attending the meetings of Board and Board Committees.

Particulars of Sitting Fees paid to Independent Directors of the Company during financial year 2020-21 is as detailed herein:

Name of Director	Amount (Rs)
Vishal Malhotra	1,60,000
Manoj Agarwal	1,60,000
Shilpi Asthana	1,60,000
Total	4,80,000

Independent Directors do not have any other material pecuniary relationships or transactions with the Company or its directors/senior management other than in the normal course of business.

(c) Stakeholders Relationship Committee

Constitution: As at 31st March 2021, the Stakeholders Relationship Committee of the Board comprised of Mr. Dinesh Garg, Non-Executive Director, as Chairman along with Mr. Manoj Agarwal and Mr. Vishal Malhotra, Independent Directors as Members. The Company Secretary is the Secretary of the Committee.

During the year under review the Committee met once on 12th November 2020.

Terms of reference: The terms of reference of Stakeholders Relationship Committee include resolving investors grievances / complaints; review measures taken for effective exercise of voting rights; review adherence of service standards by Company and RTA and review management actions for reducing unclaimed dividend / shares etc. The Committee has delegated powers for approving shareholders requests for transfer, transmission, rematerialisation, dematerialization etc. of Equity shares to the executives in secretarial department jointly with representative(s) of Registrar and Share Transfer Agent of the Company.

Mr. Dhaval Ashar, Company Secretary of the Company, with effect from February 13, 2021, is Compliance Officer pursuant to Listing Regulations. The designated email for investor service and correspondence is companysecretary@dnaindia.net.

Details of number of complaints received and resolved during the year ended 31st March 2021 are as under: Nil. There were no pending complaints as at 1st April 2020. During the year ended 31st March 2021, the Company had not received any complaints.

GENERAL MEETINGS:

The location, date and time of the Annual General Meetings held during last 3 years along with Special Resolution(s) passed at the said meetings are as follows:

Year	Date and Time	Special Resolutions passed	Venue
2019-20	28 th December, 2020 - 1.00 p.m.	None	The meeting was convened through Video Conferencing (VC) / Other Audio Visual Means (OAVM)
2018-19	19 th September, 2019 – 4.00 p.m.	Approval for sale/lease/ disposal of Property / Undertaking pursuant to Section 180(1)(a) of the Companies Act, 2013	The Hall of Harmony, Nehru Centre, Dr. Annie Besant Road, Worli, Mumbai 400 018
2017-18	21 st September, 2018 – 11.30 a.m.	Appointment of & payment of remuneration to Mr. A V Ramachandran as an Executive Director for term of 3 years with effect from September 1, 2017.	The Hall of Culture, Nehru Centre, Dr. Annie Besant Road, Worli, Mumbai 400 018
		Maintenance of Register of Members at the office of the Registrar and Share Transfer Agent instead of Registered office of the Company.	
		Approval for sale/lease/ disposal of Property / Undertaking pursuant to Section 180(1)(a) of the Companies Act, 2013.	

POSTAL BALLOT

No Resolutions were passed by way of Postal Ballot during financial year 2020-21. Since the Company is providing E-voting facility to its Shareholders, none of the resolution(s) proposed at the ensuing AGM are required to be passed by way of Postal Ballot.

MEANS OF COMMUNICATION

The Company has promptly reported all material information including declaration of financial results etc., to all Stock Exchanges where the shares of the Company are listed. Such information is also simultaneously displayed on the Company's website www.dnaindia.com. The extract of quarterly, half yearly and annual financial results and other statutory information were communicated to the shareholders by way of

publication in English newspapers viz. 'Free Press Journal and in Marathi language newspaper viz 'Navsakti' and requisite information are filed with Stock Exchange(s) in compliance with the Listing Regulations. Additionally, the financial and other information are filed by the Company on electronic platforms of NSE and BSE.

In compliance with Regulation 46 of the Listing Regulations, a separate dedicated section under 'Investors' on the Company's website gives information on various announcements made by the Company, Annual Report, quarterly/ half-yearly/annual financial statements, Shareholding patterns, Stock Exchange filings along with applicable policies of the Company.

Management Discussion and Analysis Report forming part of this Annual Report is annexed separately.

SHAREHOLDERS' INFORMATION

1	Date, Time and Venue of Shareholder's Meeting	Meeting : Annual General Meeting Day & Date : Monday, 27 th day of September, 2021 Time : 2.00 p.m. Venue : The Company is conducting AGM through VC / OAVM pursuant to the MCA /SEBI Circulars with deemed location as Continental Building, 135, Dr. Annie Besant Road, Worli, Mumbai-400018
2	Financial Year	1 st April 2020 to 31 st March 2021
3	Registered Office	18 th Floor, A Wing, Marathon Futurex, N M Joshi Marg, Lower Parel, Mumbai 400 013, India Tel: +91-22-71061234 Website: www.dnaindia.com
4	Plant Location	Plot No. EL-201, TTC Industrial Area, MIDC, Mahape, Navi Mumbai 400 705, India. Tel: +91-22-3980 2200
5	Listing on Stock Exchanges	BSE Limited (BSE) - Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400001 The National Stock Exchange of India Limited (NSE)- Exchange Plaza, Bandra Kurla Complex, Bandra (East), Mumbai 400 051 The Company has paid requisite Listing Fees to the Stock Exchanges for FY 2020-21
6	Stock Code	BSE- 540789 NSE- DNAMEDIA-EQ.
7	ISIN No.	INE016M01021
8	Corporate Identity Number	L22120MH2005PLC151377
9	Registrar & Share Transfer Agent	Link Intime India Private Limited C101, 247 Park, L B S Marg, Vikhroli (West), Mumbai 400083 Tel: +91-22- 4918 6000 Fax: +91-22- 4918 6060. E-Mail: rnt.helpdesk@linkintime.co.in
10	Investor Relations Officer	Mr. Dhaval Ashar Tel: +91-22-7106 1234 E-mail: companysecretary@dnaindia.net

11. Dividend

In view of losses, no Dividend has been recommended by the Board of Directors for FY 2020-21.

12. Change of Address

Members holding equity share(s) in physical form are requested to notify the change of address/dividend mandate, if any, to the Company's Registrar & Share Transfer Agent, at the address mentioned above.

13. Share Transfer System

Equity Shares sent for physical transfer or for dematerialization are generally registered and returned within a period of 7 days from the date of receipt of completed and validly executed documents. The Company & its Registrar endeavors to attend to all the investors' grievances/ queries/ information requests within a period of 5 working days, except when constrained due to pending legal proceeding or court/statutory orders.

Effective April 1, 2019, SEBI has amended Regulation 40 of the Listing Regulations, which deals with transfer or transmission or transposition of securities. According to this amendment, the requests for effecting the transfer of listed securities shall not be processed unless the securities are held in dematerialised form with a Depository. Therefore, for effecting any transfer, the securities shall mandatorily be required to be in demat form.

14. Dematerialisation of Equity Shares Liquidity

To facilitate trading of Equity Shares of the Company in dematerialised form the Company has made arrangements with both the depositories viz. National Securities Depository Limited and Central Depository Services (India) Limited. As on 31st March 2021, 99.93% of the total issued and paid-up Equity Share Capital of the Company are held by 84,357 shareholders in Dematerialized form and the balance 0.07% are held by 1,878 shareholders in physical form.

15. Shareholders' Correspondence

The Company endeavours to respond to the investors' grievances/ queries/ information requests within a period of 5 working days. All correspondence may be addressed to the Registrar & Share Transfer Agent at the address given above. In case any shareholder is not satisfied with the response or do not get any response within reasonable period, they may approach the Investor Relation Officer at the address given above.

16. Share Capital Build-up

a) Equity Shares

Particulars	No. of shares issued	Date of issue
Issued to Subscribers	50,000	February 17, 2005
Preferential Issue	50,000	May 25, 2005
Preferential Issue	6,383	July 19, 2005
Preferential Issue	38,033,617	October 29, 2005
Preferential Issue	31,180,000	March 31, 2009
Preferential Issue	16,677,533	January 24, 2011
Preferential Issue	3,098,009	April 30, 2011
Sub-Division of Face Value of Shares from Rs. 10 each to Re. 1 each	890,955,420	November 2, 2016
Cancellation of entire Pre -Scheme Paid-up Equity Share Capital of the Company pursuant to the Scheme approved by NCLT	(890,955,420)	October 9, 2017
Allotment Pursuant to Scheme approved by NCLT on June 8, 2017	117,708,018	October 9, 2017
Issued & paid up Capital as on March 31, 2021	117,708,018	

b) Preference Shares

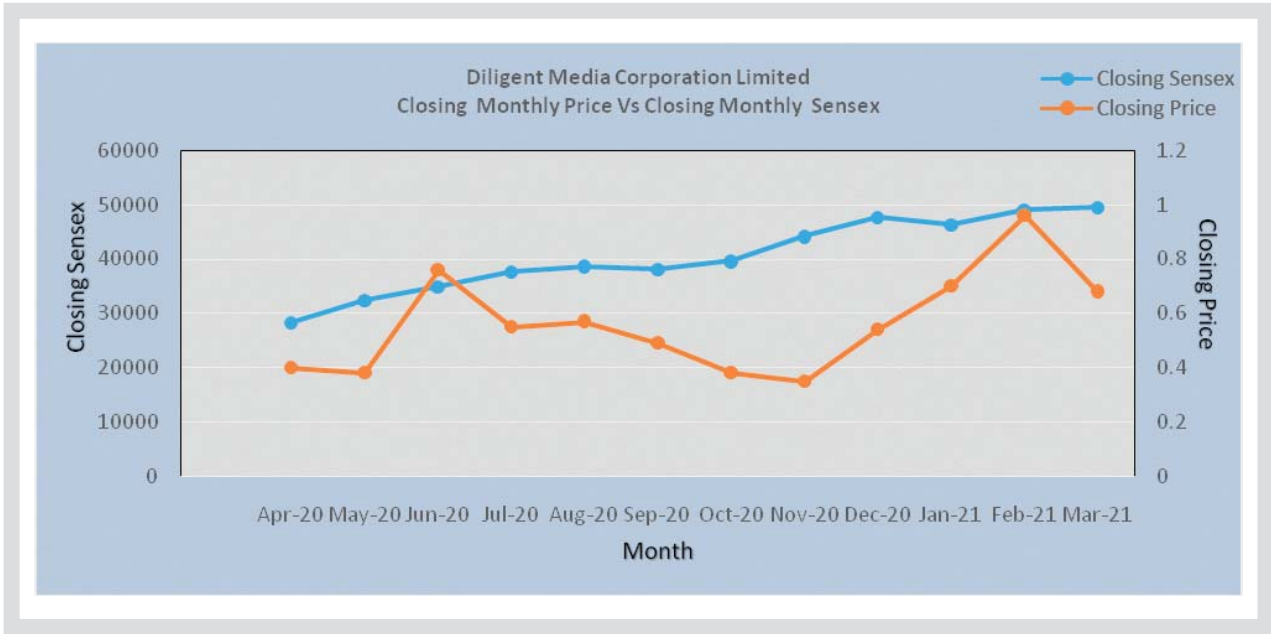
Particulars	No. of shares issued	Date of issue
Preferential Issue	436,26,56,265	November 2, 2016

17. Stock Market data relating to Shares Listed in India

Monthly high and low quotations and volume of shares traded on BSE & NSE, during financial year 2020-21:

Month	BSE			NSE		
	High (Rs.)	Low (Rs.)	Volume of Share Traded (In Lakhs)	High (Rs.)	Low (Rs.)	Volume of Shares Traded (In Lakhs)
April 2020	0.40	0.31	0.23	0.50	0.30	7.02
May 2020	0.44	0.38	0.26	0.55	0.35	5.24
June 2020	0.76	0.36	0.92	0.90	0.35	16.88
July 2020	0.76	0.55	0.15	0.75	0.55	0.15
August 2020	0.58	0.49	0.62	0.65	0.30	9.85
September 2020	0.60	0.46	0.49	0.65	0.45	14.02
October 2020	0.51	0.37	0.26	0.55	0.35	1.85
November 2020	0.39	0.33	0.17	0.45	0.35	2.96
December 2020	0.63	0.35	1.15	0.70	0.35	2.94
January 2021	0.78	0.54	1.89	0.75	0.50	9.09
February 2021	1.04	0.65	4.39	1.00	0.65	10.16
March 2021	0.96	0.67	6.46	0.85	0.65	12.04

18. Relative Performance of Diligent Media Corporation Limited Shares Vs. BSE Sensex & Nifty Index



19. Distribution of Shareholding as on March 31, 2021

No. of Equity Shares	Share Holders		No. of Shares	
	Number	% of Holders	Number	% of Holders
Upto 5,000	85,536	99.1894	1,11,42,751	9.4664
5,001 – 10,000	320	0.3711	23,81,978	2.0237
10,001 and Above	379	0.4395	10,41,83,289	88.5099
Total	86,235	100	11,77,08,018	100

20. Categories of Shareholders as on March 31, 2021

Category	No. of shares held	% of shareholding
Promoters	7,31,73,769	62.17
Individuals/HUF	3,53,05,428	30.00
Bodies Corporate / Clearing Members/NBFC	17,96,358	1.53
FIs, Mutual funds, Trust & Banks	4,937	0.00
FPIs, OCBs & NRIs	74,27,526	6.30
Total	11,77,08,018	100.00

21. Particulars of Shareholding

a) Promoter Shareholding as on March 31, 2021

Name of Shareholder	No of Shares held	% of shareholding
25 FPS Media Private Ltd	3,79,24,613	32.22
Arm Infra & Utilities Pvt Ltd	3,52,43,182	29.94
Primat Infrapower & Multiventures Pvt Ltd	5,909	0.01
Sprit Infrapower & Multiventures Pvt Ltd	65	0.00
Total	7,31,73,769	62.17

b) Top Ten (10) Public Shareholding as on March 31, 2021

Name of Shareholder	No. of Shares held	% of shareholding
Dilipkumar Lakhi	31,70,322	2.6934
Acacia Partners, LP	20,08,533	1.7064
Vinay Somani	16,29,806	1.3846
India Opportunities Growth Fund Ltd - Pinewood Strategy	15,00,000	1.2743
Viral Amal Parikh	14,00,000	1.1894
Acacia Institutional Partners, LP	12,96,653	1.1016
Acacia Conservation Fund LP	9,00,900	0.7654
Chirag Dilipkumar Lakhi	7,74,636	0.6581
Nimesh Sumatilal	7,35,000	0.6244
Hardik Dhanesh Shah	7,25,000	0.6159

Note: Shares held in multiple accounts having same PAN are consolidated for the purpose of this disclosure.

22. Disclosures

- 1) All transactions entered into by the Company with related parties during the financial year 2020-21 were in ordinary course of business and on arms-length basis. The related party transactions undertaken by the Company during the year under review were in compliance with the applicable provisions of Companies Act, 2013 and SEBI Listing Regulations. The details of the Related Party Transactions are set out in the Notes to Financial Statements forming part of the Annual Report. All ongoing related party transactions along with the estimated transaction value and terms thereof are approved by the Audit Committee before the commencement of financial year and thereafter reviewed on quarterly basis by the Audit Committee.

In compliance with the requirements of Regulation 23 of Listing Regulations, the Board of Directors of the Company has approved a Related Party Transaction Policy, to facilitate management to report and seek approval for any Related Party Transaction proposed to be entered into by the Company. The said Related Party Transaction Policy can be viewed on www.dnaindia.com

There are no materially significant related party transactions between the Company and its promoters, directors or key management personnel or their relatives, having any potential conflict with interests of the Company at large.

- 2) During the year under review, had there have been a few non-compliances of SEBI Listing Regulations by the Company for which National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) had imposed fines, which have been duly paid by the Company. Details of such non-compliances and their respective fines are as mentioned herein. Other than this there are no other non-compliance or penalties, strictures imposed by Stock Exchanges, or the Board or any statutory authority on any matters relating to capital markets during last 3 years.

Sr. No.	Compliance Requirement (Regulations/ circulars / guidelines including specific clause)	Fines levied
1.	Board of Directors of Company comprised of 4 Directors during the period from April 1, 2020 to July 29, 2020 as against 6 Directors required as per Regulation 17(1) of SEBI Listing Regulations since company formed part of top 2000 listed entities in NSE	NSE – Rs. 7,08,000 BSE – NA
2.	Two-third of the Audit Committee Members of the Board were not Independent Directors during the period from July 30, 2020 to October 30, 2020 resulting in violation of Regulation 18(1) of SEBI Listing Regulations	NSE – Rs. 2,19,480 BSE – Rs. 2,19,480
3.	There was delay of 9 days in submission of Shareholding Pattern for the quarter ended September 30, 2020 resulting in violation of Regulation 31 of SEBI Listing Regulations	NSE – Rs. 21,240 BSE – Rs. 21,240
4.	There was delay in submission of Unaudited Financial Results for the quarter ended June 30, 2020 resulting in violation of Regulation 33 of SEBI Listing Regulations	NSE – 2,65,500 BSE – 2,65,500

- 3) As per Section 177 of the Companies Act, 2013 and Regulation 22 of Listing Regulations, a comprehensive Whistle Blower and Vigil Mechanism Policy has been approved and implemented within the organization. The policy enables the employees and directors to report instances of any unethical act or suspected incidents of fraud or violation. This Policy (copy of which is uploaded on the website of the Company) safeguards whistleblowers from reprisals or victimization. Your Board affirms that no personnel has been denied access for making disclosure or report under the Policy to the Vigilance Officer and/or Audit Committee.
- 4) In accordance with SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended, the Company has formulated and approved (i) an Insider Trading Code to regulate dealing in the securities of the Company by designated persons in compliance with the regulations; and (ii) a Policy for Fair Disclosure of Unpublished Price Sensitive Information. The said Code and Policy can be viewed on Company's website www.dnaindia.com. Mr. Dhaval Ashar, Company Secretary is Compliance officer for the purposes of Insider Trading Code, while the Chief Executive Officer of the Company has been assigned responsibility under Fair Disclosure policy as Investor Relations Officer.
- 5) The Board of Directors of the Company has in accordance with the requirements of Companies Act, 2013 and Listing Regulations approved and adopted various policies including Material Events Determination and Disclosure Policy, Document Preservation Policy etc. These policies can be viewed on Companies website at www.dnaindia.com
- 6) The Company does not carry out any hedging activities including those for hedging risk associated with commodity price risk or foreign exchange risk.
- 7) The Company has obtained a Certificate from a Company Secretary in Practice confirming that none of the Directors on the Board of the Company as at 31st March 2021 have been debarred or disqualified from being appointed or continuing as Directors by SEBI, Ministry of Corporate Affairs or any such other statutory authority.
- 8) As disclosed in Note No. 28 to the Financial Statements for the year ended 31st March 2021, the Company had paid an aggregate remuneration of Rs. 8 lacs (excluding taxes and out of pocket expenses) to its Statutory Auditor, M/s. B S Sharma & Co., Chartered Accountants.

9) Your Company has zero tolerance towards sexual harassment at workplace and has adopted a Policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder. There was no complaint on sexual harassment during the year under review.

10) Details in respect of Equity Shares lying in the Unclaimed suspense account, is as under:

Description	Number of shareholders	Number of Equity Shares
Aggregate number of shareholders and outstanding shares lying Unclaimed as at 1st April, 2020	814	35,404
Fresh Undelivered Cases during the financial year 2020-21	NIL	NIL
Number of shareholders who approached the Company for transfer of shares from Unclaimed Suspense account till 31st March, 2021	NIL	NIL
Number of shareholders to whom shares were transferred from the unclaimed suspense account till 31st March, 2021	NIL	NIL
Aggregate number of shareholders and the outstanding shares in the Unclaimed Suspense account lying as on 31st March, 2021	814	35,404

The voting rights on the shares outstanding in the Suspense Account as on 31st March, 2021 shall remain frozen till the rightful owner of such shares claims the shares.

Other than violations of SEBI Listing regulations as detailed in this report, the Company has complied with all the mandatory requirements specified in Regulation 17 to 27 and applicable requirements of Regulation 46 of Listing Regulations, as amended.

Certificate of Non-Disqualification of Directors

(Pursuant to Regulation 34(3) and Schedule V Para C Clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members of
DILIGENT MEDIA CORPORATION LIMITED

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Diligent Media Corporation Limited having CIN L22120MH2005PLC151377 and having registered office at 18th Floor, A Wing, Marathon Futurex, N M Joshi Marg, Lower Parel, Mumbai - 400013 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para C Clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company, as stated below as at March 31, 2021 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such statutory authority.

Sl. No.	Name of the Director	Category	Director Identification Number	Date of Appointment (in current term)
1.	Mr. Dinesh Garg	Non-Executive Director	02048097	30-03-2019
2.	Mr. Manoj Agarwal	Independent Director	00590535	29-05-2019
3.	Mr. Nishikant Upadhyay	Non-Executive Director	07779721	30-07-2020
4.	Mr. Ronak Jatwala	Non-Executive Director	08812389	30-07-2020
5.	Mrs. Shilpi Asthana	Independent Director	08465502	29-05-2019
6.	Mr. Vishal Malhotra	Independent Director	00129255	26-03-2018

Ensuring the eligibility of, for the appointment / continuity of, every Director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion on these based on verification of Company's records and records available on public domain. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Place : Mumbai
Date : 5th August, 2021

CS Satish K. Shah
(Practicing Company Secretary)
FCS1313/CP3142
UDIN F001313000743450

Independent Auditor's Certificate on Corporate Governance

To
The Members of
Diligent Media Corporation Limited

This certificate is issued in accordance with the terms of our engagement letter dated 6th January, 2021.

This report contains details of compliance of conditions of Corporate Governance by Diligent Media Corporation Ltd., ("the Company") for the year ended 31 March 2021, as stipulated in Regulation 17 to 27; Regulation 46(2) and paragraphs C, D & E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (collectively referred to as "SEBI Listing Regulations"), pursuant to the Listing Agreement of the Company with Stock Exchanges.

Management's Responsibility

The compliance with the conditions of Corporate Governance is the responsibility of the Company's Management, including the preparation and maintenance of all relevant supporting, records and documents. This responsibility includes the design, the implementation and maintenance of internal control and procedure to ensure the compliance with the condition of the Corporate Governance, stipulated in the SEBI Listing Regulations.

Auditor's Responsibility

1. Our responsibility is limited to examine the procedures and implementation thereof, adopted by the Company for ensuring the compliance with the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
2. Pursuant to the requirements of the SEBI Listing Regulations, it is our responsibility to provide a reasonable assurance whether the Company has complied with conditions of Corporate Governance as stipulated in the SEBI Listing Regulations, for the year ended 31 March 2021.
3. We conducted our examination in accordance with the Guidance Note on Reports or Certification for Special Purposes, Guidance Note on Certification of Corporate Governance, both issued by the Institute of Chartered Accountants of India ('ICAI') and the Standards on Auditing specified under Section 143(10) of the Companies Act 2013, in so far as applicable for the purpose of this Certificate. The Guidance Note on Reports or Certificates for Special Purposes requires that we comply with the ethical requirements of the Code of Ethics, issued by ICAI.
4. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for firms that performs Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as specified in Regulations 17 to 27; Regulation 46(2) and paragraphs C, D and E of the Schedule V of the Listing Regulations except the below non-compliances of SEBI Listing Regulations by the Company for which National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) had imposed fines, which have been duly paid by the Company:

Sr. No.	Compliance Requirement (Regulations/ circulars / guidelines including specific clause)	Fines levied
1.	Board of Directors of Company comprised of 4 Directors during the period from April 1, 2020 to July 29, 2020 as against 6 Directors required as per Regulation 17(1) of SEBI Listing Regulations since company formed part of top 2000 listed entities in NSE	NSE – Rs. 7,08,000 BSE – NA
2.	Two-third of the Audit Committee Members of the Board were not Independent Directors during the period from July 30, 2020 to October 30, 2020 resulting in violation of Regulation 18(1) of SEBI Listing Regulations	NSE – Rs. 2,19,480 BSE – Rs. 2,19,480

We state that such compliance is neither an assurance as to the future viability of the Company nor as to the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Restrictions on use

This certificate is issued solely for the purpose of complying with the aforesaid regulation and may not be suitable for any other purpose.

Place: Mumbai
Date: August 5, 2021

For B S SHARMA & CO.,
Chartered Accountants
Firm's Registration No. 128249W

CA B S SHARMA
Partner
Membership Number FCA 031578
UDIN: 21031578AAAAHX8381

Management Discussion and Analysis

Disclaimer

Investors are hereby informed that statements in this MD&A describing the Company's objectives, projections, estimates and expectations may be 'forward-looking statements' within the meaning of applicable laws and regulations. Actual results may differ materially from those suggested or implied by such 'forward looking statements'. Important developments that could affect the Company's operations to cause such difference may include factors like Risks inherent in Company's growth strategies, General economic & business conditions in India and other countries; Regulatory changes and our ability to respond to them; Our ability to successfully implement our strategy, our growth & expansion plans; Technological changes; Our exposure to market risks, general economic and political conditions in India which have an impact on our business activities or investments; The monetary and fiscal policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices; the performance of the financial markets in India and globally; and Changes in industry competition etc. The following discussions and analysis should be read in conjunction with the Company's financial statements included herein and the notes thereto.

Indian Economic Overview & Outlook

Similar to FY19-20, FY 2020-21 continued to be a challenging year for the world economy as well as the Indian economy. FY 2020-21 like its predecessor was dominated by the COVID-19 pandemic and the ensuing global economic downturn, the most severe one since the Global Financial Crisis. The lockdowns and social distancing norms brought the already slowing global economy to a standstill. The Pandemic and the resultant overall economic volatility has continued to severally affect various industries including Media sector.

India's GDP growth during 2020-21 is to contract by 7.7% in comparison to the previous years. However, as compared to the previous financial year, Indian economy witnessed a V-Shaped recovery due to mega vaccination drive, robust recovery in the Services Sector and robust growth in consumption and investment in addition to this such V shaped recovery was also a result of resurgence in high frequency indicators such as power demand, rail freight, E-Way bills, GST collection etc. As per IMF India is set to become the fastest growing economy in next two years with real GDP growth of 11.5% in 2021-22 and 6.8% in 2022-23.

Due to the resurgence of Covid 19 Pandemic and economic downturn and the resultant shift / volatility in consumption patterns for the products of the Company, the Company is expected to face challenging times ahead.

Indian Media & Entertainment Industry

The Indian Media & Entertainment industry (M&E) has been hitting new milestone and has stepped onto a matured phase at a growth rate of 12% CAGR. As per reports, M&E sector is expected to grow by 25% in 2021 and reach INR 1.73 trillion. In 2020 while television continued to remain the largest segment, digital media has overtaken print, and online gaming has overtaken a disrupted filmed entertainment segment. The Indian Media and Entertainment sector has degrown by 24% to INR 1.38 trillion (US\$19 billion) in 2020.

Digital media and online gaming were the only segments that grew in 2020 adding an aggregate of INR 26 billion, while other segments have degrown due to the discretionary nature of the spend. Subscription revenues however proved their mettle by holding up better than advertising revenues.

Digital Media

In 2020 digital media grew by 6.5% and is expected to grow at 22% CAGR to reach INR425 billion by 2023. Digital subscription grew 49% in 2020 as the pandemic and the consequent lockdown reduced fresh content on television, online sports went behind a paywall and the pandemic forced much of the population for longer periods indoors. Paid OTT subscriptions crossed 50 million for the first time in 2020. Digital advertising stayed stable on the back of increased allocation of ad spends by advertisers who accelerated their investments in digital sales channels. SME advertisers continued to increase their spends on digital advertising and experimented more with online e-commerce platforms.

Digital advertising is expected to outpace all other ad media by 2024 or 2025. The metrics that matter will change from monthly active users to daily active users, from audience numbers to engagement, loyalty and time spent, leading to platforms focusing on segmented audiences and community ownership. Newspaper digital products will increasingly go behind paywalls and it is expected to generate subscription revenues of INR4 billion by 2023. It is estimated that demand for original content will double by 2023 from 2019 levels to over 3,000 hours per year. The share of regional language

consumption on OTT platforms will cross 50% of total time spent by 2025.

Company Overview

Diligent Media was formed in February 2005, as a Joint Venture between Essel Group and Bhaskar Group, India's leading media giants and began its journey with launch of Mumbai edition of Daily News Analysis (DNA), an English daily broadsheet, in July 2005. Bhaskar group exited the JV in 2012, after which the Company was consolidated under Zee Media Corporation Limited, an Essel Group Company, as a step-down subsidiary. With the changes in regulatory landscape and considering the scale achieved, the Print media business was demerged and consolidated independently under the Company as part of a strategic move to chart an independent direction and create more value for the stakeholders.

The restructuring was affected through a Scheme of Arrangement and Amalgamation that was approved by the Mumbai Bench of Hon'ble National Company Law Tribunal (NCLT) by its order dated 8th June 2017. Under the scheme, the Print Media Undertaking of Zee Media Corporation Limited along with its equity investment in 2 print media subsidiaries viz. Mediavest India Pvt Ltd and Pri-Media Services Pvt Ltd, was demerged and vested with the Company and upon such vesting, the said print Media subsidiaries viz. Mediavest India Private Limited and Pri-Media Services Private Limited got amalgamated with the Company with effect from Appointed Date of April 1, 2017. Accordingly, the entire Print Media business comprising of Printing & Publication of 'DNA' Newspaper and Marathi Magazine 'Zee Marathi Disha' along with Digital News Media business was vested with the Company.

As per the Scheme, the entire pre-Scheme Paid-up Equity Share Capital of the Company was cancelled and in consideration of the Demerger of Print Media Undertaking, then Company had issued and allotted an aggregate of 11,77,08,018 Equity Shares of Re.1 each to the Shareholders of Zee Media Corporation Limited. The shares of the Company got listed and commenced trading on BSE Limited (Scrip Code: 540789) and National Stock Exchange of India Limited (Scrip Code: DNAMEDIA) on and from December 11, 2017.

Business Overview

In continuation of the business strategy, post suspension of printing and publication business w.e.f October 2019, your Company continues to concentrate its efforts to build and

grow its Online News Media business. During the year under review, your Company's Digital Media business revenue was Rs. 315 Lakhs as against Rs. 140 Lakhs during previous year. During the year, Continuing Operations, comprising of Digital Media, resulted in Net Profit (after tax) of Rs. 294 Lakhs as against Net Profit (after tax) of Rs. 23 Lakhs during previous year.

Additional efforts are being put towards recovery of old receivables of Printing and Publication business and sale of assets relating to the said Discontinued operations. During the year, the discontinued operations incurred loss of Rs. 4856 Lakhs as against loss of Rs. 6,499 Lakhs during previous year.

Pursuant to the Shareholders approval at the AGM held on September 19, 2019, the Company management has taken active steps for selling Printing Press assets including Land, Building and Plant & Machinery. During the year your Company had arrived at settlement with the workers at the printing press and has initiated steps for completion of necessary formalities for executing such Settlement Agreement. Considering the present scenario due to Covid 19 and multifarious factors, your Board is hopeful to close sale of Print Media assets during FY 2021-22.

During the year, Zee Media Corporation Limited, the Corporate Guarantor for Company's outstanding Non-convertible Debentures (NCDs) & erstwhile Holding Company of the Company, discharged Company's NCD liability at total consideration of Rs. 290 Crores. Consequently, the said NCDs stood redeemed, and Company is now liable to pay Rs. 290 Crores to Zee Media Corporation Ltd.

As part of the business strategy, your Company proposes to enter into Revenue Sharing Arrangement for Digital Media business with Rapidcube Technologies Pvt Ltd.

Your Company continues to invest in Digital Media through its responsive and dynamic news website www.dnaindia.com and e-paper edition (<http://epaper2.dnaindia.com>). The Company is also present across social platforms such as Twitter, Facebook, YouTube, Instagram etc., with 14.15 million likes on its Facebook page and a total followership of 2.2 million for its Twitter accounts, as of March 2021. Overall page views on its website were 436.7 million, whereas unique users for FY 2020-21 were 208.6 million.

The outlook for the Digital Media business looks promising. The rationale behind this optimistic view can be attributed to

the fact that substantial revenue of the operations of the Company is generated from advertisements on digital media and same are expected to increase in view of revenue Sharing Arrangement for Digital Media business with Rapidcube Technologies Pvt Ltd. Further as per the KPMG Media and Entertainment (M&E) report, 'A year off script: Time for resilience', which examines the performance of the M&E sector during a particularly challenging period, the two areas that offer encouragement are continued economic growth of India and universal acceleration of digital adoption among users across geographies with Digital advertising, over-the-top (OTT) and gaming faring much better, with massive spikes in digital consumption during the lockdown across geographies and socio-economic classes.

Internal Control Systems

Diligent Media has a sound Internal Control System, which aims to assure that operations are effective and well aligned with the strategic goals. The internal control framework is intended to ensure correct, reliable and timely financial reporting and management information. The Company has implemented the Internal Financial Control (IFC) framework to ensure proper Internal Controls over financial reporting. Then internal control system is further supplemented by Internal Audit carried out by an independent firm of Chartered Accountants and periodic review by Management. The Internal Audit process is designed to review the adequacy of internal control checks in the system and covers all the significant areas of the Company's operations. The Audit Committee reviews the adequacy and effectiveness of the internal control systems and tracks the implementation of corrective actions. Significant audit observations and corrective actions taken by the Management are presented to the Audit Committee.

Human Resources

During the year under review, post discontinuation of Printing & Publication business and Settlement arrived with the workers at Printing press, your Company had only 2 employees as at March 31, 2021.

FY2020-21 Performance

Financial Results

The financial performance of your Company for the year ended 31st March 2021 is summarized below:

(Rs in Lakhs)

Particulars	March 31, 2021	March 31, 2020
Revenue from Operations	315	140
Other Income	10	-
Total Revenues	325	140
Total Expenses	31	117
Profit before tax	294	23
Tax Expenses	-	-
Net Profit after tax	294	23
Profit/(Loss) from discontinued Operations	(4,856)	(6,499)
Profit/(Loss) for the year	(4,562)	(6,438)

Note: The financial statement for the year ended March 31, 2020 has been restated to make them comparable with the current year.

Financial Performance & Review of operations

Your Company continues to concentrate on re-building and expanding its Digital Platforms, with sharp focus on cost optimization as well as revenue maximization. During the year under review, revenue from Operations, comprising of Advertisement Income on Digital Media business increased by 125% from Rs. 140 Lakhs in FY 2019-20 to Rs. 315 Lakhs in FY 2020-21. Continuing Operations during the year resulted in Net Profit (after tax) of Rs. 294 Lakhs as against Net Profit (after tax) of Rs. 23 Lakhs during previous year. Losses of Discontinued Operations during the year decreased by 25.28% from Rs. 6,499 Lakhs in FY 2019-20 to Rs. 4,856 Lakhs, resulting in overall loss of Rs. 4,562 Lakhs during FY 2020-21 as against loss of Rs. 6,438 Lakhs during FY 2019-20.

With a view to achieve scale and accelerate growth in Digital News Media business, your Company proposes to collaborate with Rapidcube Technologies Pvt Ltd ('Rapidcube'), for sale and marketing of its Digital News Media content along with content of other Media entities of Essel group serviced by Rapidcube. It is expected that bundling of offerings in Digital Media space would offer better reach to the advertisers and consequent increase in Ad-revenues for Media entities. As part of the arrangement, Rapidcube shall retain 15% of Company's share of Net advertising revenue and remit balance 85% to the Company.

Certification on Financial Statements of the Company

We, Shikhar Ranjan, Chief Executive Officer and Rajendra Bathula, Chief Financial Officer of Diligent Media Corporation Limited ('the Company'), certify that:

- a) We have reviewed the financial statements and cash flow statement for the year ended March 31, 2021 and that to the best of our knowledge and belief:
 - i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b) To the best of our knowledge and belief, no transactions entered into by the Company during the year ended March 31, 2021 are fraudulent, illegal or violative of the Company's code of conduct.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the Internal Control Systems of the Company pertaining to financial reporting and have disclosed to the Auditors and Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or proposed to take to rectify these deficiencies.
- d) During the year:
 - i) there has not been any significant change in internal control over financial reporting;
 - ii) there have not been any significant changes in accounting policies; and
 - iii) there have been no instances of significant fraud of which we are aware that involve management or an employee having significant role in the Company's internal control system over financial reporting.

Shikhar Ranjan
Chief Executive Officer

Rajendra Bathula
Chief Financial Officer

Place : Mumbai
Date : 30th June, 2021

Independent Auditor's Report on the Financial Statements

To,
The Members of
DILIGENT MEDIA CORPORATION LIMITED

1. Opinion

We have audited the accompanying financial statements of DILIGENT MEDIA CORPORATION LIMITED ("the Company") which comprise the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity, the Statement of Cash Flows for the year ended on that date, and Notes to the financial statements, including a Summary of Significant Accounting Policies and other explanatory information (hereinafter referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, its loss and total comprehensive loss, changes in equity and its cash flows for the year ended on that date.

2. Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the financial statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements.

3. Emphasis of Matters:

We draw attention to following Notes to financial statements:

- a. Note no.32: As reported in the preceding year, related to discontinuation of print media operations with effect from October 10, 2019 of print publication of all editions of its English Daily Newspaper called 'DNA' and ceased to print with effect from October 11, 2019 vernacular weekly magazine called 'Zee Marathi Disha' and annexed to financial statements showing separate details of Statement of Profit and Loss of continued and discontinued operations.
- b. Note no. 34 relating to non-provision for deferred tax asset during the year, considering the components of continued only digital business operations. The preceding year's balance of Rs.109,85.92 lakhs has been carried forward with the expectation of future profits arising out of various options being considered by the Management.
- c. Note no.54 related to Business Advances turned Inter-Corporate Deposit aggregating to Rs.72,22.50 Lakhs and interest accrued thereon till 31.03.2020 of Rs.15,34.75 Lakhs, given during the preceding financial years for the purposes as stated in various agreements entered into during that time, the Company has filed petition before National Company Law Tribunal for recovery of the said advances and accordingly made provision for doubtful debts aggregating to Rs.8,757.25 lakhs as disclosed in Note 29 to the financial statements and is considered under discontinued operations.
- d. Note no. 56 related to the management's identification of Assets held for sale have been stated at fair value less cost to sell (being lower of the carrying amount) of Rs.7,223 Lakhs as against its carrying value of Rs.16,584 Lakhs and recorded an Impairment Loss of Rs.9,361 Lakhs, classified under Exceptional items, in the Statement of Profit and Loss from discontinued operations.
- e. Note No 58 relating to Going Concern basis of preparation of the financial statements, despite net comprehensive loss for the year of Rs.45,61.70 Lakhs and accumulated negative net owned funds of Rs.57,980.74 Lakhs with Current Liabilities exceeding Current Assets at the year end. The Management is of the opinion that despite all

the above negatives, the financial statements have been prepared on Going Concern basis, based on various schemes under consideration for revival, support from the promoters, investing in digital media platform and other media, part of the proceeds available from Assets held for sale. However, in absence of sufficient appropriate audit evidences in respect of the above, we are unable to comment thereon.

- f. Note no. 59 relating to overdue repayment to the investor of the Non-Convertible Debentures aggregating to INR 250,00 Lakhs with Interest due thereon from June 2015, which is backed by a Corporate Guarantee given by Zee Media Corporation Limited (ZMCL), the erstwhile holding Company. Subsequent to the invocation of the said Guarantee by the Debenture Trustees, the liability against NCDs has been discharged and settled by ZMCL for Rs.290,00 Lakhs against Rs.427,25 Lakhs as at 31 March 2020 with difference of Rs.137,25 Lakhs, towards interest expense reversal, has been considered at the year-end under Exceptional item as Income. The provision for interest of Rs.37,96 Lakhs on the said NCD made upto 31 December 2020, on such settlement, has accordingly been reversed during the year. The Company received No due Certificate dated 3 February 2021 from the Debenture Trustee confirming the discharge of the settled liability by ZMCL under the Corporate Guarantee. Hence the said liability of Rs.290,00 Lakhs is payable by the Company to ZMCL and accordingly reported under Other financial liabilities.
- g. Note no.61 relating to Management's internal assessment as to the realizability of carrying values of the current and other assets including Trade Receivables of Rs.15,73.69 lakhs, being outstanding for more than the normal operating cycle, with no provision is considered necessary as the management is hopeful of recovery. In the absence of the aforementioned impairment assessment, as prescribed under the said Ind-AS 36, we are unable to comment upon adjustments, if any, that may be required to the carrying value of these assets and consequential impact on the accompanying financial statements as at 31 March 2021.

Our opinion on the financial statements is not modified in respect of the above matter.

4. Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for the year ended 31st March, 2021. These matters were addressed in the context of our audit of financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key matters to be communicated in our report.

a. Contingent liabilities (Refer note no. 35a of the financial statements):

The Company has tax cases and has also received legal notices of claims, law suits filed against it relating to defamation etc., in relation to the news published in DNA newspaper, of which no liability is ascertained, as in the opinion of the management, no liability is likely to arise in connection with such claims, based on the past events and results of such cases. The existence and probability of payment against these claims requires management judgment to ensure disclosure of most appropriate values of contingent liabilities.

We considered this as a Key Audit Matter, as the eventual outcome of litigations is uncertain, and the position taken by the Management are based on the application of significant judgement and estimation, based on the past experience and final results in all such cases. Any unexpected adverse outcomes could significantly impact the Company's results and financial position.

Auditor's Response:

Our audit procedures included, among others, assessing the appropriateness of the management's judgment in estimating the contingent liabilities. We have obtained details of pending legal cases and demand/claims as at 31 March 2021 from the management. We assessed the completeness of the details of these claims through discussions with senior management personnel. We have also reviewed the outcome of the disputed cases pending at various forums. We have also assessed the appropriateness of presentation of the contingent liabilities in the financial statements.

b. Assessment of Going Concern as a basis of accounting (Refer Note no.58 to the financial statements).

The Company has significant accumulated losses and has incurred loss during the current and earlier years. The Current liabilities exceed Current Assets. Its net worth is eroded and the current liabilities exceed its current assets as at March 31, 2021. Apart, the business of print media has been temporarily discontinued effective 10/11 October 2019 except for insignificant digital news business continued. These may create a doubt regarding the Company's ability to continue as going concern.

However, the financial statements have been prepared on a going concern basis in view of the financial support from the promoters, and management's plans to generate cash flow through Assets held for sale, recoveries of receivables, expanding the digital news business, which would enable the Company to meet its financial obligations as and when fall due.

We considered this to be a key audit matter because management's assessment is largely dependent on the support from its promoters, realisation from Assets held for sale, and increasing in digital news business etc.

Auditor's Response:

Our procedures included the following:

- a. Obtained the management assessment of appropriateness of Going Concern basis of accounting.
- b. Discussed with the management present ongoing matters relating to Assets held for sale, recoveries from receivables, future business plans and their plans to ensure that the Company is able to meet its financial obligations in the foreseeable future.
- c. Read the minutes of Board of Directors meeting for discussion on future business plans and on liquidating certain assets to ensure availability of liquid funds.
- d. Verified that the promoter Company has supported the Company in the past when the need arose. Based

on the above procedures, we noted the management assessment of going concern basis of accounting as appropriate.

c. Recoverability of long overdue receivables and Other Current and financial Assets (Refer Note no.61 to the financial statements)

The Company has long total trade receivables of Rs.17,18.14 Lakhs at the year end, outstanding beyond normal credit period of trade and beyond reasonable period and no provision is considered necessary.

We considered this as a Key Audit Matter on account of risk associated with long outstanding receivables and the other Current Assets, pending reconciliation and confirmations from parties concerned. The Company's assessment of the recoverability of the receivables and other current and financial assets requires significant Management estimates and judgments. Specific factors considered by the Management included dues from the Government departments, related group companies, and the expectation of recoveries of such current assets.

Auditor's Response:

We have analysed the effectiveness of the controls and methodologies adopted related to assessment of recoverability of receivables and the current and financial assets and determining the provisions for credit loss.

Verified the completeness and accuracy of data considering age analysis and assessment of recoverability of receivables and current and financial assets and determination of the provision of the expected credit loss.

Obtained the recovery plans as explained by the Management and checked if the collections were as per the said plans subsequent to the year end, and observed that the time for collection and amount which can be collected of such receivable cannot be determined.

However, the receivables are pending reconciliation and confirmations from the parties concerned, hence the said note is to be read with the Note no. 3(g) herein the audit report.

5. Information Other than the Financial Statements and Auditor's Report thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexure to Board's Report, Corporate Governance and Shareholder's Information, but does not include the financial statements and our auditor's report thereon.

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

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

If, based on work we have performed, we conclude that there is a material misstatement of this other information; we will communicate that matter to those charged with governance. We have nothing to report in this regard.

6. Responsibility of Management for the Financial statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with accounting principles generally accepted in India, including the IND AS prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standard) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for

ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

7. Auditor's Responsibility for the audit of the financial statements

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

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

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Financial Statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including

any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

8. Report on Other Legal and Regulatory Requirements

- A) As required by the Companies (Auditor's Report) Order, 2016 issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, ("the Order"), and on the basis of such checks of the books and records of the Company, as we consider appropriate and according to the information and explanations given to us, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- B) As required by Section 143(3) of the Act, based on our audit we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account;

- d) In our opinion, the aforesaid financial statements comply with the IND AS specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended;
- e) On the basis of the written representations received from the Directors as at 31st March, 2021 taken on record by the Board of Directors, none of the Directors is disqualified as on 31st March, 2021 from being appointed as a director in terms of Section 164 (2) of the Act;
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting;
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of the Section 197(16) of the Act, as amended: In our opinion and to the best of our information and according to the explanations given to us, no remuneration is paid by the Company to any of its Directors during the year is in accordance with the provisions of Section 197 of the Act.
- h) With respect to the other matters to be included in the Auditor's report in accordance with Rule 11 of the

Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and explanations given to us:

- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 35a to the IND AS financial statements;
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
- iii. There are no amounts required to be transferred, to the Investor Education and Protection Fund by the Company during the year.

For B S SHARMA & CO.,
Chartered Accountants
FR No. 128249W

CA B S SHARMA
Partner
Membership No.031578
UDIN 21031578AAAAGR7917

Place: Mumbai,
Dated: 30 June 2021

Annexure “A”

DILIGENT MEDIA CORPORATION LIMITED

Referred to in Paragraph 8(A) under the heading of “REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS” of our report of even date to the members of Diligent Media Corporation Limited on the Ind AS financial statements for the year ended 31 March 2021:

Report on Companies (Auditor’s Report) Order, 2016 (‘the Order’) issued by the Central Government in terms of Section 143(11) of the Companies Act, 2013 (‘the Act’) to the members of Diligent Media Corporation Limited, (‘the Company’)

i) In respect of its fixed assets

- a) The company has maintained proper records showing full particulars including Quantitative details and situation of its fixed assets held for sale.
- b) According to the information and explanation given to us by the management of the company, fixed assets held for sale have been physically verified, in phased manner, by the management during the year and the intervals of such verification had also been reasonable. As informed, no discrepancies were noticed on such verification.
- c) According to the information and explanation given to us and on the basis of our examination of the records of the Company, the title deeds of leasehold land including improvement thereon and buildings are held in the name of the Company.

ii) Inventories

- a) The inventories have been physically verified by the Management at reasonable intervals during the year.
- b) In our opinion the procedure of such physical verification of inventories followed by the management is reasonable and adequate in relation to the size of the company and nature of its business.
- c) In our opinion, the Company has maintained proper records of inventory and no material discrepancies

were noticed on such verification of stock as compared to book records.

- iii) Based on our verification of the books and records and as per information and explanations given and documents produced before us by the management, the company has not granted any secured or unsecured loans to companies, firms, limited liabilities partnership firms or others parties covered in the Registers maintained under Section 189 of the Companies Act, 2013 (the Act).
- iv) In our opinion, according to the information and explanations given to us, the Company has neither given any loans to director/s nor has given any guarantee/s or has not provided any security/ies during the year. The company has not made any investments. Hence provisions of Section 185 and Section 186 of the Act are not applicable.
- v) In our opinion and according to the information and explanations given to us, the company has not accepted deposits from public as covered under the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under, hence clause (v) of the Order is not applicable.
- vi) We have been informed by the management that the maintenance of cost records has not been prescribed by the Central Government under section (1) of section 148 of the Act, hence clause (v) of the Order is not applicable.
- vii) a) According to the books, records as produced and examined by us in accordance with Generally Accepted Auditing Practices in India and also based on management representations, statutory dues in respect of provident fund, employee state insurance, income tax, wealth tax, service tax, sales tax, value added tax, excise duty, cess and other material statutory dues have generally been regularly deposited by the company.
 b) According to information and explanations given to us, there are disputed amounts payable in respect of income tax, outstanding as on 31st March, 2021:

Name of the Statute	Nature of Dues	Amount (₹) in Lakhs	Period to which the amount relates	Forum where the dispute is pending
Fring Benefit Tax	Tax on Employees benefits	3.63	A Y 2006-07	Commissioner of Income tax (Appeals)
Income tax Act	Income tax demand	33.37*	A Y 2010-11	Commissioner of Income tax (Appeals)
Income tax Act	Penalty u/s 271(c)	4.4	A Y 2008-09	Commissioner of Income tax (Appeals)

* Pending rectification under Section 154 of the Act for adjustment of loss for the year and brought forward Losses against the addition, which will make demand of Rs.33.37 lakhs to NIL.

c) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, sales tax, value added tax, duty of customs, service tax, GST, cess and other material statutory dues were in arrears as at 31 March 2021 for a period of more than six months from the date they became payable.

- viii) As observed by us and as per the information and explanations given by the Management, on the basis of the records verified, there are no loans taken from financial institutions or banks during the year under audit, hence the clause (viii) of the Order is not applicable.
- ix) The Company has not raised any money/s by way of initial public offer or further public offer (including debt instruments) or term loans hence reporting under the clause (ix) of the Order is not applicable.
- x) During the course of our examination of the books and records of the Company, carried out in accordance with generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have been informed of any such case by the Management.
- xi) In our opinion and according to the information and

explanations given to us, the Company has not paid/ provided managerial remuneration in accordance with the provisions of Section 197 read with Schedule V to the Act hence the Clause XI of the order is not applicable.

- xii) The Company is not a Nidhi Company, hence reporting under clause 3(xii) of the Order is not applicable.
- xiii) In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and Section 188 of the Act, as applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in Note no.31 to the financial statements as required by the applicable accounting standards.
- xiv) During the year, company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review hence the clause (xiv) of the Order is not applicable to the Company.
- xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected to its directors and hence provisions of Section 192 of the Act are not applicable.
- xvi) In our opinion and according to the information given, the company is not required to be registered under Section 45-IA of the Reserve Bank of India Act 1934.

For B S SHARMA & CO.,
Chartered Accountants
FR No. 128249W

CA B S SHARMA
Partner
Membership No.031578
UDIN 21031578AAAAGR7917

Place: Mumbai
Dated: 30 June 2021
To the Independent Auditor's Report

Annexure “B”

Report on the Internal Financial Controls Over Financial Reporting (IFCOFR) under Clause (i) of Subsection 3 of Section 143 of the Companies Act, 2013 (“the Act”), as referred to in paragraph 8(B)(f) under ‘Report on Other Legal and Regulatory Requirements’ of our report of even date, to the Members of Diligent Media Corporation Limited, on the financial statements for the year ended 31 March 2021.

We have audited the internal financial controls over financial reporting of Diligent Media Corporation Limited (“the Company”) as of March 31, 2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

1. Management’s Responsibility for Internal Financial Controls:

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

2. Auditor’s Responsibility:

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on “Audit of Internal Financial Controls Over Financial Reporting” (the “Guidance Note”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate

internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

3. Meaning of Internal Financial Controls Over Financial Reporting:

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention

or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

4. Inherent Limitations of Internal Financial Controls Over Financial Reporting:

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

5. Opinion:

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial

controls over financial reporting, checked on test basis, considering the nature and size of business and operations with internal checks and controls, were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the Institute of Chartered Accountants of India.

For B S SHARMA & CO.,
Chartered Accountants
FR No. 128249W

CA B S SHARMA

Partner
Membership No.031578
UDIN 21031578AAAAGR7917

Place: Mumbai
Dated: 30 June 2021

Balance Sheet as at 31st March, 2021

(₹ in lakhs)

Particulars	Note	31-03-2021	31-03-2020
A. ASSETS			
1. Non-current assets			
(a) Property, plant and equipment	4	-	17,551.60
(b) Capital work-in-progress	4	-	-
(c) Other intangible assets	5	-	135.98
(d) Financial assets			
(i) Other financial assets	6	35.84	40.44
(e) Income tax assets (net)	7	458.25	581.74
(f) Deferred tax assets	8	10,985.92	10,985.92
(g) Other non-current assets	9	-	-
Total non-current assets		11,480.01	29,295.68
2. Current assets			
(a) Inventories	10	18.29	162.26
(b) Financial assets			
(i) Trade receivables	11	1,573.69	2,246.57
(ii) Cash and cash equivalents	12(a)	2.26	317.65
(iii) Other bank balances	12(b)	0.67	105.70
(iv) Other financial assets	6	163.01	897.91
(c) Other current assets	9	36.84	7,472.44
(d) Assets held for sale (note no 56)		7,222.90	-
Total current assets		9,017.66	11,202.53
Total assets		20,497.67	40,498.21
B. EQUITY AND LIABILITIES			
1. Equity			
(a) Equity share capital	13	1,177.08	1,177.08
(b) Other equity	14	(59,067.82)	(54,506.12)
Total equity		(57,890.74)	(53,329.04)
2. Liabilities			
Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings			
Redeemable preference shares	15(a)	43,626.56	43,626.56
(ii) Other financial liabilities	16	0.75	83.83
(b) Provisions	17	-	59.89
(c) Other Non Current Liabilities	18	-	-
Total non-current liabilities		43,627.31	43,770.28
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	15(b)	-	42,724.83
(ii) Trade payables	19		
Dues of micro enterprises and small enterprises		16.65	24.13
Dues of creditors other than micro enterprises and small enterprises		579.46	971.79
(iii) Other financial liabilities	16	31,917.90	3,668.04
(b) Provisions	17	5.90	1.02
(c) Other current liabilities	18	2,241.19	2,667.16
Total current liabilities		34,761.10	50,056.97
Total equities and liabilities		20,497.67	40,498.21

Notes forming part of the Financial Statements

1-63

As per our attached report of even date

For and on behalf of the Board

For B S Sharma & Co.

Chartered Accountants

Firm Registration No. : 128249W

CA B S Sharma

Membership No. 031578

Place: Mumbai

Date: 30 June 2021

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Nishikant Upadhyay
Director

Ronak Jatwala
Director

Dhaval Ashar
Company Secretary

Rajendra Bathula
Chief Financial Officer

Statement of Profit and Loss for the year ended 31st March, 2021

(₹ in lakhs)

Particulars	Note	31-03-2021	31-03-2020
Revenue			
Revenue from operations	20	314.89	140.14
Other Income	20a	9.87	-
Total	I	324.76	140.14
Expenses			
Other expenses	21	30.56	116.72
Total expenses	II	30.56	116.72
Profit before tax and exceptional items	III = (I-II)	294.20	23.42
Less: Exceptional items (net)		-	-
Profit/(Loss) before Tax	IV	294.20	23.42
Less: Tax expense			
(a) Current tax		-	-
(b) Deferred tax charge/(credit)		-	-
Total tax charge/(credit) [a + b]	V	-	-
Net Profit/(Loss) after tax from continuing operations	VI = (IV-V)	294.20	23.42
(a) Profit/(Loss) for the year from discontinued operation before tax		(4,855.90)	(6,498.86)
(b) Tax expenses/(credit) of discontinued operations		-	-
(c) Profit/(Loss) from discontinued operations after tax (a-b)	VII	(4,855.90)	(6,498.86)
Profit/(Loss) for the year	VIII = (VI-VII)	(4,561.70)	(6,475.44)
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss			
Remeasurement gains and (losses) on defined benefit obligations		-	38.04
Tax impact thereon		-	-
Total other comprehensive income	IX	-	38.04
Total comprehensive income for the year, net of tax	X = (VIII-IX)	(4,561.70)	(6,437.40)
Earning/Loss per share (face value of ₹ 1 each)	41		
Basic & Dilluted for Continued Business		0.25	0.02
Basic & Dilluted for Discontinued Business		(4.13)	(5.52)
Basic & Dilluted for Continued & Discontinued Business		(3.88)	(5.50)

Notes forming part of the Financial Statements

1-63

As per our attached report of even date

For and on behalf of the Board

For B S Sharma & Co.Chartered Accountants
Firm Registration No. : 128249W**CA B S Sharma**

Membership No. 031578

Place: Mumbai

Date: 30 June 2021

Nishikant Upadhyay
Director**Ronak Jatwala**
Director**Dhaval Ashar**
Company Secretary**Rajendra Bathula**
Chief Financial Officer

Statement of Cash Flows for the year ended 31st March, 2021

(₹ in lakhs)

Particulars	31-03-2021	31-03-2020
A. NET CASH FLOW FROM OPERATING ACTIVITIES		
Profit/(Loss) before Tax from continuing operations	294.20	29.42
Profit/(Loss) before Tax from discontinued operations	(4,855.90)	(6,498.86)
Profit before Tax	(4,561.70)	(6,475.44)
Adjustments For :		
Depreciation and amortization Expense (Discontinued operations)	1,099.67	1,172.26
Impairment Loss on held for sale of assets (Discontinued operations)	9,360.79	-
Debentures Interest liability written back* (Discontinued Operations)	(13,724.83)	-
Provision for Doubtful advances and interest thereon (Discontinued Operations)	8,757.00	-
Bad debts and advances written off, allowance for credit losses on financial assets (net) (Discontinued operations)	-	-
Balances written back (Discontinued operations)	(107.06)	(6.32)
Profit/ (Loss) on sale of fixed assets (Discontinued operations)	1.26	119.50
Exchange adjustments (net) (Discontinued operations)	-	5.52
Remeasurement gains / (losses) on defined benefits plan (Discontinued operations)	-	38.04
Interest expense (Discontinued operations)	150.22	4,756.39
Interest Income (Discontinued operations)	(839.20)	(733.13)
Operating loss before working capital changes (Continuing operations)	294.13	9.93
Operating loss before working capital changes (Discontinued operations)	(158.02)	(1,133.12)
Operating loss before working capital changes	136.12	(1,123.19)
Adjustments For :		
(Increase) / decrease in trade and other receivables (Continuing operation)	-	-148.83
(Increase) / decrease in trade and other receivables (Discontinued operation)	930.17	336.94
(Increase) / decrease in Inventories (Discontinued operations)	143.98	537.71
(Increase) / decrease in trade and other payables (Continuing operation)	-	23.93
(Increase) / decrease in trade and other payables (Discontinued operation)	27,243.42	37.27
Cash generated from operations (Continuing operations)	294.13	(114.97)
Cash generated from operations (Discontinued operations)	28,159.34	(221.19)
Cash generated from operations	28,453.48	(336.16)
Direct taxes (net of refunds) (Continuing operation)	-	6.71
Direct taxes (net of refunds) (Discontinued operation)	123.49	(95.31)
Net cash flow from / (used) in operating activities (Continuing operations) (A)	293.73	(108.26)
Net cash flow from / (used) in operating activities (Discontinued operations) (A1)	28,282.73	(316.51)
Net cash provided by operating activities	28,576.47	(424.76)

Statement of Cash Flows for the year ended 31st March, 2021

(₹ in lakhs)

Particulars	31-03-2021	31-03-2020
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment (including capital work-in-progress)	-	(4.10)
Sale of property, plant and equipment	2.92	15.91
Interest received	-	11.35
Investment in Subsidiary Company	-	-
Net cash flow from/(used) in investing activities(Continuing Operations) (B)	-	-
Net cash flow from/(used) in investing activities (Discontinued Operations) (B1)	2.92	23.16
Net cash used in investing activities	2.92	23.16
C. CASH FLOW FROM FINANCING ACTIVITIES		
Repayment of short term borrowings*	(29,000.00)	-
Proceeds from issue of compulsory convertible debentures	-	-
Interest payment	-	-
Net cash flow from/(used) in financing activities(Continuing Operations) (C)	-	-
Net cash flow from/(used) in financing activities(Discontinued Operations) (C1)	(29,000.00)	-
Net cash used in financing activities (C)	(29,000.00)	-
Net increase/(decrease) in cash and cash equivalents (Continuing operations) (A+B+C)	293.73	(108.26)
Net increase/(decrease) in cash and cash equivalents (Discontinued operation) (A+B+C)	(714.14)	(293.34)
Net increase/(decrease) in cash and cash equivalents	(420.41)	(401.60)
Cash/Cash Equivalents at the beginning of the year (Continuing operations)	(28.12)	80.13
Cash/Cash Equivalents at the beginning of the year (Discontinued operation)	451.47	744.83
Cash/Cash Equivalents at the beginning of the year	423.35	824.96
Cash and cash equivalents at the end of the year (Continuing operations)	265.61	(28.12)
Cash and cash equivalents at the end of the year (Discontinued operation)	(262.67)	451.47
Cash and cash equivalents at the end of the year	2.93	423.35

Notes:

* Repayment of Short term borrowings of Rs.427,24.83 lakhs comprises of Rs.290,00.00 Lakhs settled with Debenture Trustees and discharged by Zee Media Corporation Ltd., (ZMCL, the Guarantor) and and Rs.137,25.00 Lakhs interest reversal, no more required. The said transaction does not involve any cash outflow as the same is paid by ZMCL through a Settlement agreement between the Company, ZMCL and Debenture Trustee as detailed in Note no.59 to the financial statements.

As per our attached report of even date

For B S Sharma & Co.

Chartered Accountants

Firm Registration No. : 128249W

CA B S Sharma

Membership No. 031578

Place: Mumbai

Date: 30 June 2021

For and on behalf of the Board

Nishikant Upadhyay
Director

Ronak Jatwala
Director

Dhaval Ashar
Company Secretary

Rajendra Bathula
Chief Financial Officer

Statement of Changes in Equity for the year ended 31st March, 2021

a) Equity share capital

Particulars	(₹ in lakhs)
As at 01 April 2019	1,177.08
Changes in equity share capital during the year	-
As at 01 April 2020	1,177.08
Changes in equity share capital during the year	-
Balance as at 31 March 2021	1,177.08

b) Other equity

Particulars	Reserves and Surplus		Total other equity
	General Reserve	Retained earnings	
Balance as at 01 April 2019	17,498.91	(65,567.64)	(48,068.73)
Loss for the period	-	(6,475.44)	(6,475.44)
Other comprehensive income for the year	-	38.04	38.04
Balance as at 01 April 2020	17,498.91	(72,005.04)	(54,506.12)
Loss for the period	-	(4,561.70)	(4,561.70)
Other comprehensive income for the year	-	-	-
Balance as at 31st March 2021	17,498.91	(76,566.74)	(59,067.82)

Notes forming part of the Financial Statements 1-63

As per our attached report of even date

For B S Sharma & Co.
Chartered Accountants
Firm Registration No. : 128249W

CA B S Sharma
Membership No. 031578

Place: Mumbai
Date: 30 June 2021

For and on behalf of the Board

Nishikant Upadhyay
Director

Ronak Jatwala
Director

Dhaval Ashar
Company Secretary

Rajendra Bathula
Chief Financial Officer

Notes forming part of the Financial Statements

1 Corporate information

Diligent Media Corporation Limited ('the Company') was incorporated in the State of Maharashtra on 17th February 2005 and is in the business of printing, publication and distribution of newspapers and printing of books and other periodicals.

The Separate financial statements (hereinafter referred to as "Financial Statements") of the company for the year ended 31 March 2021 were approved by the Board of Directors and authorised for issue on 30 June 2021.

During the previous financial year, the Company has discontinued its business of printing operations and the management is in the process of evaluating various alternate options, including expansion of Digital media platform.

2 Significant accounting policies

i Basis of preparation and measurement of financial statements

a Basis of preparation

These financial statements have been prepared in accordance with Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 and guidelines issued by Securities and Exchange Board of India (SEBI). The financial statements have been prepared on accrual and going concern basis. The accounting policies are applied consistently to all the periods presented in financials statements. All the assets and liabilities have been classified as current and non-current as per Company's normal operating cycle and other criteria as set out in the Division II of Schedule III of the Companies Act, 2013. Based on the nature of products and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities. The financial statements are presented in INR, the functional currency of the Company. Items included in the financial statements of the Company are recorded using the currency of the primary economic environment in which the Company operates (the 'functional currency').

b Basis of measurement

These financial statements are prepared under the historical cost convention unless otherwise indicated.

ii Revenue recognition

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

- a** Advertisement revenue (net of discount and volume rebates) is recognized when the related advertisement is published.
- b** Circulation revenue and sale of wastage and scrap is recognised when all the significant risks and rewards of ownership have passed on to the buyer, usually on delivery of the goods and is disclosed net of sales return, trade discounts and taxes.
- c** Revenue from printing job work is recognized on the completion of the work.
- d** Syndication revenue and royalty income is accounted as per agreed terms.
- e** Revenue from subscription scheme is recognised based on the sales value of the item delivered in relation to the total sales value of all items covered by the subscription and the same has been netted off against circulation scheme promotion expense.
- f** Participation fee is recognised when same is acknowledged by the parties.

Notes forming part of the Financial Statements

- g** Interest income is recognised using the effective interest rate, which is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial assets. Interest income is included in finance income in the statement of profit and loss.
- h** Rent income is recognised on accrual basis as per the agreed terms.
- i** Revenue from barter transactions is measured at the fair value of the advertisements published as it is more clearly evident.
- j** Broadcasting revenue - Advertisement revenue (net of discount and volume rebates) is recognised when the related advertisement or commercial appears before the public i.e. on telecast.

iii Leases

With effect from 1st April, 2019, Ind AS 116 – “Leases” (Ind AS 116) replaces Ind AS 17 – “Leases”. The Company, as a lessee, recognises a right-of-use asset and a lease liability for its leasing arrangements, if the contract conveys the right to control the use of an identified asset. The contract conveys the right to control the use of an identified asset, if it involves the use of an identified asset and the Company has substantially all of the economic benefits from use of the asset and has right to direct the use of the identified asset. The cost of the right-of-use asset shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date plus any initial direct costs incurred. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate. For short-term and low value leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the lease term.

iv Non-current assets held for sale / discontinued operations / Liabilities directly associated with assets classified as held for sale:

The Company classifies non-current assets as held for sale/ discontinued operations if their carrying amounts will be recovered principally through a sale rather than through continuing use. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the sale expected within one year from the date of classification.

For these purposes, sale transactions include exchanges of non-current assets for other non-current assets when the exchange has commercial substance. The criteria for held for sale classification is regarded met only when the assets is available for immediate sale in its present condition, subject only to terms that are usual and customary for sales of such assets, its sale is highly probable; and it will genuinely be sold, not abandoned. The Company treats sale of the asset to be highly probable when:

- * The Appropriate level of management is committed to a plan to sell the asset,
- * An active programme to locate a buyer and complete the plan has been initiated (if applicable),
- * The asset is being actively marketed for sale at a price that is reasonable in relation to its current fair value,
- * The sale is expected to qualify for recognition as a completed sale within one year from the date of classification, and

Notes forming part of the Financial Statements

- * Actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

Non-current assets held for sale are measured at the lower of their carrying amount and the fair value less costs to sell. Assets and liabilities classified as held for sale are presented separately in the balance sheet.

Property, plant and equipment and intangible assets once classified as held for sale to owners are not depreciated or amortised.

A discontinued operation is a component of an entity that either has been disposed of, or is classified as held for sale, and:

- * Represents a separate major line of business or geographical area of operations,
- * Is part of single co-ordinated plan to dispose of a separate major line of business or geographical area of operations Or,
- * Is a subsidiary acquired exclusively with a view to resale

Discontinued operations are excluded from the results of continuing operations and are presented as a single amount as profit or loss after tax from discontinued operations in the statement of profit and loss.

v Transactions in foreign currencies

The functional currency of the Company is Indian Rupees ("Rs.") which is also the presentation currency. All other currencies are accounted as foreign currency.

- a** Foreign currency transactions are accounted at the exchange rate prevailing on the date of such transactions.
- b** Foreign currency monetary items are translated using the exchange rate prevailing at the reporting date. Exchange differences arising on settlement of monetary items or on reporting date of such monetary items at rates different from those at which they were initially recorded during the period, or reported in previous financial statements are recognised as income or as expenses in the period in which they arise.
- c** Non-monetary foreign currency items are carried at historical cost are translated at the exchange rate prevalent at the date of the transaction.

vi Employee benefits

- a** The Company operates both defined benefit and defined contribution schemes for its employees. For defined contribution schemes the amount charged as expense is equal to the contributions paid or payable when employees have rendered services entitling them to the contributions. For post-employment benefit plans and other long term employee benefit plans, actuarial valuations are carried out at each balance sheet date using the Projected Unit Credit Method. Remeasurements, comprising of actuarial gains and losses are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to statement of profit and loss in subsequent periods. All such plans are unfunded.
- b** The Company recognises service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements and net interest expense or income as an expense in the statement of profit and loss.
- c** The Company's contributions paid / payable towards the defined contribution plan is recognized as expense in the Statement of Profit and Loss during the period in which the employee renders the related service.
- d** Short-term employee benefits are expensed at the undiscounted amount in the Statement of Profit and Loss in the year the employee renders service.

Notes forming part of the Financial Statements

vii Income taxes

Tax expense comprises of current and deferred tax.

a Current tax

Current tax is recognized in the statement of profit and loss except to the extent that the tax relates to items recognized directly in other comprehensive income or directly in equity. Current tax in accordance with Income tax Act 1961 for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate."

b Deferred tax

Deferred tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements except when the deferred tax arises from the initial recognition of an asset or liability that effects neither accounting nor taxable profit or loss at the time of transition. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Deferred tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled.

viii Property, plant and equipment

- a Property, plant and equipment are stated at cost, less accumulated depreciation and impairment loss, if any. The cost comprises purchase price, borrowing costs if capitalisation criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use.
- b Capital work-in-progress comprises cost of Property, plant and equipment and related expenses that are not yet ready for their intended use at the reporting date.
- c Subsequent cost/expenditure related to an item of Property, plant and equipment are added to its carrying value only when it is probable that the future economic benefits from the asset will flow to the company and cost can be reliably measured.
- d Losses arising from the retirement of, and gains or losses arising from disposal of Property, plant and equipment are recognised in Statement of profit and loss

ix Intangible assets

Intangible assets acquired or developed are measured on initial recognition at cost and stated at cost less accumulated amortisation and impairment loss, if any.

x Depreciation / Amortisation on Property plant and equipment / Intangible assets

Depreciable amount for Property, plant and equipment / Intangible fixed assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value.

- a Depreciation on Property, plant and equipment is provided on straight-line method as per the useful life prescribed in Part C of Schedule II to the Companies Act, 2013 except in respect of the following categories of assets, where the life of the assets has been assessed based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement etc.

Notes forming part of the Financial Statements

Plant & Machinery (Press) - 16 years

Factory Building (Press) - 35 years

The estimated useful lives of other assets as per Part C of Schedule II to the Companies Act, 2013 are as follows:"

Particulars	
Plant & Machinery	As above
Furniture & Fixtures	10 years
Computer- Server	3 years
Computer- Network	6 years
Office Equipments	5 years
Vehicle	8 years
Lease hold Improvements	3 years
Factory Building	As above

- b. Premium on Leasehold Land is amortized over the period of Lease.
- c. Intangible assets are amortised on straight line basis over their respective individual useful lives estimated by the management.

xi Impairment of non-financial assets

The carrying amounts of the Company's property, plant and equipment and intangible assets are reviewed at each reporting date to determine whether there is any indication of impairment. If there are indicators of impairment, an assessment is made to determine whether the asset's carrying value exceeds its recoverable amount. Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash generating unit to which the asset belongs. An impairment is recognised in income statement whenever the carrying amount of an asset or its cash generating unit exceeds its recoverable amount. The recoverable amount is the higher of net selling price, defined as the fair value less costs to sell, and value in use. 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 risks specific to the asset for which estimates of future cash flows have not been adjusted."

An impairment loss for an individual asset or cash generating unit shall be reversed if there has been a change in estimates used to determine the recoverable amount since the last impairment loss was recognised and is only reversed to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised. Impairment loss is recognised in the statement of profit and loss.

xii Borrowing costs

Borrowing costs attributable to the acquisition or construction of qualifying assets till the time such assets are ready for intended use are capitalised as part of cost of the assets. All other borrowing costs are expensed in the period they occur.

Notes forming part of the Financial Statements

xiii Inventories

As per Ind AS 2 - Inventories, the inventory cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition & Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

- a Stock of Newsprint and Consumable items is valued at lower of cost or net estimated realizable value. Cost is determined on First in First out Basis (FIFO).
- b Scrap and Waste Paper Stock is valued at net estimated realisable value.
- c Stores and Spares are valued at lower of weighted average cost or net realizable value.
- d Finished goods (Magazines) - Lower of cost or net realisable value. Cost is determined on a weighted average basis.

xiv Financial Instruments

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

Initial Recognition

- a Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in the statement of profit and loss.

Subsequent Measurement

- b Financial assets are classified into the following specified categories: amortised cost, financial assets 'at fair value through profit or loss' (FVTPL), 'at amortised cost, 'Fair value through other comprehensive income (FVTOCI). The classification depends on the Company's business model for managing the financial assets and the contractual terms of cash flows.

Debt Instrument

Amortised Cost

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

Fair value through other comprehensive income (FVTOCI)

A 'debt instrument' is classified as at the FVTOCI, if both of the following criteria are met:

- a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets.
- b) The asset's contractual cash flows represent solely payments of principle and interest.

Debt 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 the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses, reversals and foreign exchange gain or loss in the statement of Profit and Loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to statement of Profit and Loss . Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the Effective Interest Rate (EIR) method.

Notes forming part of the Financial Statements

Fair value through Profit and Loss (FVTPL)

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

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

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of Profit and Loss.

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 as a result 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 recognised gains, losses (including impairment gains or losses) or interest.

Derecognition of financial assets

The Company derecognises a financial asset when the rights to receive cash flows from the asset have expired, or the Company has transferred its rights to receive cash flows from the asset.

Impairment of financial assets

The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through statement of Profit and Loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognized as an impairment gain or loss in statement of Profit and Loss.

Financial liabilities

Subsequent Measurement

Financial liabilities measured at amortised cost

Financial liability are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in statement of 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 fee or costs that are an integral part of the EIR. The EIR amortization is included in finance costs in the statement of profit and loss.

Financial liabilities measured at FVTPL (fair value through profit or loss)

Financial liabilities at FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as at FVTPL. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Financial liabilities at fair value through statement of Profit and Loss are carried in the

Notes forming part of the Financial Statements

statement of financial position at fair value with changes in fair value recognized in finance income or finance costs in the income statement.

Derecognition of financial liabilities

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 or loss.

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 recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Determination of fair value

Fair value is the price that would be received on sale of an asset or paid to transfer a liability in an ordinary transaction between market participants at the measurement date.

In determining the fair value of its financial instruments, the Company uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis and available quoted market prices. All methods of assessing fair value result in general approximation of value, and such value may never actually be realized.

xv Provisions, contingent liabilities and contingent assets

Provisions are recognised when the Company has a probable, present legal or constructive obligation to make a transfer of economic benefits as a result of past events where a reliable estimate is available. The amounts recognised represent the Company's best estimate of the transfer of benefits that will be required to settle the obligation as of the reporting date. Provisions are discounted if the effect of the time value of money is material using a pre-tax market rate adjusted for risks specific to the liability.

Contingent liabilities are possible obligations that arise from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company, or a present obligation that arises from past events but is not recognised because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or the amount of the obligation cannot be measured with sufficient reliability. Contingent liabilities are not recognised but are disclosed in the notes unless the likelihood of their crystallizing is remote.

Contingent assets are not recognised in the financial statements, however they are disclosed where the inflow of economic benefits is probable. When the realisation of income is virtually certain, then the related asset is no longer a contingent asset, and is recognised as an asset.

xvi Earnings per share

Basic earnings per share is computed and disclosed using the weighted average number of equity shares outstanding during the period. Dilutive earnings per share is computed and disclosed using the weighted average number of equity and dilutive equity equivalent shares outstanding during the period, except when the results would be anti-dilutive.

Notes forming part of the Financial Statements

xvii 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.

xviii Use of estimates

The preparation of financial statements requires management to exercise judgment in applying the Company's accounting policies. It also requires the use of estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenses and the accompanying disclosures including disclosure of contingent liabilities. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis, with revisions recognised in the period in which the estimates are revised and in any future periods affected.

3 Critical accounting judgements and estimates

a Contingencies and commitments

In the normal course of business, contingent liabilities may arise from litigation and other claims against the Company. Potential liabilities that have a low probability of crystallising or are very difficult to quantify reliably, are treated as contingent liabilities. Such liabilities are disclosed in the notes wherever possible and imminent are quantified but are not provided for in the financial statements. In the case of suits relating to defamation etc, the quantum of claims are not reported considering the past experience and in the opinion of the management, no liability arises in such cases, though there can be no assurance regarding the final outcome of these legal proceedings.

b Useful lives and residual values

The Company reviews the useful lives and residual values of property, plant and equipment and intangible assets at each financial year end.

c Impairment testing

- a) Judgment is also required in evaluating the likelihood of collection of customer debt after revenue has been recognised. This evaluation requires estimates to be made, including the level of provision to be made for amounts with uncertain recovery profiles. Provisions are based on historical trends in the percentage of debts which are not recovered, or on more detailed reviews of individually significant balances.
- b) Determining whether the carrying amount of these assets has any indication of impairment also requires judgement. If an indication of impairment is identified, further judgement is required to assess whether the carrying amount can be supported by the net present value of future cash flows forecast to be derived from the asset. This forecast involves cash flow projections and selecting the appropriate discount rate.

d Taxes

- a) The Company's tax charge is the sum of the total current and deferred tax charges. The calculation of the Company's total tax charge necessarily involves a degree of estimation and judgement in respect of certain items whose tax treatment cannot be finally determined until resolution has been reached with the relevant tax authority or, as appropriate, through a formal legal process.
- b) Accruals for tax contingencies require management to make judgements and estimates in relation to tax audit issues and exposures.
- c) The recognition of deferred tax assets is based upon whether it is more likely than not that sufficient and suitable taxable profits will be available in the future against which the reversal of temporary differences can be deducted. Where the temporary differences are related to losses, the availability of the losses to offset against forecast taxable profits is also considered. Recognition therefore involves judgement regarding the future financial performance of the particular legal entity or tax Company in which the deferred tax asset has been recognized.

Notes forming part of the Financial Statements

e Defined benefit plans (gratuity benefits)

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using 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, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

f Fair value measurement

A number of company's accounting policies and disclosures require the measurement of fair values, for both financial and non- financial assets and liabilities. When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of a fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The company recognizes transfers between levels of the fair value hierarchy at the end of reporting year during which the change has occurred.

Notes forming part of the Financial Statements

DETAILS FOR THE PERIOD ENDED 31st MARCH 2021

4. Property, Plant and equipment

(₹ in lakhs)

Particulars	Plant & Machinery	Leasehold Improvements	Leasehold Land	Factory Bldg	Computers	Office Equipments	Furniture & Fittings	Vehicles	Total
I. Cost									
As at 1 April 2019	13,230.32	103.80	6,187.56	5,013.70	1,467.90	266.79	152.53	4.40	26,427.00
Additions	-	-	-	-	4.01	0.09	-	-	4.10
Disposal	-	-	-	-	1,472.91	266.88	-	-	1,739.49
As at 31 March 2020	13,230.32	103.80	6,187.56	5,013.70	-	-	152.53	4.40	24,691.14
Additions	-	-	-	-	-	-	-	-	-
Disposal/Held for sale/Impairment*	13,230.32	103.80	6,187.56	5,013.70	-	-	152.24	4.40	24,692.02
As at 31 March 2021	-	-	-	-	-	-	-	-	-
II. Depreciation and Impairment									
As at 1 April 2019	4,624.51	52.43	453.44	854.3	1,349.83	200.93	94.17	2.32	7,631.92
Depreciation charge for the period	800.58	30.83	80.54	135.25	25.72	26.4	10.75	0.41	1,110.48
Addition	-	-	-	-	0.98	0.02	-	-	1.00
Accum dep on sale	-	-	-	-	1,376.53	227.35	-	-	1,603.88
As at 31 March 2020	5,425.09	83.26	533.98	989.55	-	-	104.92	2.73	7,139.52
Depreciation charge for the period	797.80	15.00	80.34	134.88	-	-	10.67	0.13	1,038.82
Addition	-	-	-	-	-	-	-	-	-
Accum dep on sale/Held for sale/Impairment*	6,223.14	98.26	614.32	1,124.43	-	-	115.59	2.86	8,178.59
As at 31 March 2021	-	-	-	-	-	-	-	-	-
Net book value									
As at 31 March 2021	-	-	-	-	-	-	-	-	-
As at 31 March 2020	7,805.23	20.54	5,653.58	4,024.15	-	-	47.61	1.67	17,551.60
As at 1 April 2019	8,605.81	51.37	5,734.12	4,159.40	118.07	65.86	58.07	2.08	18,795.08

* Refer Note No. 56.

5. Other Intangible assets

(₹ in lakhs)

Particulars	Technical know how
I. Cost	
As at 1 April 2019	2,697.49
Additions	-
Disposal	-
As at 31 March 2020	2,697.49
Additions	-
Disposal/Held for sale*	2,697.49
As at 31 March 2021	-
II. Depreciation and Impairment	
As at 1 April 2019	2,500.75
Depreciation charge for the period	60.77
Addition	-
Accum dep on sale	-
As at 31 March 2020	2,561.52
Depreciation charge for the period	60.60
Addition	-
Accum dep on sale/Held for sale*	2,622.12
As at 31 March 2021	-
Net book value	
As at 31 March 2021	-
As at 31 March 2020	135.98
As at 1 April 2019	196.74

* Refer Note No. 56.

Notes forming part of the Financial Statements

(₹ in lakhs)

Particulars	Non current	Current	Non current	Current
	As at 31-3-2021	As at 31-3-2021	As at 31-3-2020	As at 31-3-2020
6 Other non-current financial assets				
Security Deposits (unsecured, considered good)	35.84	3.83	40.44	20.28
Security Deposits (unsecured, considered doubtful)	0.92	-	0.92	-
Less: Provision for doubtful advances	(0.92)	-	(0.92)	-
Interest accrued on bank deposits	-	0.04	-	0.71
Loan to Employees	-	23.42	-	23.42
Less: Provision for doubtful on loan to employees	-	(23.42)	-	(23.42)
Other Receivables				
From Others	-	1,693.89	-	876.93
Less: Provision for doubtful Others	-	(1,534.75)	-	-
Total	35.84	163.01	40.44	897.91

(₹ in Lakhs)

Particulars	As at 31-3-2021	As at 31-3-2020
7 Income tax assets (net)		
Balance with Government authority		
- Advance Tax (net of provisions)	458.25	581.74
Total	458.25	581.74

(₹ in Lakhs)

Particulars	As at 31-3-2021	As at 31-3-2020
8 Deferred Tax Assets (Please refer Note No. 34)		
Arising on account of timing differences in Employee retirement benefits	108.77	108.77
Depreciation	(1,472.83)	(1,472.83)
Unabsorbed tax losses and depreciation	12,349.98	12,349.98
Total	10,985.92	10,985.92

Notes forming part of the Financial Statements

(₹ in Lakhs)

Particulars	Non current	Current	Non current	Current
	As at 31-3-2021	As at 31-3-2021	As at 31-3-2020	As at 31-3-2020
9 Other Assets				
Capital advances (Unsecured)	-	29.20	-	29.20
Prepaid expenses	-	-	-	-
Advance to others (Unsecured)	-	7,230.14	-	7,443.24
Less: Provision for doubtful Advances	-	(7,222.50)	-	-
Balance with Government authorities				
Indirect taxes	-	-	-	-
Total	-	36.84	-	7,472.44

(₹ in lakhs)

Particulars	As at 31-3-2021	As at 31-3-2020
10 Inventories		
Newsprint	18.29	36.57
Consumables and Stores, Spares and parts	-	125.16
Scrap and waste Papers	-	0.54
Total	18.29	162.26

(₹ in Lakhs)

Particulars	As at 31-3-2021	As at 31-3-2020
11 Trade Receivables (Unsecured)		
- Considered good	1,573.69	2,246.57
- Considered doubtful	144.45	144.45
	1,718.14	2,391.02
Less: Allowances for credit losses	144.45	144.45
Total	1,573.69	2,246.57

For details relating to related party, refer Note No. 31.

Trade receivables are non-interest bearing and are generally on terms of 0 to 90 days. The Company's exposure to credit and currency risks related to trade receivables is disclosed in Note No. 33.

(₹ in Lakhs)

Particulars	As at 31-3-2021	As at 31-3-2020
12(a) Cash and cash equivalents		
Balances with Banks		
- In Current Accounts	2.26	317.35
Cash on Hand	-	0.30
Total	2.26	317.65

Notes forming part of the Financial Statements

Particulars	(₹ in lakhs)	
	As at 31-3-2021	As at 31-3-2020
12(b) Other Bank Balances		
Fixed deposit with Maturity for more than 3 months but less than 12 months (pledged with Government of India)	0.67	105.70
Total	0.67	105.70

Particulars	(₹ in Lakhs)	
	As at 31-3-2021	As at 31-3-2020
13 Equity Share Capital		
Authorised *		
1,635,500,000 Equity Shares of ₹ 1 each	16,355.00	16,355.00
	16,355.00	16,355.00
Issued, Subscribed and Fully Paid up		
117,708,018 Equity Shares of ₹ 1 each fully paid up	1,177.08	1,177.08
Total	1,177.08	1,177.08

* Authorised capital of 4,370,000,000 Redeemable preference shares of ₹ 1 each is not considered above. Redeemable preference shares issued have been considered as borrowings in accordance with the requirement of Ind As.

(i) Reconciliation of number of equity shares and share capital

Particulars	(₹ in Lakhs)	
	As at 31-3-2021	As at 31-3-2020
At the beginning of the period	1,177.08	1,177.08
At the closing of the period	1,177.08	1,177.08

(ii) Terms / rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 1 each. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian Rupees. The dividend, if any, proposed by the Board of Directors is subject to the approval of the shareholders in the Annual General Meeting.

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 preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(iii) Details of Shareholders holding more than 5 % of equity shares

	As at 31-3-2021		As at 31-3-2020	
	No. of equity shares	% Shareholding	No. of equity shares	% Shareholding
25FPS Media Pvt Ltd	3,79,24,613	32.22	3,79,24,613	32.22
Arm Infra & Utilities Pvt Ltd	3,52,49,182	29.94	3,52,49,182	29.94

Notes forming part of the Financial Statements

- (iv) The Company has not issued any bonus shares or bought back any shares during five years preceeding 31 March 2021. Details of aggregate number of shares issued for consideration other than cash during five years preceding 31 March 2021.

	As at 31-3-2021	As at 31-3-2020
Equity Shares of ₹ 1/- each fully paid up issued pursuant to Scheme	1,177.08	1,177.08

14 Other equity

Particulars	(₹ in lakhs)	
	As at 31-3-2021	As at 31-3-2020
General Reserve		
As per last Balance sheet	17,498.91	17,498.91
Deficit in statement of profit and loss		
As per last Balance sheet	(72,005.04)	(65,567.63)
Profit/loss for the period transfer from Statement of profit and loss	(4,561.70)	(6,475.44)
Re-measurement gains/(losses) on defined benefit plans	-	38.04
	(76,566.74)	(72,005.04)
Total	(59,067.82)	(54,506.12)

Particulars	(₹ in Lakhs)			
	Non current	Current	Non current	Current
	As at 31-3-2021	As at 31-3-2021	As at 31-3-2020	As at 31-3-2020
15 Borrowings - Unsecured				
(a) Redeemable Preference Shares*				
4,362,656,265 6% Non-cumulative, Non-convertible redeemable preference shares of ₹ 1 each fully paid up	43,626.56	-	43,626.56	-
Total	43,626.56	-	43,626.56	-
(b) Others				
11.90% Non Convertible Debentures**	-	-	-	42,724.83
Total	-	-	-	42,724.83

Non-cumulative, Non convertible redeemable preference shares*

The Company had issued 4,362,656,265 - 6% Non-cumulative, Non-convertible redeemable preference shares of ₹ 1 each. The preference shares will qualify for preferential payment of dividend at the rate of 6% from the date of allotment up to the date of redemption subject to availability of profit and shall have priority over equity shares towards payment of redemption amount in the event of winding up. The said preference shares shall be non participative and therefore will not be entitled to participate in profits or assets or surplus funds. The preference shares will be redeemable at par at the end of the tenure which is 20 years from the date of allotment i.e 1 November 2036.

** The Company was engaged in discussions and negotiations with the Debenture Trustee for repayment of the Non-Convertible Debentures aggregating to INR 250 Crore with Interest due thereon from June 2015, for which a Corporate Guarantee was given by Zee Media Corporation Limited (ZMCL). Subsequent to the invocation of the said Guarantee by the Debenture Trustees, the liability against NCDs has been discharged and settled for Rs.290,00 Lakhs. The Company received No due Certificate dated 3 February, 2021 from the Debenture Trustee confirming the discharge of the settled liability by ZMCL under the Corporate Guarantee. Hence the said liability of Rs. 290.00 Lakhs to ZMCL is now reported under other financial liabilities. (Refer Note no.59)

Notes forming part of the Financial Statements

(₹ in lakhs)

Particulars	Non current As at 31-3-2021	Current As at 31-3-2021	Non current As at 31-3-2020	Current As at 31-3-2020
16 Other financial liabilities				
Deposits for rental premises and others	0.75	2.50	83.83	6.77
Other payables	-	-	-	-
to Related party	-	-	-	1,169.72
to Others	-	31,915.40	-	2,475.17
Creditors for Capital Goods	-	-	-	16.38
Total	0.75	31,917.90	83.83	3,668.04

(₹ in lakhs)

Particulars	Non current As at 31-3-2021	Current As at 31-3-2021	Non current As at 31-3-2020	Current As at 31-3-2020
17 Provisions				
Provision for employee benefits				
- Gratuity	-	4.73	56.47	0.92
- Leave Benefits	-	1.17	3.42	0.11
Total	-	5.90	59.89	1.02

(₹ in lakhs)

Particulars	Non current As at 31-3-2021	Current As at 31-3-2021	Non current As at 31-3-2020	Current As at 31-3-2020
18 Other liabilities				
Unearned Revenue	-	59.32	-	52.93
Prepaid advances	-	-	-	-
Statutory Dues	-	30.56	-	13.23
Income received in advance				
Related party	-	333.00	-	1,295.13
Others	-	219.31	-	206.87
Others-advance against sale of Land and Plant & Machinery	-	1,599.00	-	1,099.00
Total	-	2,241.19	-	2,667.16

(₹ in lakhs)

Particulars	As at 31-3-2021	As at 31-3-2020
19 Financial liabilities		
Trade payables		
Dues of micro enterprises and small enterprises	16.65	24.13
Dues of creditors other than micro enterprises and small enterprises	579.46	971.79
Total	596.11	995.92

Notes forming part of the Financial Statements

Terms and conditions of the above Financial liabilities :

- a) Trade and other payables are non-interest bearing and are generally on terms of 30 to 90 days.
b) For details relating to related party, Refer Note No. 31.

		(₹ in lakhs)	
Particulars	Year ended 31-3-2021	Year ended 31-3-2020	
20 Revenue From Operations			
Syndication revenue	314.89	140.14	
Total	314.89	140.14	

		(₹ in lakhs)	
Particulars	Year ended 31-3-2021	Year ended 31-3-2020	
20a Other Income from Operations			
Miscellaneous Income	9.87	-	
Total	9.87	-	

		(₹ in lakhs)	
Particulars	Year ended 31-3-2021	Year ended 31-3-2020	
21 Other Expenses			
General & Other Expenses	30.56	116.72	
Total	30.56	116.72	

		(₹ in lakhs)	
Particulars	Year ended 31-3-2021	Year ended 31-3-2020	
22 Revenue From Operations (Discontinued Operations)			
a Sale of products			
Circulation revenue	-	267.41	
b Sale of services			
Advertisement revenue	-	1,876.84	
Syndication revenue	-	2.40	
Job revenue	-	1,325.24	
c Other operating revenues			
Sale of waste and scrap	-	44.22	
Royalty Income	-	-	
Income from events and services	-	240.49	
Total	-	3,756.39	

Notes forming part of the Financial Statements

		(₹ in lakhs)	
Particulars	Year ended 31-3-2021	Year ended 31-3-2020	
23 Other income (Discontinued Operations)			
Interest income from			
Bank deposits	5.23	12.06	
Financial assets carried at amortised cost	-	2.96	
Interest on Income tax Refund	17.28	-	
Interest on ICD and others	816.69	721.07	
Rent Income	-	49.77	
Profit on sale of fixed assets	-	0.30	
Balances written back	107.06	6.32	
Miscellaneous Income	18.94	8.58	
Total	965.20	801.06	

		(₹ in lakhs)	
Particulars	Year ended 31-3-2021	Year ended 31-3-2020	
24 A Cost of Raw Material Consumed (Discontinued Operations)			Newsprint
Inventory at the beginning of the year	36.57	479.46	
Add: Purchases (net)	-	425.63	
(A)	36.57	905.09	
Less: Inventory at the end of the year	18.29	36.57	
(B)	18.29	36.57	
Less: Loss on valuation of Inventory considered in Note No. 29	18.29	-	
(C)	18.29	-	
Total (A) - (B) - (C)	-	868.52	

		(₹ in lakhs)	
Particulars	Year ended 31-3-2021	Year ended 31-3-2020	
24 B (Increase) / Decrease In Inventories (Discontinued Operations)			
Scrap and waste papers			
Inventory at the beginning of the year (A)	0.54	1.10	
Inventory at the end of the year (B)	-	0.54	
Total (A) - (B)	0.54	0.56	

		(₹ in lakhs)	
Particulars	Year ended 31-3-2021	Year ended 31-3-2020	
25 Employee benefit expenses (Discontinued Operations)			
Salaries and wages	490.93	1,720.54	
Contribution to provident and other funds	1.97	82.50	
Gratuity expense	8.97	34.77	
Staff welfare expenses	0.32	5.93	
Total	502.19	1,843.74	

Notes forming part of the Financial Statements

Particulars	(₹ in lakhs)	
	Year ended 31-3-2021	Year ended 31-3-2020
26 Finance costs (Discontinued Operations)		
Interest on		
-Others	7.05	-
Premium on redemption of debentures	-	4,554.99
Guarantee Commission	150.23	201.40
Bank and other financial charges	0.33	4.57
Total	157.61	4,760.26

Particulars	(₹ in lakhs)	
	Year ended 31-3-2021	Year ended 31-3-2020
27 Depreciation and amortisation expense (Discontinued Operations)		
Depreciation on property, plant and equipment	1,038.82	1,111.49
Amortisation of intangible assets	60.60	60.77
Total	1,099.42	1,172.26

Particulars	(₹ in lakhs)	
	Year ended 31-3-2021	Year ended 31-3-2020
28 Other Expenses (Discontinued Operations)		
Power and Fuel	45.11	183.49
Jobwork charges	-	30.76
News Collection Expenses	-	192.48
Consumption of Stores and Spares	0.00	3.68
Direct Labour charges	250.96	105.82
Packing Material & Other Material consumed	-	608.97
Rent	-	13.86
Repairs and Maintenance:		
- Plant and Machinery	-	0.09
-Building	-	18.83
-Others	38.26	119.52
Insurance	-	18.51
Rates and Taxes	36.00	89.97
Electricity expenses	-	2.32
Legal and Professional expenses	100.21	40.11
Director's sitting fees	4.80	-
Printing and Stationery	0.13	16.67
Communication expenses	3.53	30.03
Travelling and Conveyance expenses	2.12	41.28
Payment to Auditor (Refer details below)	8.00	14.66
Marketing, distribution, business promotion expenses	5.41	348.05
Circulation Scheme Promotion expenses (net)	0.01	275.44
Hire & Service Charges	25.71	30.84
Loss on sale/discard of fixed assets	1.26	119.50
Loss on exchange difference (net)	-	5.52
General and other office expenses	0.24	100.52
Total	521.74	2,411.23

Notes forming part of the Financial Statements

Auditors Remuneration is as under:

Particulars	(₹ in lakhs)	
	Year ended 31-3-2021	Year ended 31-3-2020
As Auditor		
Audit Fee and Interim audit fee	7.50	13.50
Tax Audit Fee	0.50	1.00
Certification	0.00	0.16
Total	8.00	14.66

Particulars	(₹ in lakhs)	
	Year ended 31-3-2021	Year ended 31-3-2020
29 Exceptional items (Discontinued Operation)		
Impairment loss on Fixed Assets and Inventory	9,504.80	-
Provision for doubtful debts/advances	8,757.25	-
Excess provisions / liabilities written back	(14,722.45)	-
Total	3,539.60	-

30 Employee Benefits

As per Indian Accounting Standard "Ind AS 19" "Employee Benefits", the disclosures are as under:

A Defined contribution plan:

"Contribution to provident and other funds" is recognized as an expense in Note 25 "Employee benefit expenses" of the Statement of Profit and Loss.

B Defined Benefit Plans

The present value of gratuity obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation for leave benefits (non funded) is also recognised using the projected unit credit method.

Disclosure of Gratuity (unfunded) in terms of Ind AS 19 is as under:

Particulars	(₹ in lakhs)	
	Year ended 31-3-2021*	Year ended 31-3-2020
		Gratuity (Non funded)
I. Expenses recognized in profit and loss	-	-
1 Current Service Cost	-	5.12
2 Past Service cost	-	-
3 Administrative expenses	-	-
4 Interest Cost	-	14.88
5 Actuarial Losses / (Gains)	-	-
Total Expenses	-	20.01

Notes forming part of the Financial Statements

Particulars	(₹ in lakhs)	
	Year ended 31-3-2021*	Year ended 31-3-2020
II. Amount recognized in other comprehensive income (OCI)		
1 Opening amount recognized in OCI outside profit and loss account	-	44.75
2 Remeasurement during the period due to		
Experience adjustments		(31.15)
Changes in financial assumptions	-	7.88
Changes in demographic assumptions	-	-
Closing amount recognized in OCI outside profit and loss account	-	21.48
III. Net Asset/(Liability) recognized in the Balance Sheet		
1. Present value of defined benefit obligation	-	(57.39)
2. Net Asset / (Liability)	-	(57.39)
IV. Reconciliation of Net Asset/(Liability) recognized in the Balance Sheet		
1 Net Asset/(Liability) at the beginning of year	-	(328.46)
2 Expense as per I above	-	(20.01)
3 Other comprehensive income as per II above	-	23.27
4 Benefit paid	-	267.81
5 Increase / (Decrease) due to effect of any business combination / divestiture / transfer)	-	-
6 Net Asset/(Liability) at the end of the year	-	(57.39)
V. Actuarial Assumptions:		
1 Discount rate		6.66%
2 Expected rate of salary increase		5.00%
3 Mortality		IALM(2012-14) Ultimate
VI. The following payments are expected to defined benefit plan in future years :		(₹ in lakhs)
1 Expected benefits for year 1	-	0.92
2 Expected benefits for year 2 to year 5	-	6.62
3 Expected benefits beyond year 5	-	49.85

VII. Sensitivity Analysis

The key actuarial assumptions to which the benefit obligation results are particularly sensitive to are discount rate, withdrawal rate and future salary escalation rate. The following table summarizes the impact on the reported defined benefit obligation at the end of the reporting period arising on account of an increase or decrease in the reported assumption by 100 basis points

Notes forming part of the Financial Statements

	Withdrawal rate	Discount rate	Salary Escalation rate
Impact of increase in 100 bps on defined benefit obligation	339.40	288.58	378.65
Impact of decrease in 100 bps on defined benefit obligation	315.93	376.08	285.96

* Since there were only two employees as on 31.03.2021 in the Company, the Management has not done actuarial valuation instead made an adhoc provision for Employee benefit Obligations.

Notes:

- Amounts recognised as an expense and included in the Note 25 "Employee benefit expenses" are gratuity Rs. 8.97 lakhs (Rs. 34.77 lakhs) and leave encashment Rs. -11.75 lakhs (Rs. -7.47 lakhs). Net interest cost on defined benefit obligation recognised in Note 25 under "Finance cost" is Nil (Rs. 14.88 lakhs).
- The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary.
- Significant actuarial assumptions for the determination of the defined obligation are discount rate, expected salary increase and mortality. The sensitivity analysis above have been determined based on reasonably possible changes of the respective assumptions occurring at the end of reporting period, while holding all other assumptions constant.

31 Related Party Transactions

List of parties where control exists:-

Direct Subsidiary, Indirect Subsidiary and Associates : Nil

Other related Parties with whom transaction have taken during the period and balance outstanding as on last day of the year.

Zee Entertainment Enterprises Limited, Zee Media Corporation Limited, Zee Learn Limited, India Webportal Private Limited, Dish TV India Limited, Today Merchandise Private Limited, Essel Finance Management LLP, Pan India Network Infravest Private Limited, Shirpur Gold Refinery Limited, Siti Networks Limited, Essel Vision Productions Limited, Pan India Infraprojects Private Limited, Essel Corporate Resources Private Limited, Essel Finance VKC Forex Limited, E-City Property Management & Services Private Limited, Essel Business Excellence Services Limited, Siti Vision Digital Media Private Limited, Digital Subscriber Management And Consultancy Services Private Limited, Cyquator Media Services Private Limited, MT Educare Limited, Zen Cruises Private Limited.

Key Management Personnel & Director

A V Ramachandran (Executive Director -till December 12, 2019), Dinesh Garg (Non-Executive Director), Uma Mandavgane (Independent Director- till May 17, 2019), Vishal Malhotra (Independent Director -till March 31, 2021), Mrs. Shilpi Asthana (Independent Director – w.e.f. May 30, 2019), Mr. Manoj Agarwal (Independent Director – w.e.f. May 30, 2019), Nishikant Upadhyay (Non-Executive Director -w.e.f. July 30, 2020), Ronak Jatwala (Non-Executive Director -w.e.f. July 30, 2020), Sanjeev Garg (Chief Executive Officer – till October 10, 2019), Shikhar Ranjan (Chief Executive Officer-w.e.f. July 30, 2020), Dinesh Agarwal (Chief Financial Officer till December 17, 2019) Rajendra Bathula (Chief Financial Officer-w.e.f. July 30, 2020), Ankit Shah (Company Secretary - till February 12, 2021) and Dhaval Ashar (Company Secretary - w.e.f. February 13, 2021).

Notes forming part of the Financial Statements

	(₹ in lakhs)	
	31-3-2021	31-3-2020
A) Transactions with related parties		
(i) With other related parties		
Advertisement Revenue		
Zee Media Corporation Limited	-	0.82
Zee Entertainment Enterprises Limited	-	495.19
Zee Learn Limited	-	0.22
Essel Vision Productions Limited	-	5.00
MT Educare Limited	-	0.42
DIGITAL Revenue		
Zee Media Corporation Limited	267.23	-
Zee Entertainment Enterprises Limited	47.66	120.91
Job Work Revenue		
Zee Entertainment Enterprises Limited	-	16.20
Dish TV India Limited	-	18.98
Zee Media Corporation Limited	-	11.91
Zee Learn Limited	-	71.72
Siti Networks Limited	-	11.07
Financial Guarantee fees expense		
Zee Media Corporation Limited	57.21	157.91
Purchase of gold coins		
Shirpur Gold Refinery Limited	-	38.06
Rent expenses		
Zee Entertainment Enterprises Limited	-	2.01
Operational Expenses		
Zee Entertainment Enterprises Limited	-	3.81
E-City Property Management & Services Private Limited	-	0.95
Essel Business Excellence Services Limited	-	1.41
(ii) With Key Managerial Personnel/Director		
Remuneration paid/provided / (Sitting fees)		
A V Ramachandran	-	34.74
Vishal Malhotra	1.6	2.20
Manoj Agarwal	1.6	0.60
Shilpi Ashthana	1.6	1.60

Notes forming part of the Financial Statements

	31-3-2021	31-3-2020
B) Balances outstanding		
Debtors Having Credit Balances		
Zee Media Corporation Limited	-	962.13
Today Merchandise Private Limited	333.00	333.00
Trade Payables		
Digital Subscriber Management & Consultancy Services Pvt Ltd	6.93	6.93
Pan India Network Infravest Pvt Ltd	16.49	16.49
India Webportal Private Limited	1.48	1.48
Trade Receivables		
Zee Entertainment Enterprises Limited	13.70	35.24
Zee Learn Ltd.	71.88	74.07
Pan India Infraprojects Private Limited	6.30	6.30
MT Educare Limited	0.01	0.01
Zen Cruises Private Limited	62.61	62.61
Siti Networks Limited	-	0.10
Other Receivables		
Essel Finance Management LLP	26.55	26.55
Shirpur Gold Refinery Limited	0.68	0.74
Cyquator Media Services Private Limited	81.11	81.11
Zee Entertainment Enterprises Limited	7.86	45.70
Zee Media Corporation Limited	-	1.32
Siti Networks Limited	0.36	0.58
Dish TV India Limited	-	0.18
Zee Learn Limited	0.73	0.73
Other Payables		
Essel Corporate Resources Private Limited	16.36	16.38
Essel Finance VKC Forex Limited	2.81	2.81
E-city Property Management & Services Private Limited	1.32	1.32
Zee Media Corporation Limited	30,961.79	1,204.73
Siti Vision Digital Media Private Limited	0.27	0.27
Essel Business Excellence Services Limited	0.77	11.77
Preference Shares		
Zee Media Corporation Limited	43,626.56	43,626.56

Notes :

- i) All the transactions with related parties are made on arm's length basis in the ordinary course of business. The outstanding balances at year end are unsecured and interest free and settlement occurs in cash.
- ii) Salaries, allowances and perquisites paid to key managerial personnel/director for the year excludes leave encashment and gratuity provided on the basis of actuarial valuation on an overall Company basis. Allowances and perquisites are valued as per the Income Tax Act, 1961.
- iii) The above disclosures are excluding Ind AS adjustments.

Notes forming part of the Financial Statements

32 Discontinued Operation

With effect from October 10,2019 the Company has ceased to carry the print publication of all edition of its English Daily Newspaper called “DNA” and ceased to print with effect from October 11,2019 vernacular weekly magazine called ‘Zee Marathi Disha’. As at 31st March 2021, the carrying amount of such assets and liabilities of dscontinuing opeartions which were not disposed off was Rs.20,332.54 Lakhs (previous year Rs.40,332.49 Lakhs) and Rs.20,441.18 Lakhs (previous year Rs.40,441.13 Lakhs) respectively. The following statement shows the revenue and expenses of continuing and discontinuing operations:

Particulars	Note	Continuing Operations		Note	Discontinuing Operations		Total	
		2020-21	2019-20		2020-21	2019-20	2020-21	2019-20
Revenue								
Revenue from operations	20	314.89	140.14	22	-	3,756.39	314.89	3,896.79
Other income	20a	9.87		23	965.20	801.06	975.07	801.06
Total Revenue		324.76	140.14		965.20	4,557.45	1,289.96	4,697.85
Expenses								
Cost of Raw Material Consumed		-	-	24A	-	868.52	-	868.52
(Increase)/Decrease in Inventories		-	-	24B	0.54	0.56	0.54	0.56
Employee benefit expense		-	-	25	502.19	1,843.74	502.19	1,843.74
Finance costs		-	-	26	157.61	4,760.26	157.61	4,760.26
Depreciation and amortisation expense		-	-	27	1,099.42	1,172.26	1,099.42	1,172.26
Other expenses	21	30.56	116.72	28	521.74	2,411.23	552.30	2,527.95
Total Expenses		30.56	116.72		2,281.50	11,056.57	2,312.06	11,173.29
Loss before tax and exceptional items		294.20	23.42		(1,316.30)	(6,498.86)	(1,022.10)	(6,475.44)
Less : Exceptional items (net)		-	-		3,539.60	-	3,539.60	-
Profit/(Loss) before Tax		294.20	23.42		(4,855.90)	(6,498.86)	(4,561.70)	(6,475.44)
Less: Tax expense								
Current tax- current year		-	-		-	-	-	-
- earlier year		-	-		-	-	-	-
Deferred tax charge /(benefit)		-	-		-	-	-	-
Net Profit/(Loss) after Tax		294.20	23.42		(4,855.90)	(6,498.86)	(4,561.70)	(6,475.44)
Other comprehensive income		-	-		-	38.04	-	38.04
Profit/(Loss) for the year		294.20	23.42	-	(4,855.90)	(6,460.82)	(4,561.70)	(6,437.40)

33 Financial Instruments

a) Financial risk management objective and policies

The Company's principal financial liabilities, comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets includes trade and other receivables, and cash and cash equivalents that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's management oversees the management of these risks.

Notes forming part of the Financial Statements

i) Market risk

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

1) Interest rate risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair value of fixed interest bearing investments because of fluctuations in the interest rates. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in the interest rates.

The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations to its preference shareholders.

Interest rate sensitivity analysis

The borrowing of the company includes preference shares which carries fixed coupon rate and hence the company is not exposed to interest rate risk.

2) Foreign Currency risk

The Company enters into transactions in currency other than its functional currency and is therefore exposed to foreign currency risk. The Company analyses currency risk as to which balances outstanding in currency other than the functional currency of that Company. The management has taken a position not to hedge this currency risk.

The company undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise. Exchange rate exposures are not hedged considering the insignificant impact and period involved on such exposure.

The carrying amounts of financial assets and financial liabilities of the Company denominated in currencies other than its functional currency are as follows:

Currency	(₹ in lakhs)			
	Liabilities 31-3-2021	Assets 31-3-2021	Liabilities 31-3-2020	Assets 31-3-2020
United States Dollar (USD)	-	-	45.72	0.33
Great Britain Pound (GBP)	-	-	-	-

Foreign Currency sensitivity analysis

The following table details the company's sensitivity to a 10% increase and decrease in the Re. against the relevant foreign currencies. 10% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 10% change in foreign currency rates. A positive number below indicates an increase in profit or equity where the Re. strengthens 10% against the relevant currency. For a 10% weakening of the Re. against the relevant currency, there would be a comparable impact on the profit or equity.

Notes forming part of the Financial Statements

Currency	Sensitivity analysis	
	As at 31-3-2021	As at 31-3-2020
United States Dollar (USD) (10% net of assets)	-	(7.13)
Great Britain Pound (GBP) (10% net of assets)	-	-

3) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and investments in debt securities.

The maximum exposure to the credit risk at the reporting date is primarily from trade receivables. Trade receivables are typically unsecured. Credit risk has always been managed by the company through credit approvals, establishing credit limits and continuously monitoring the credit worthiness of customers to which the company grants credit terms in the normal course of business. On account of adoption of Ind AS 109, the company uses expected credit loss model to assess the impairment loss or gain. The group uses a provision matrix to compute the expected credit loss allowance for trade receivables and unbilled revenues. The provision matrix takes into account available external and internal credit risk factors.

The carrying amount of following financial assets represents the maximum credit exposure:

Particulars	(₹ in lakhs)	
	As at 31-3-2021	As at 31-3-2020
Trade Receivables (Unsecured)		
Over six months	1,609.41	2,346.74
Less than six months	108.73	44.28
Total	1,718.14	2,391.02

Movement in Provision for doubtful debt during the year was as follows :

Particulars	(₹ in lakhs)	
	As at 31-3-2021	As at 31-3-2020
Opening Balance	144.45	144.47
Addition during the year	-	-
Reversal during the year	-	0.02
Closing Balance	144.45	144.45
Net Trade receivable	1,573.69	2,246.57

Notes forming part of the Financial Statements

The following table gives details in respect of percentage of revenues generated from top 10 customers:

Particulars	As at 31-3-2021	As at 31-3-2020
	%	%
Revenues generated from top 10 customers	100	33.65

Credit risk on cash and cash equivalents is limited as we generally invest in deposits with banks.

ii) Liquidity risk

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that the funds are available for use as per the requirements.

The table below provides details regarding the contractual maturities of financial liabilities including estimated interest payments as at 31st March 2021

(₹ in lakhs)

Particulars	Due in 1st year	Due in 2 to 5 year	Due in 5 to 10 year
Financial Liabilities			
Trade payable and other financial liabilities	32,514.01	0.75	-
Total	32,514.01	0.75	-

The table below provides details regarding the contractual maturities of financial liabilities including estimated interest payments as at 31 March 2020

(₹ in lakhs)

Particulars	Due in 1st year	Due in 2 to 5 year	Due in 5 to 10 year
Financial Liabilities			
Trade payable and other financial liabilities	47,388.79	83.83	-
Total	47,388.79	83.83	-

b) Capital Management

The company manages its capital to ensure that it will be able to continue as a going concern while maximising the return to the stakeholders through the optimization of the debt and equity balance.

c) Categories of financial instruments & Fair Value thereof

(₹ in lakhs)

Particulars	As at 31 March 2021		As at 31 March 2020	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets				
Measured at amortised cost				
Other financial assets	198.86	198.86	938.35	938.35
Trade Receivables	1,573.69	1,573.69	2,246.57	2,246.57
Cash and cash equivalents	2.26	2.26	317.65	317.65
Other bank balances	0.67	0.67	105.70	105.70
	1,775.48	1,775.48	3,608.27	3,608.27

Notes forming part of the Financial Statements

Particulars	As at 31 March 2021		As at 31 March 2020	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial liabilities				
Measured at amortised cost				
Borrowings	43,626.56	43,626.56	86,351.39	86,351.39
Other financial liabilities	31,918.65	31,918.65	3,751.88	3,751.88
Trade Payable	596.11	596.11	995.92	995.92
	76,141.32	76,141.32	91,099.18	91,099.18

The management assessed that cash and cash equivalents, trade receivables, other financial assets, trade payables, bank overdrafts, borrowings and other financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of the financial assets and liabilities is 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.

- d) All financial assets and liabilities at amortised cost are in level 3 of fair value hierarchy and have been considered at carrying amount.

Other financial instruments measured at fair value through other comprehensive income and included in level 3 categories have not been determined considering insignificant value.

34 Taxes on income

- a) No provision for Tax has been made during the year ended since the Company has sufficient lower of the book loss or book depreciation to set off the income under section 115JB of the Income Tax Act 1961(Act).
- b) The component of deferred tax balances as at 31st March 2021 are as under :

Particulars	(₹ in lakhs)	
	Year ended 31-3-2021	Year ended 31-3-2020
Income tax related to items recognised directly in the statement of profit and loss		
Deferred tax charge /(benefit)	-	-
Effective tax rate	0.00%	0.00%

Considering various factors and present financial results, no provision for Deferred Tax (DT) is made. However, the DTA balance at the year end continued to be stated at carrying value as the Management is of the opinion that the same may be available against expected profits arising out of various options the Management is considering, as stated herein before. Hence, considering the proposed sale of fixed assets and others, as reported at Note No.56, the balance of DTA has been carried to future years.

A reconciliation of the income tax expense applicable to the profit before income tax at statutory rate to the income tax expense at the Company's effective income tax rate for the period ended 31st March 2021 is as follows:

Notes forming part of the Financial Statements

Particulars	(₹ in lakhs)	
	Year ended 31-3-2021	Year ended 31-3-2020
Profit before tax	(4,561.70)	(6,475.44)
Income tax		
Tax rate @ 29.12%	-	-
Lapse of unutilized unaborbed business losses	-	-
Effect of change in tax rate (from 34.608% to 29.12%)	-	-
Tax effect on non deductible expense / income	-	-
Additional allowance for tax purpose	-	-
Other temporary differences	-	-
Tax expense recognised in the statement of profit and loss	-	-

Deferred tax recognized in statement of other comprehensive income

Particulars	(₹ in lakhs)	
	Year ended 31-3-2021	Year ended 31-3-2020
Employee retirement benefits obligation	-	-

Reconciliation of deferred tax assets / (liabilities) net:

Particulars	(₹ in lakhs)	
	As at 31-3-2021	As at 31-3-2020
Opening balance	10,985.92	10,985.92
Add:		
Deferred tax charge / (benefit) recognised in		
- Statement of profit and loss	-	-
- Recognised in other comprehensive income	-	-
Total	10,985.92	10,985.92

35 (a) Contingent Liabilities

- i. Contingent Liabilities not provided for, in respect of bank guarantees of Rs. Nil (2020 : Nil) and in respect of Letter of credits of Rs. Nil (2020 : Nil)
- ii. Income tax demands mainly include appeals filed by the Company before various appellate authorities against the disallowances of expenses/claims, non-deduction of tax at source etc. for A.Y 2006-07 Rs. 3.63 lakhs (2020 : 3.63 lakhs), A.Y. 2008-09 Rs. 4.40 lakhs (2020: 4.40 lakhs) , AY 2010-11 Rs.Nil (2020: 33.37 lakhs) and A.Y.2011-12 Rs.Nil (2020: 5,289 lakhs). These claims are being contested at various forums by the Company. The management does not expect these claims to succeed and accordingly, no provision for these claims has been recognised in the financial statements.
- iii. The company has received legal notices of claims lawsuits filed against it relating to defamation suits etc in relation to the News published in DNA newspaper. In the opinion of the Management, no material liability is likely to arise on account of such claims / law suits.

Notes forming part of the Financial Statements

(b) Capital and other commitments

Estimated amount of contracts remaining to be executed on capital account not provided (net of advances) for Rs. Nil (2020: Nil)

36 Operating Leases:

The Company has cease to pay rent expenses under lease from 31-10-2019 and there is no other lease expenses hence it is not required to follow Ind AS 116.

Particulars	(₹ in lakhs)	
	As at 31-3-2021	As at 31-3-2020
Lease rental charges for the year	-	13.86
Future Lease rental obligation payable (under non-cancellable lease)		
Not later than one year	-	-
Later than one year but not later than five years	-	-

37 Information required under Section 186 (4) of the Companies Act, 2013

(i) Loans given

Particulars	(₹ in lakhs)			
	2020	Addition	Repaid	2021
In the form of unsecured short term inter corporate deposits	-	-	-	-

(ii) Investments made

There are no investments made during the period.

(iii) Guarantees given

There are no guarantees given during the period.

(iv) Securities given

There are no securities given during the period.

38 Income in foreign currency

Particulars	(₹ in lakhs)	
	As at 31-3-2021	As at 31-3-2020
Syndication Revenue	3.58	10.27

39 Expenditure in foreign currency

Particulars	(₹ in lakhs)	
	As at 31-3-2021	As at 31-3-2020
News expenses	31.00	6.86
Legal charges	-	-
Travelling expenses	-	-
CIF Value of imports: Newsprint	-	286.74

Notes forming part of the Financial Statements

40 Foreign Exchange

Derivative Contracts (Forward contracts for hedging purposes) entered into by the Company and outstanding as at 31 March 2021 amount to Rs. Nil

Foreign exchange exposures that are not hedged by derivative instruments as at 31 March 2021 are as under:

Particulars	(₹ in lakhs)	
	As at 31-3-2021	As at 31-3-2020
Receivables	0.22	0.33
Payables	0.47	45.72

41 Earnings per share:

Basic earnings per share is computed by dividing net profit for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Dilutive earnings per share is computed and disclosed using the weighted average number of equity shares and dilutive equity equivalent shares outstanding during the year, except when the results would be anti-dilutive.

Particulars	(₹ in lakhs)	
	As at 31-3-2021	As at 31-3-2020
Profit after tax for Basic & Dilutive EPS	(4,561.70)	(6,475.44)
Weighted Average number of equity shares for Basic EPS (in numbers)*	1,177.08	1,177.08
Weighted Average number of equity shares for Diluted EPS (in numbers)	1,177.08	1,177.08
Nominal value of equity shares	1.00	1.00
Earnings per share (For continuing operation)		
Basic and diluted	0.25	0.02
Earnings per share (For discontinued operation)		
Basic and diluted	(4.13)	(5.52)
Earnings per share (For continuing and discontinued operation)		
Basic and diluted	(3.88)	(5.50)

42 Details of Consumption of Imported and Indigenous stocks

Particulars	(₹ in lakhs)			
	As at 31-3-2021		As at 31-3-2020	
	%	Amount	%	Amount
i) Raw Materials				
Imported	0.00	-	55.98	481.07
Indigenous	0.00	-	44.02	343.49
	0.00	-	100.00	824.56

43 Consumption of raw materials

Particulars	(₹ in lakhs)			
	As at 31-3-2021		As at 31-3-2020	
	MT (Quantity)	Value	MT (Quantity)	Value
Newsprint	-	-	1,675.38	824.56

Notes forming part of the Financial Statements

44 Segment Information

The Company has discontinued its printing operationis, hence there is no separate reportable business or geographical segments as per Ind AS 108 “Indian Accounting Standard on Operating Segments”.

45 Disclosure under Micro, Small, Medium Enterprise Development Act, 2006

Particulars	(₹ in lakhs)	
	As at 31-3-2021	As at 31-3-2020
a) Principal amount due to suppliers under the Act	12.72	23.12
b) Interest accrued and due to suppliers under the Act, on the above amount	4.78	3.06
c) Payment made to suppliers (other than interest) beyond the appointed day during the year	7.46	35.61
d) Interest paid to suppliers under the Act, (Other than Section 16)	-	-
e) Interest paid to suppliers under the Act, (Section 16)	-	-
f) Interest due and payable to suppliers under the Act, for payments already made during the year	4.78	9.81
g) Interest accrued and remaining unpaid at the end of the year to suppliers under the Act	4.78	13.41

46 Disclosure as required by Schedule V(A) (2) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015

During the year, no loans and advances were given to firm / company in which directors are interested.

47 Corporate Social Responsibility (CSR)

The requirement of Section 135 read with Schedule VII of the Companies Act, 2013 is not applicable.

48 Dividend paid and proposed

No dividend on equity shares is paid or proposed by the Board of Directors for the year ended 31 March 2021 and 31 March 2020.

49 Collateral / security pledged

The carrying amount of assets pledged as security for current and non-current borrowings of the Company are as under:

Particulars	(₹ in lakhs)	
	As at 31-3-2021	As at 31-3-2020
Property, plant and equipment	-	17,552
Other current and non-current financial assets	-	3,608
Other current and non-current assets	-	8,352
Total assets pledged	-	29,512

50 Managerial Remuneration

Remuneration paid or provided in accordance with section 197 of the companies act 2013 to executive director and CEO/COO, included in Note 25 “Employee benefits expense” is as under:

Notes forming part of the Financial Statements

(₹ in lakhs)

Particulars	Executive Director	
	As at 31-3-2021	As at 31-3-2020
Salary, allowances and perquisites	-	33.05
Contribution to provident fund	-	1.69
Total	-	34.74

Salary and allowances include basic salary, house rent allowance, leave travel allowance and performance bonus but excluding leave encashment and gratuity provided on the basis of actuarial valuation.

- 51** Reconciliation between opening and closing balances in the balance sheet for liabilities arising from financing activities as required by Ind AS 7 “Statement of Cash Flows” is as under:

(₹ in lakhs)

	Non current portion of long-term borrowings		Current portion of long-term borrowings	
	31-3-2021	31-3-2020	31-3-2021	31-3-2020
Opening	86,351.39	81,796.40	-	-
Cash inflow	-	-	-	-
Cash Outflow	-	-	-	-
Non-cash changes related to interest and borrowings	(42,724.83)	4,554.99	-	-
Closing	43,626.56	86,351.39	-	-

- 52 Disclosures pertaining to Ind AS 115 “Revenue from Contracts with Customers”**

- (a) Reconciliation of contract liabilities as at the beginning and at the end of the year.

(₹ in lakhs)

	31-3-2021
Opening balance of contract liabilities	1,244.72
Add: Contract liabilities recognized during the year	314.89
Less: Revenue recognized out of contract liabilities	314.89
Less: Contract liabilities written back	1,244.72
Closing balance of contract liabilities as at 31 March 2021	-

- (b) No revenue has been recognized during the year on account of change in transaction price from performance obligations partly / fully satisfied in the previous period.

- (c) Reconciliation of revenue recognized in the statement of profit and loss with the contracted price:

(₹ in lakhs)

	31-3-2021
Revenue which should have been recognized as per the contracted price	314.89
Less:	
Refunds given	-
Credits / discount given	-
Revenue recognized in the statement of profit and loss	314.89

Notes forming part of the Financial Statements

- 53** During the year, the Company has made political contribution of 'Nil' (Nil).
- 54** Note No.23 related to Other Income in discontinued operations, is net Rs.833.97 Lakhs after reversal of Rs.32.73 Lakhs pertaining to previous adjustments. Reference is invited to Note no. 9 "Advances to Others- Other Current Assets" includes business advances aggregating to Rs.7,222.50 lakhs for which provision for doubtful debt is made, since the parties to whom the same was paid in the preceding years, did not fulfill their respective obligations as per agreed terms and conditions, resulting in legal action by filing petition before National Company Law Tribunal, for recovery of the dues. The aggregate provision for doubtful debt made is Rs.8757.25 Lakhs including interest of Rs.15,34.75 Lakhs is made in the above case as appearing in Note 29 under discontinued operations.
- 55** Since the Print operations of the company have been suspended w.e.f. 10th and 11th October 2019, collections, although a challenge, is being focused so as to clear Outstanding payable. The Company has settled all the dues of the employees forming part of editorial, sales, marketing, circulation team and all factory workers. The cases filed against the Company by workers have been withdrawn with filing of settlement agreements before the Hon'ble Labour Court..
- 56** As per Ind-AS 105, the management has identified assets held as Property, Plant and Equipment and Intangible Assets which are available for sale in its present condition, as detailed above. The Company has finalised plans for sale of these assets and an active program therefore is in progress. The Company expects to dispose of the assets so held for sale within twelve months from its date of classification i.e., on 31 March 2021, in terms of the power given under Special Resolution passed in the 14th Annual General Meeting of the Members held on 19 September 2019. While doing so, all care and precaution is being undertaken to manage litigative issues without harming Company's interest.
- These assets have been stated at fair value less cost to sell and classified as Assets held for sale (being lower of the carrying amount) at Rs.7,223 Lakhs as against carrying value of Rs.16,584 Lakhs and recorded an Impairment Loss of Rs.9,361 Lakhs, and is classified under Exceptional items Note no.29, in the Statement of Profit and Loss from discontinued operations.
- 57** At the discretion of the management, inventories except newsprint have been written down to the extent of Rs.125.70 Lakhs since the same is being part of the sale of Plant & Machinery and considered in exceptional item under discontinued operation in Note no.29. The Newsprint costing Rs.18.29 Lakhs lying at other location is stated at the Fair value.
- 58** The Company has incurred losses of Rs.45,62 Lakhs during the year and continued its losses in the preceding years also. This has resulted in the accumulated loss at the year end is Rs.59,068 lakhs, which has eroded entire paid up share capital of Rs.1,177 lakhs. The current liabilities have far exceeded the current assets. In light of the above situation, the management is in the process of considering or evaluating various alternate options including continuing business operations by outsourcing and expanding Digital media platform in near future with the continued financial support expected from the promoters for the year ahead and residual from sale of assets after repayment of its liabilities. The Company is confident of its ability to meet funds requirements year ahead and accordingly has considered it appropriate to prepare the financial results on going concern basis.
- 59** The Company has issued Non-Convertible Debentures (NCDs) of Rs.250.00 Crores in June 2015, which were guaranteed by the erstwhile holding Company viz., Zee Media Corporation Limited (ZMCL). The Company defaulted in repaying NCDs plus accumulated interest amounting to Rs.427,25 Lakhs till 31 March 2020 on their maturity in June 2020. Consequently the Debenture Trustees (DT) exercised their rights by invocation of the said Guarantee against ZMCL in December 2020. Based on the settlement between the DT and ZMCL., the liability against NCDs had been settled for Rs.290,00 Lakhs and discharged against dues of Rs.427,25 Lakhs as at 31 March 2020. The resultant excess interest provision of Rs.137,25 Lakhs provided

Notes forming part of the Financial Statements

in preceding years has been reversed as income during the year under Exceptional item of the discontinued operation in Note no.29. Further the provision for interest on accrual basis of Rs.37,96 Lakhs made upto 31 December 2020, on such settlement, has been accordingly reversed to Statement of Profit & Loss account during the year. The Company has received No due Certificate dated 3 February, 2021 from the Debenture Trustee confirming the discharge of the said liability by ZMCL under the Corporate Guarantee. Based on the above, the said liability of Rs. 290.00 Lakhs is now payable by the Company to ZMCL and is reported under other financial liabilities in Note no.16.

- 60** The management of the company has assessed and concluded that there are no material impact due to COVID-19 pandemic and considering the segment (Digital Media) in which company operates, which require any adjustment in financial statement as the company was operating without any disruptions. There may have eventual impact due to disruptions in the business worldwide and economic slowdown. A definitive assessment of the impact is not possible in view of the highly uncertain economic environment and the scenario is still evolving.
- 61** The management has its internal assessment as to the realizability of carrying values of the current and other assets and confirmed no provision for impairment of such assets is required except to the extent as reported in Note no.54 as detailed herein above.
- 62** Balances in parties accounts are subject to confirmation / reconciliation. Appropriate adjustments, if any, will be made as and when the balances are reconciled.
- 63** Previous year's figures have been regrouped, rearranged, realigned or reclassified during the year to make them comparable with the current year.

As per our attached report of even date

For B S Sharma & Co.
Chartered Accountants
Firm Registration No. : 128249W

CA B S Sharma
Membership No. 031578

Place: Mumbai
Date: 30 June 2021

For and on behalf of the Board

Nishikant Upadhyay
Director

Ronak Jatwala
Director

Dhaval Ashar
Company Secretary

Rajendra Bathula
Chief Financial Officer



Diligent Media Corporation Limited

CIN : L22120MH2005PLC151377

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