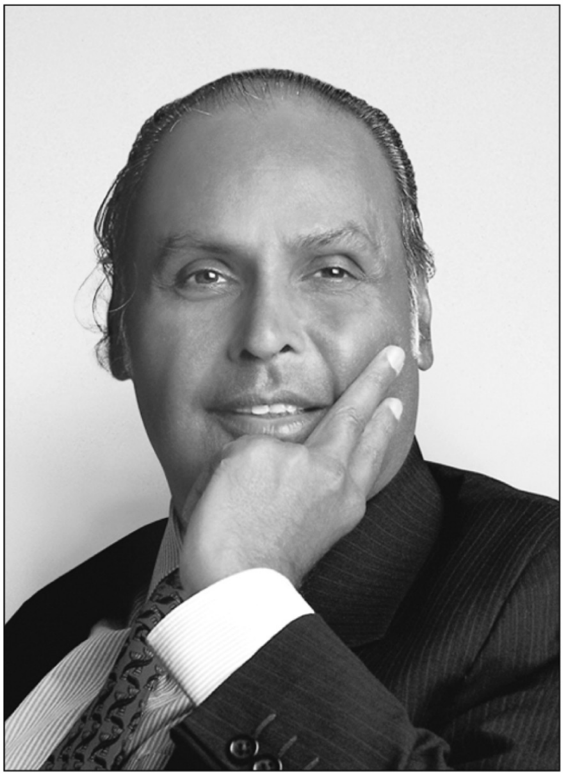
Reliance
MediaWorks

Annual Report
2019-20



Padma Vibhushan

Shri Dhirubhai H. Ambani

(28th December, 1932 – 6th July, 2002)

Reliance Group – Founder and Visionary

Board of Directors

Mr. Sushilkumar Agrawal
Mrs. Sangeeta Sharma
Mr. Sunil Wadikar

Key Managerial Personnel

Ms. Mangala Savla
Mr. Basant Varma

Auditors

M/s. M.S. Sethi & Associates

Registered office

Communication Centre
Film City Complex
Goregaon (East)
Mumbai 400 065
Maharashtra, India
CIN : U29299MH1987PLC045446
Tel. : +91 9321 827242
E-mail : rmwlinvestor@gmail.com
Website : www.reliancemediaworks.com

Registrar and Transfer Agent

Link Intime India Private Limited
C-101, 247 Park, L.B.S. Marg, Vikroli (West)
Mumbai 400 083, Maharashtra, India
Website: www.linkintime.co.in

Investor Helpdesk

Toll free no. (India) : 1800 220 878
Telephone : +91 22 4918 6000
Fax No. : +91 22 4918 6060
E-mail : rnt.helpdesk@linkintime.co.in

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33rd Annual General Meeting on Wednesday, September 30, 2020 at 12.00 P.M.(IST), through Video Conferencing (VC) / Other Audio Visual Means (OAVM)

The Annual Report can be accessed at www.reliancemediaworks.com

Notice

Notice is hereby given that the 33rd Annual General Meeting of the Members of **Reliance MediaWorks Limited** will be held on Wednesday, September 30, 2020 at 12.00 P.M.(IST) through Video Conferencing (VC) /Other Audio Visual Means (OAVM) to transact the following business;

Ordinary Business:

1. **To consider and adopt:**

   a. the audited financial statement of the Company for the financial year ended March 31, 2020 and the reports of the Board of Directors and Auditors thereon;

   and

   b. the audited consolidated financial statement of the Company for the financial year ended March 31, 2020 and the report of the Auditors thereon.

Special Business:

2. **Appointment of Mrs. Sangeeta Sharma as an Independent Director**

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

   "RESOLVED THAT pursuant to the provisions of Sections 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (the "Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Mrs. Sangeeta Sharma (DIN: 01183055), who was appointed as an Additional Director of the Company pursuant to Section 161 of the Act and who holds office upto the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Act, proposing her candidature for the office of Director, and in accordance with the recommendation of Nomination & Remuneration Committee, not liable to retire by rotation, be and is hereby appointed as an Independent Director of the Company to hold office for a term up to 5 (five) consecutive years, commencing from January 14, 2020."

3. **Appointment of Manager**

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

   "**RESOLVED THAT** pursuant to the provisions of section 196,197, 198, 203 and all other applicable provisions, of the Companies Act, 2013 ("the Act") and the rules made there under (including any statutory modification(s) or re-enactment thereof, for the time being in force), read with Schedule V to the Act and subject to all such sanctions as may be necessary, the consent of the Company be and is hereby accorded to the appointment of Mr. Basant Varma, as a Manager of the Company for a period of 3 (three) years commencing from June 30, 2020, on the terms & conditions of appointment including remuneration as shall be decided by the Board from time to time.

   RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in any financial year during the currency of tenure of Mr. Basant Varma, as a Manager, the remuneration and perquisites set out as aforesaid be paid or granted to him as minimum remuneration and perquisites provided that the total remuneration by way of salary, perquisites and other allowances shall not exceed the applicable ceiling limit in terms of Schedule V to the said Act as may be amended from time to time or any equivalent statutory re-enactment thereof for the time being in force.

   RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to do all such acts, deeds, matters and things and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

4. **Re-appointment of Mr. Sushilkumar Agrawal as an Independent Director**

   To consider and, if thought fit, to pass the following resolution as a **Special Resolution:**

   "RESOLVED THAT pursuant to the provisions of Sections 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (the "Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Mr. Sushilkumar Agrawal (DIN: 00400892), who was appointed as an Independent Director and holds office up to August 21, 2020 & who has given his consent for the appointment as an Independent Director submitted a declaration that he meets the criteria for Independence under Section 149 of the Act and is eligible for re-appointment and in respect of whom the company has received a notice in writing from a member under Section 160 of the Act, proposing his candidature for appointment as a Director, and in accordance with the recommendation of Nomination & Remuneration Committee, be and is hereby re-appointed as an Independent Director of the Company for a second term of 5 (five) consecutive years with effect from August 21, 2020."

5. **Appointment of Mr. Sunil Wadikar as a Whole-time Director**

   To consider and, if thought fit, to pass the following resolution as **Ordinary Resolution:**

   "RESOLVED THAT pursuant to the provisions of Section 152 and all other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the Rules made thereunder (including any statutory modification(s) or re-enactments(s) thereof for the time being in force), Mr. Sunil Wadikar (DIN: 07238445) who was appointed as an Additional Director of the Company pursuant to the provisions of Section 161 of the Act and Article of Association of the Company and who holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Act, proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation.

   RESOLVED FURTHER THAT in terms of the recommendation of the Nomination & Remuneration Committee of the Board of Directors and pursuant to the provisions of Sections 196,197, 198 read with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the rules made there under (including any statutory modification(s) or re-enactment thereof, for the time being in force), the Articles of Association of the Company and subject to all such sanctions as may be necessary, the consent of the Company be and is hereby accorded to the appointment of Mr. Sunil Wadikar (DIN: 07238445), as a Whole-time Director of the Company for a period of 3 (three) years commencing from June 30, 2020, on the terms & conditions of appointment including remuneration as shall be decided by the Board from time to time (hereinafter referred to as "Board" which terms shall be deemed to include any Committee of the Board constituted to exercise its powers including powers conferred by this resolution) and the Board is authorised to alter and vary the terms and conditions including remuneration, so as not to exceed the limits specified in Schedule V to the Act or any amendments thereto.

RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in any financial year during the currency of tenure of Mr. Sunil Wadikar, as Whole-time Director, the remuneration and perquisites be paid or granted to him as minimum remuneration and perquisites, provided that the total remuneration by way of salary, perquisites set out as aforesaid and other allowances shall not exceed the applicable ceiling limit in terms of Schedule V to the said Act, as may be amended from time to time, or any equivalent statutory re-enactment(s) thereof for the time being in force.

RESOLVED FURTHER THAT the Board be and is hereby authorised to do all such acts, deeds, matters and things and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

By Order of the Board of Directors

Mangala Savla
Company Secretary

Registered Office:
Communication Centre
Film City Complex
Goregaon (East)
Mumbai 400 065
CIN : U29299MH1987PLC045446
Website: www.reliancemediaworks.com

August 14, 2020

Notes:

1. Statement pursuant to Section 102(1) of the Companies Act, 2013 ("the Act"), in respect of the Special Business to be transacted at the Annual General Meeting ("AGM") is annexed hereto.
2. In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs ("MCA") has vide it's circular dated May 5, 2020 read with circulars dated April 8, 2020 and April 13, 2020 (collectively referred to as "MCA Circulars") permitted the holding of the "AGM" through Video Conferencing (VC) / Other Audio-Visual Means (OAVM), with out the physical presence of the Members at a common venue. Accordingly, in compliance with the provisions of the Act and MCA Circulars, the AGM of the Company is being held through VC/OAVM.
3. The AGM is being held pursuant to the MCA Circulars through VC/OAVM, physical attendance of Members has been dispensed with. **Accordingly, the facility for appointment of proxies will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice**.
4. Corporate Members are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/Authorisation, etc., authorising its representative to attend the AGM through VC/OAVM on its behalf and to vote through remote e-voting to KFin Technologies Private Limited (KFintech), E-voting Agency, by e-mail through its registered e-mail address to praveendmr@kfintech.com.
5. In compliance with the aforesaid MCA Circulars, Notice of the AGM along with the Annual Report 2019-20 is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company or CDSL/ NSDL("Depositories"). Members may note that the Notice and Annual Report 2019-20 will also be available on the Company's website www.reliancemediaworks.com.
6. Members whose e-mail address are not registered can register the same in the following manner:
   a. Members holding share(s) in physical mode can register their e-mail ID on the Company's web site at http://reliancemediaworks.com/Registration-of-Shareholders-information.html by providing the requisite details of the holdings and documents for registering their e-mail address; and
   b. Members holding share(s) in electronic mode are requested to register/ update their e-mail address with their respective Depository Participants "DPs" for receiving all communications from the Company electronically.
7. The Company has engaged the services of KFintech, as the authorised agency for conducting of the e-AGM and providing e-voting facility.
8. Members attending the AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
9. Since the AGM will be held through VC/OAVM, the Route Map is not annexed in this Notice.
10. Relevant documents referred to in the accompanying Notice calling the AGM are available on the web site of the Company for inspection by the Members.
11. In order to facilitate transfer of share(s) and to avail various benefits of dematerialisation, Members are advised to dematerialise share(s) held by them in physical form.
12. Members are requested to intimate immediately any change in their address or bank mandates to their Depository Participants with whom they are maintaining their demat accounts. The Company or its Registrar and Transfer Agent cannot change bank particulars or bank mandates for shares held in electronic form.
13. Non-Resident Indian members are requested to inform Link Intime India Private Limited, the Company's Registrar and Transfer Agent immediately on:
   a. the change in the residential status on return to India for permanent settlement; and
   b. the particulars of the bank account(s) maintained in India with complete name, branch, account type,

account number and address of the bank with pin code number, if not furnished earlier.

14. Instructions for attending the AGM and e-voting are as follows:

A. Instructions for attending the AGM:

1. Members will be able to attend the AGM through VC / OAVM or view the live webcast of AGM at https://ris.kfintech.com/vc/login2vc.aspx by using their remote e-voting login credentials and selecting the 'Event' for Company's AGM. Members who do not have the User ID and Password for e-voting or have forgotten the User ID and Password may retrieve the same by following the remote e-voting instructions mentioned in the Notice. Further, Members can also use the OTP based login for logging in to the e-voting system.

2. Facility of joining the AGM through VC/OAVM shall open 15 minutes before the time scheduled for the AGM and Members who may like to express their views or ask questions during the AGM may register themselves at https://ris.kfintech.com/agmvcspeakerregistration. Facility of joining AGM will be closed on expiry of 15 minutes from the schedule time of the AGM. Those Members who register themselves as speaker will only be allowed to express views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers and time for each speaker depending upon the availability of time for the AGM.

3. Facility of joining the AGM through VC/OAVM shall be available for 1000 members on first come first served basis. However, the participation of members holding 2% or more shares, promoters, and Institutional Investors, directors, key managerial personnel, chairpersons of Audit Committee, Stakeholders Relationship Committee, Nomination and Remuneration Committee and Auditors are not restricted on first come first serve basis.

4. Members, who need technical assistance before or during the AGM, can contact KFintech at https://ris.kfintech.com/agmqa/agmqa/login.aspx.

B. Instructions for e-voting

1. In compliance with the provisions of Section 108 of the Act read with Rules made there under, the Company is offering e-voting facility to all Members of the Company. A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners (in case of electronic shareholding) maintained by the Depositories as on the cut-off date i.e. September 23, 2020 only shall be entitled to avail the facility of remote e-voting/e-voting at the AGM. KFintech will be facilitating remote e-voting to enable the Members to cast their votes electronically. Members can cast their vote online from 10:00 A.M. (IST) on Saturday, September 26, 2020 to 5:00 P.M. (IST) on Tuesday, September 29, 2020. At the end of remote e-voting period, the facility shall forthwith be blocked.

2. The Members who have cast their vote by remote e-voting prior to the AGM may also attend/participate in the AGM through VC/OAVM but shall not be entitled to cast their vote again.

3. The Members present in the AGM through VC/OAVM facility and have not cast 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 during the AGM.

4. The procedure and instructions for e-voting are as follows:

   a. Open your web browser during the remote e-voting period and navigate to "https://evoting.karvy.com".

   b. Enter the login credentials (i.e., user-id and password) mentioned in the letter.Your Folio No. / DP ID No./ Client ID No. will be your User-ID.

      User – ID For Members holding shares in Demat Form:-

      For NSDL:- 8 Character DP ID followed by 8 Digits Client ID

      For CDSL :- 16 digits beneficiary ID

      User–ID For Members holding shares in Physical Form:-

      Event Number followed by Folio No. registered with the Company

      Password: Your unique password is sent via e-mail forwarded through the electronic notice

      Captcha Please enter the verification code i.e .the alphabets and numbers in the exact way as they are displayed for security reasons.

   c. After entering these details appropriately, click on "LOGIN".

   d. Members holding shares in Demat /Physical form will now reach Password Change menu wherein they are required to mandatorily change their login password in the new password field. The new password has to be minimum eight characters consisting of at least one uppercase (A-Z), one lowercase (a-z), one numeric value (0-9) and a special character (@,#,$,etc.). Kindly note that this password can be used by the Demat holders for voting in any other Company on which they are eligible to vote, provided that the other company opts for e-voting through Kfintech e-Voting platform. System will prompt you to change your password and update your contact details like mobile number, e-mail ID, etc. on first login. You may also enter the secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

   e. You need to login again with the new credentials.

   f. On successful login, system will prompt you to select the 'Event' i.e. 'Company Name'.

   g. If you are holding shares in Demat form and had logged on to "https://evoting.karvy.com" and have cast your vote earlier for any company, then your existing login ID and password are to be used.

h. On the voting page, you will see Resolution Description and against the same the option

'FOR/AGAINST/ABSTAIN' for voting. Enter the number of shares (which represents the number of votes) under 'FOR/AGAINST/ABSTAIN' or alternatively you may partially enter any number in 'FOR' and partially in 'AGAINST', but the total number in 'FOR / AGAINST' taken together should not exceed your total shareholding. If you do not wish to vote, please select 'ABSTAIN'.

i. After selecting the Resolution you have 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.

j. Once you 'CONFIRM' your vote on the Resolution whether partially or otherwise, you will not be allowed to modify your vote.

5. Corporate Members (i.e. other than Individuals, HUF, NRI, etc.) are required to send scanned copy (PDF/JPG format) of the relevant Board or governing body Resolution/ Authorisation together with attesed specimen signature of the duly authorised signatory(ies) who are authorised to vote, to 'evoting@karvy.com' (Details are given in point 4 above).The file/scanned image of the Board Resolution/ authority letter should be in the naming format 'Corporate Name Event no'.

6. The voting rights of the Members shall be in proportion to the number of shares held by them in the equity share capital of the Company as on the cut-off date being Wednesday, September 23, 2020.

   In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company shall be entitled to vote at the AGM.

7. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting web site will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details /Password "or" Physical User Reset Password?" option available on https://evoting.karvy.com/ to reset the password.

8. The Board of Directors have appointed Mr. Anil Lohia, Partner or in his absence Mr. C. C. Dayal, Partner, M/s. Dayal and Lohia, Chartered Accountants as the Scrutiniser to scrutinise the voting process in affair and transparent manner. The Scrutiniser will submit his report to the Chairman or any person authorised by him after completion of the scrutiny and the results of voting will be announced after the AGM of the Company. Subject to receipt of requisite number of votes, the resolutions shall be deemed to be passed on the date of the AGM. The result of the voting will be posted on the website of the Company at www.reliancemediaworks.com and also on the website of KFintech at https://evoting.karvy.com.

9. In case of any query pertaining to e-voting, please visit Help and FAQs section available at KFintech's website https://evoting.karvy.com OR contact toll free no. 1800 4250999

Statement pursuant to Section 102(1) of the Companies Act, 2013 to the accompanying Notice dated August 14, 2020.

Item No. 2-Appointment of Mrs. Sangeeta Sharma as an Independent Director

Mrs. Sangeeta Sharma was appointed as an Independent Director of the Company by the Board on the recommendation of the Nomination and Remuneration Committee, with effect from January 14, 2020, in accordance with the provisions of Section149 read with Schedule IV to the Companies Act, 2013 (the 'Act'). Pursuant to the provisions of Section 161 of the Act, Mrs. Sangeeta Sharma holds office up to the date of the ensuing Annual General Meeting.

The Company has received declarations from Mrs. Sangeeta Sharma, confirming that she meet the criteria of Independence as prescribed under section 149(6)of the Act. In the opinion of the Board, she fulfills the conditions specified in the Act for appointment as an Independent Director and she is independent of the management.

Keeping in view the above, it is proposed to seek approval of the Members to appoint Mrs. Sangeeta Sharma as an Independent Director on the Board of the Company, not liable to retire by rotation.

As required under Section 160 of the Act, the Company has received notice in writing from a member proposing the candidature of Mrs. Sangeeta Sharma for her office of Director of the Company.

Mrs. Sangeeta Sharma is not disqualified from being appointed as a Director interms of Section 164 of the Act and has given her consent to act as Director.

The details pertaining to Mrs. Sangeeta Sharma is furnished hereunder:

Mrs. Sangeeta Sharma, 61years, Banker with adistinguished record of public service of over 30 years, retired as Chief General Manager from Export Import Bank of India. She has versatile experience headed various department of Export Import Bank of India e.g Recovery Group Head, Corporate Debt Restructuring, Textile Cell, Human Resources Group Head, Corporate Banking Group Unit Head etc. She is also lecturer of Economics at Mumbai University. She has received the Woman Leader of 2019 Award in the banking sector in April 2019, and also currently visiting faculty at National Institute of Bank Management [NIBM], Pune. Mrs. Sangeeta Sharma holds master's degree in Economics from Bombay University and Post Graduate Diploma in Financial Management from Bombay University.

She is Chairman of Nomination & Remuneration Committee and Stakeholder's Relationship Committee of the Company.

Statement pursuant to Section 102(1) of the Companies Act, 2013 to the accompanying Notice dated August 14, 2020.

She is also a Member of Audit Committee and Corporate Social Responsibility Committee of the Company. She has not attended any Board meetings held during the financial year 2019-20.

She does not hold any shares in the Company.

Mrs. Sangeeta Sharma shall be paid remuneration by way of fee for attending meetings of the Board or Committees thereof. She does not have any relationship with other Directors and Key Managerial Personnel of the Company. The Nomination & Remuneration Committee of the Board of Directors of the Company has also recommended the appointment of Mrs. Sangeeta Sharma as an Independent Director, not liable to retire by rotation for a term upto 5 (five) consecutive years.

Mrs. Sangeeta Sharma is interested in the resolution set out at item no. 2 of the Notice in regard to her appointment. The relatives of Mrs. Sangeeta Sharma may be deemed to be interested in the resolution set out respectively at item No. 2 of the Notice, to the extent of their equity shareholding interest, if any, in the Company. Save and except Mrs. Sangeeta Sharma and their relatives, none of the other Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 2 of the Notice.

Approval of Members is accordingly sought for appointment of Mrs. Sangeeta Sharma as an Independent Director as set out in the resolution at Item No. 2 of the accompanying Notice. The terms and conditions of appointment of the above Directors shall be available on website of the Company.

The Board accordingly recommends the Ordinary Resolution set out at Item No. 2 of the accompanying Notice for the approval of members.

Item No. 3-Appointment of Manager

The Nomination & Remuneration Committee (NRC) and the Board of Directors of the Company on June 30, 2020, have, subject to the approval of the Members in general meeting and the Central Government, if required, appointed Mr. Basant Varma as the Manager of the Company for a period of 3 (three) years commencing from June 30, 2020 on the remuneration as determined by the NRC/ Board of Directors. He is further designated as Manager and Chief Financial Officer (CFO) of the Company. Mr. Basant Varma fulfilled the conditions for eligibility.

Mr. Basant Varma, aged 41 years, a Chartered Accountant by profession, is associated with Reliance Group of Companies since 2018. He has over 9 years of experience in the field of Finance, and has managed wide range of roles pertaining to managing financial operation.

The terms of appointment including the remuneration payable to Mr. Basant Varma as Manager of the Company during the tenure of his appointment, will comprise of salary, allowances and the other perquisites, the aggregate monetary value of which being limited to ₹ 10.18 lakh (Rupees Ten lakh eighteen Thousand only) per annum plus discretionary bonus as decided by Board on the recommendation of Nomination & Remuneration Committee during the tenure of his appointment. Remuneration payable to him not exceeding in any year the annual remuneration for that year with an equivalent increment as may be decided by the NRC/ Board from time to time.

The terms and conditions set-out for appointment and payment of remuneration herein and/or in the agreement may be altered and varied from time to time by the Board/NRC as it may, at its discretion, deem fit within the overall ceiling fixed herein.

The Board/ NRC is entitled to revise the salary, allowances and perquisites payable to the Manager of the Company at any time, such that the overall remuneration payable shall not exceed the limits specified in the Schedule V to the Companies Act, 2013. In the event of loss or inadequacy of profit in any financial year during the currency of the tenure of Mr. Basant Varma, as Manager, the remuneration and perquisites provided that the total remuneration by way of salary, perquisites and other allowances shall not exceed the applicable ceiling limit in terms of Schedule V to the said Act as may be amended from time to time or any equivalent statutory re-enactment thereof for the time being in force.

Mr. Basant Varma fulfills the conditions for eligibility contained in Part I of Schedule V to the Companies Act, 2013. The terms and conditions of appointment and payment of remuneration are set out in the Agreement entered into between the Company and Mr. Basant Varma. Either party may terminate the aforesaid Agreement by giving one month prior notice of termination in writing to the other party.

Mr. Basant Varma is also a Director on the Board of Media Capital Company (India) Private Limited, Adhar Project Management & Consultancy Pvt Limited, Phi Management Solutions Pvt. Limited, Reliance Mediaworks Theatres Limited, Reliance MediaWorks Financial Services Pvt. Ltd. & Ambrosia Industrial Logistics Pvt. Ltd. He is also a director of Indian Agri Services Private Limited who is holding 29% stake in the company.

Mr. Basant Varma is not a member in any committee of the Company.

The Agreement entered into between the Company and Mr. Basant Varma is available for inspection at the Registered Office of the Company on all working days except Saturdays between 11.00 a.m. and 1.00 p.m. upto the date of meeting.

The terms and conditions mentioned herein may also be treated as an abstract under section 190 of the Act.

The material terms of appointment and remuneration are given below:

Disclosure as required under Schedule V to the Companies Act, 2013 is given hereunder:

I. General Information:

1. Nature of Industry	Film & Media Services & Exhibition
2. Date or expected date of commencement of commercial production	Not Applicable
3. In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not Applicable

Statement pursuant to Section 102(1) of the Companies Act, 2013 to the accompanying Notice dated August 14, 2020.

4. **Financial Performance:**

(₹ in lakhs)

Particulars	For the year ended March 31, 2020	For the eighteen month period ended March 31, 2019
Total Income	**725.07**	8,988.92
Profit / (Loss) before Tax	**(14,746.89)**	(13,876..64)
Tax expenses	**-**	-
Profit / (Loss) after Tax	**(14,746.89)**	(13,876..64)
Add: Balance brought forward from previous year	**(3,30,153.41)**	(3,16,276.77)
Balance carried to Balance sheet	**(3,44,900.31)**	(3,30,153.41)

5. **Foreign Investments or collaborations, if any:** There is no new foreign investment in the Company except to the extent shares already held by Non Resident Indians acquired through secondary market. There is no foreign collaboration in the Company.

II. Information about the appointee:

Background details: Mr. Basant Varma is a Manager & Chief Financial Officer of the Company. He is associated with Company for past 2 years. He holds a bachelor's degree in commerce from University of Mumbai. He is also a Chartered Accountant and a member of the Institute of Chartered Accountants of India. He has over 10 years of experience in the field of accounts, finance and taxation.

Past Remuneration: ₹ 9,50,000 per annum

Recognition or awards: Nil

Job profile and his suitability: Mr. Basant Varma has the requisite professional qualification and experience in the field of managing finance and treasury, thus he is best suited for this position.

Remuneration proposed: The remuneration payable to and the terms of appointment of Mr. Basant Varma as a Manager of the Company during the tenure of his appointment will comprise salary, allowances and other perquisites, the aggregate monetary value of such salary, allowances and perquisites being limited to ₹ 10,18,000 per annum.

In the event of loss or inadequacy of profits in any financial year during the currency of the tenure of Mr. Basant Varma as a Manager of the Company, the remuneration and perquisite to be paid shall not exceed the amount as may be approved by the Board from time to time subject to the provisions of Schedule V to the Act, as amended.

Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin): The remuneration proposed to Mr. Basant Varma is comparable with persons holding similar position in the industry. The proposed remuneration is commensurate to the size and extent of operation of the Company.

Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any: Apart from receiving managerial remuneration, he does not have any other pecuniary relationship with the Company.

III. Other Information;

1. **Reason of loss or inadequate profits:** The Company has made loss during financial year 2017-18, 2018-19 & 2019-20.
2. **Steps taken or proposed to be taken for improvement:** The Management has taken necessary steps to improve the profitability of the Company
3. **Expected increase in productivity and profits in measurable terms:** Not Applicable

IV. Disclosures:

(i) **all elements of remuneration package such as salary, benefits, bonuses, stock options, pension, etc., of all the directors:** Not Applicable

(ii) **details of fixed component. and performance linked incentives along with the performance criteria:** Mr. Basant Varma is entitled for performance linked incentives as per policy of the Company.

(iii) **service contracts, notice period, severance fees:** The office of the Manager may be terminated by the Company or concerned Manager by giving the other 3 (three) months prior notice in writing.

(iv) **stock option details, if any, and whether the same has been issued at a discount as well as the period over which accrued and over which exercisable:** Not Applicable

Mr. Basant Varma does not by himself or for any other person on beneficial basis, hold any share in the Company. He does not hold any relationship with other Directors and Key Managerial Personnel of the Company. Mr. Basant Varma is interested in the resolution set out at Item No. 3 of the Notice in regard to his appointment.

Save and except, Mr. Basant Varma and his relatives, none of the other Directors, Key Managerial Personnel and their relatives is concerned or interested, financially or otherwise, in this resolution.

The Board accordingly recommends the Ordinary Resolution set out at Item No. 3 of the accompanying Notice for the approval of the Members.

Item No. 4 - Re-appointment of Mr. Sushilkumar Agrawal as an Independent Director

Mr. Sushilkumar Agrawal was appointed as an Independent Director of the Company on August 21, 2015, for a term of 5 (five) consecutive years to hold office up to August 21, 2020.

Accordingly, based on the performance evaluation of Mr. Sushilkumar Agrawal and given the background and experience and contributions made by him during his tenure,

Statement pursuant to Section 102(1) of the Companies Act, 2013 to the accompanying Notice dated August 14, 2020.

the continued association would be beneficial to the Company, the Nomination and Remuneration Committee and the Board of Directors of the Company at their Meetings held on August 14, 2020, have recommended re-appointment of Mr. Sushilkumar Agrawal as an Independent Director for a second term of 5 (five) consecutive years commencing from the date on which his present term as an Independent Director expire.

Mr. Sushilkumar Agrawal is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given her consent to act as a Director.

The Company has received declaration from him confirming that he meets the criteria of independence as prescribed under sub-section 6 of Section149 of the Act. In the opinion of the Board, he fulfills the conditions for re-appointment as Independent Director and is independent of the management.

The brief profile of Mr. Sushilkumar Agrawal is as under:

Mr. Sushilkumar Agrawal, 71 years, Mr. Sushilkumar Agrawal holds a bachelor's degree in commerce from University of Mumbai and is Chartered Accountant and a member of the Institute of Chartered Accountants of India. He is a Senior Partner with N.D.KAPUR & CO., Chartered Accountants with an experience of more than 45 years. His strengths are in audit, compliance, financial consultancy and taxation. He is Director on the board of Pranavaditya Spinning Mills Limited, Margo Finance Limited, Reliance Home Finance Limited, Azalia Broadcast Private Limited, Reliance Broadcast Network Limited, Reliance Financial Advisory Services Pvt. Limited, Reliance Wealth Management Limited, Reliance Commercial Finance Limited, Quant Capital Private Limited, Reliance Home Finance Limited and Reliance Broadcast News Private Limited. He is Chairman of Audit Committee and Corporate Social Responsibility Committee of the Company & member of Nomination & Remuneration Committee & Stakeholder's Relationship Committee of the Company. He is a Chairman of Stakeholder Relationship Committee & Audit Committee & member of Nomination & Remuneration Committee of Pranavaditya Spinning Mills Limited. He is a Chairman of Audit Committee, Nomination & Remuneration Committee & Corporate Social Responsibility Committee of Quant Capital Private Limited. He is member of Audit Committee & Nomination & Remuneration Committee of Reliance Financial Advisory Services Private Ltd. He is member of Audit Committee, Stakeholders Relationship Committee, Nomination & Remuneration Committee & Share Transfer Committee of Margo Finance Limited. He is a member of Audit Committee, Nomination & Remuneration Committee & Corporate Social Responsibility Committee of Reliance Broadcast Network Limited. He is a Chairman of Audit Committee & member of Nomination & Remuneration Committee, Risk Management Committee & CSR Committee of Reliance Commercial Finance Limited. Further, He is also member of Audit Committee and Risk Management Committee of Reliance Home Finance Limited.

He does not hold any share in the Company as on March 2020 and does not have any relationship with other Directors and Key Managerial Personnel of the Company. Mr. Sushilkumar Agrawal attended four meetings out of four board meetings held during the financial year 2019-20.

He shall be paid remuneration by way of fee for attending meetings of the Board or Committees thereof.

The Company has also received notice from a Member under Section 160 of the Act proposing his re-appointment as Director.

Approval of Members is accordingly sought for re-appointment of Mr. Sushilkumar Agrawal as an Independent Director as set out in the resolution at Item No. 4 of the accompanying Notice.

The terms and conditions of appointment of the above Director shall be available on website of the Company.

Mr. Sushilkumar Agrawal is interested in the resolution set out at Item No. 4 of the Notice. The relatives of Mr. Sushilkumar Agrawal may be deemed to be interested in the resolution set out at Item No. 4 of the Notice, to the extent of their equity shareholding interest, if any, in the Company.

Save and except the above, none of the other Directors, Key Managerial Personnel and their relatives are concerned or interested, financially or otherwise, in this resolution.

The Board accordingly recommends the Special Resolution as set out in Item No. 4 of the accompanying Notice for the approval of the Members.

Item No. 5 Appointment of Mr. Sunil Wadikar as a Whole-time Director

Mr. Sunil Wadikar was appointed as an Additional Director of the Company with effect from June 30, 2020 in accordance with the provisions of Section 161 of the Companies Act, 2013 (the "Act"). Pursuant to Section 161 of the Act, Mr. Sunil Wadikar holds office upto the date of the ensuing Annual General Meeting.

As required under Section 160 of the Act, the Company has received a notice from a member proposing the candidature of Mr. Sunil Wadikar for his office of Director of the Company.

Mr. Sunil Wadikar is not disqualified from being appointed as Director in terms of Section 164 of the Act and has given his consent to act as Director.

The Nomination and Remuneration Committee and the Board of Directors of the Company at their meeting held on June 30, 2020, have subject to the approval of the Members in the general meeting and the Central Government, if required, appointed Mr. Sunil Wadikar as a Whole-time Director of the Company, liable to retire by rotation, for a period of 3 (three) years commencing from June 30, 2020 on the terms and conditions including remuneration as shall be decided by the Board from time to time.

Mr. Sunil Wadikar aged 42 years, a Chartered Accountant by profession and a member of the Institute of Chartered Accountants of India. He is associated with Reliance Group of Companies since 2014. During his tenure, he has headed Finance Department of Big Magic Limited. He has over 16 years of experience in the field of Finance, and has managed wide range of roles pertaining to managing financial operations, establishing financial and accounting controls, M&A, corporate planning and strategies.

The terms of appointment including remuneration payable to Mr. Sunil Wadikar as Whole-time Director of the Company during the tenure of his appointment will comprise salary, allowance and other perquisites, the aggregate monetary value of such salary, allowances and perquisites being limited to ₹ 45.17 lakhs per annum.

Statement pursuant to Section 102(1) of the Companies Act, 2013 to the accompanying Notice dated August 14, 2020.

Mr. Sunil Wadikar fulfils the conditions for eligibility contained in Part I of Schedule V of the Act.

He is also director on the Board of Reliance Home Finance Limited, Edrishti Movies Private Limited, Reliance Net Limited, Reliance Mediaworks Theatres Limited, Reliance Mediaworks Financial Services Private Limited, Reliance Digitech Limited, Reliance Business Broadcast News Holding Limited. He is a member of Audit Committee, Nomination & Remuneration Committee, and Corporate Social Responsibility Committee & Stakeholder's Relationship Committee of the Company. He is also a member of Audit Committee of Reliance Digitech Limited and Reliance Home Finance Limited and a member of Stakeholders Relationship Committee of Reliance Home Finance Limited.

Mr. Sunil Wadikar fulfils the conditions for eligibility contained in Part I of Schedule V of the Act and sub-section (3) of Section 196 of the Act for being eligible for his appointment.

The Board or any committee thereof, subject to requisite approval(s), if necessary, is entitled and authorized to revise at any time, the salary, allowances and prerequisites payable to the Whole-time Director of the Company on such that the overall remuneration payable to the Whole-time Director of the Company shall not exceed the limits specified above.

Approval of the members is accordingly sought for the appointment of Mr. Sunil Wadikar as a Director liable to retire by rotation and Whole-time Director of the Company for a period of 3 (three) years, as set out in the Item No. 5 of the accompanying Notice.

The terms and conditions of appointment of Mr. Sunil Wadikar shall be open for inspection by the Members at the Registered Office of the Company during normal business hours on any working day, excluding Saturday, between 11.00 A.M. to 1.00 P.M. up to the date of Meeting.

The terms and conditions mentioned herein may also be treated as an abstract under section 190 of the Act.

The material terms of appointment and remuneration are given below:

Disclosure as required under Schedule V to the Companies Act, 2013 is given hereunder:

I. General Information:

1.	Nature of Industry	Film & Media Services & Exhibition
2.	Date or expected date of commencement of commercial production	Not Applicable
3.	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not Applicable

4. Financial Performance:

(₹ in lakhs)

Particulars	For the year ended March 31, 2020	For the eighteen month period ended March 31, 2019
Total Income	**725.07**	8,988.92
Profit / (Loss) before Tax	**(14,746.89)**	(13,876..64)
Tax expenses	**-**	-
Profit / (Loss) after Tax	**(14,746.89)**	(13,876..64)
Add: Balance brought forward from previous year	**(3,30,153.41)**	(3,16,276.77)
Balance carried to Balance sheet	**(3,44,900.31)**	(3,30,153.41)

5. **Foreign Investments or collaborations, if any:** There is no new foreign investment in the Company except to the extent shares already held by Non Resident Indians acquired through secondary market. There is no foreign collaboration in the Company.

II. Information about the appointee:

Background details: Mr. Sunil Wadikar is Whole-time Director of the Company. He has been associated with Reliance Group since 2014. He holds a bachelor's degree in commerce from University of Mumbai. He is also a Chartered Accountant and a member of the Institute of Chartered Accountants of India. During his tenure, he has headed Finance Department of Big Magic Limited. He has over 16 years of experience in the field of Finance, and has managed wide range of roles pertaining to managing financial operations, establishing financial and accounting controls, M&A, corporate planning and strategies.

Past Remuneration: ₹ 43,01,646 per annum

Recognition or awards: Nil

Job profile and his suitability: He was the Head of finance for Business Television India – BTVI, English Business News Television Channel. He has been with Reliance Group of Companies since 2014. During his tenure, he headed Finance Department of Big Magic Limited. He has over 16 years of experience in the field of Finance, and has managed wide range of roles pertaining to managing financial operations, establishing financial and accounting controls, M&A, corporate planning and strategies. He is highly experienced professional, based on the current scenario he is best suited for the post of Whole-time Director. Hence, the Board of Directors considers that the remuneration proposed to him is justified.

Remuneration proposed: The remuneration payable to and the terms of appointment of Mr. Sunil Wadikar as a Whole-time Director of the Company during the tenure of his appointment will comprise salary, allowances and other perquisites, the aggregate monetary value of such salary, allowances and perquisites being limited to ₹ 45,17,000 per annum.

Statement pursuant to Section 102(1) of the Companies Act, 2013 to the accompanying Notice dated August 14, 2020.

In the event of loss or inadequacy of profits in any financial year during the currency of the tenure of Mr. Sunil Wadikar as a Whole-time Director of the Company, the remuneration and perquisite to be paid shall not exceed the amount as may be approved by the Board from time to time subject to the provisions of Schedule V to the Act, as amended.

Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin): The remuneration proposed to Mr. Sunil Wadikar is comparable with persons holding similar position in the industry. The proposed remuneration is commensurate to the size and extent of operation of the Company.

Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any: Apart from receiving remuneration, he does not have any other pecuniary relationship with the Company.

III. Other Information:

1. **Reason of loss or inadequate profits:** The Company has made loss during financial year 2017-18, 2018-19 & 2019-20.
2. **Steps taken or proposed to be taken for improvement-** The Management has taken necessary steps to improve the profitability of the Company
3. **Expected increase in productivity and profits in measurable terms:** Not Applicable:

IV Disclosures:

(i) All elements of remuneration package such as salary, benefits, bonuses, stock options, pension etc., of all the Directors – Other than Mr. Sunil Wadikar all other directors are non-executive directors and are entitled to receive sitting fees for attending the Board/ Committee meetings.

(ii) Details of fixed component and performance linked incentive along with the performance criteria – Mr. Sunil Wadikar is entitled for performance linked incentive as per the policy of the Company.

(iii) Services, contracts, notice period, severance fees. – The office of the Executive Director may be terminated by the Company or the concerned Director by giving the other 3 (three) months' prior notice in writing.

(iv) Stock option details – None

Mr. Sunil Wadikar does not by himself or for any other person on beneficial basis, hold any share in the Company. He does not hold any relationship with other Directors and Key Managerial Personnel of the Company

Mr. Sunil Wadikar is interested in the resolution set out at Item No. 5 of the Notice in regard to his appointment.

Save and except, Mr. Sunil Wadikar and his relatives, none of the other Directors, Key Managerial Personnel and their relatives is concerned or interested, financially or otherwise, in this resolution.

The Board accordingly recommends the Ordinary Resolution set out at Item No. 5 of the accompanying Notice for the approval of the Members.

By Order of the Board of Directors

Mangala Savla
Company Secretary

Registered Office:
Communication Centre
Film City Complex
Goregaon (East)
Mumbai 400 065
CIN : U29299MH1987PLC045446
Website: www.reliancemediaworks.com

August 14, 2020

Directors' Report

Dear Shareowners,

Your Directors present the 33rd Annual Report and the audited financial statement for the financial year ended March 31, 2020.

Financial Results and State of Company's Affairs

The standalone performance of the Company for the financial year ended March 31, 2020 is summarised below:

(₹ in lakhs)

Particulars	**Financial Year ended March 31, 2020**	Financial Year ended March 31, 2019
Total revenue	**725.07**	8,988.92
Profit / (Loss) before tax	**(14,746.89)**	(13,876..64)
Tax expense	**-**	-
Profit / (Loss) after tax	**(14,746.89)**	(13,876..64)
Add: Balance brought forward from previous year	**(3,30,153.41)**	(3,16,276.77)
Balance carried to Balance sheet	**(3,44,900.31)**	(3,30,153.41)

Dividend

During the year under review, the Board of Directors has not recommended dividend on the equity shares of the Company.

Overview and state of the Company's affairs

Business Operations

During the F.Y. 2019-20, Big Synergy successfully produced Savdhan India for star bharat, Crime Alert for Dangal, Family tandoncies for Netflix, Summer Singh diaries and Teachers for VUclip, Aamekatha for Star Maa, Heer Ranja and Kamli Isqu di for Zee Punjabi.

For the F.Y 2020-21 Big Synergy has been getting ready for an increased diversified demand for quality TV and digital content. Some of the committed projects for the year are Black widow for Zee5, Crime Alert for Dangal, Amekatha in Marathi language for Star, A comedy show for Zee Punjabi, Teachers-2 for publicis, Pankhi for Hoichoi.

Deposits

The Company has neither accepted nor renewed any fixed deposits during the year. There are no unclaimed deposits, unclaimed/ unpaid interest, refunds due to the deposit holders or to be deposited to the Investor Education and Protection Fund as on March 31, 2020.

Particulars of Loans, Guarantees or Investments

Particulars of loans given, investments made, guarantees given and securities provided are provided in the Standalone Financial Statement Note No. 4, 5, 6 and 31.

Subsidiaries, Joint Ventures and Associate Companies

During the year under review, no Company became or ceased to be subsidiary, joint venture or associate of the Company.

The summary of the performance and financial position of the subsidiary and associate companies and joint ventures are presented in Form AOC-1. Also, a report on the performance and financial position of each of the subsidiary, associate company and joint venture as per Companies Act, 2013 ("the Act") is provided in the consolidated financial statement.

Standalone and Consolidated Financial Statement

The Audited Financial Statement of the Company drawn up, both on standalone and consolidated basis, for the financial year ended March 31, 2020, are in accordance with the requirements of the Companies (Indian Accounting Standards) Rules, 2015, as amended 'Ind AS Rules' prescribed under Section 133 of the Companies Act, 2013 read with the relevant rules and other accounting principles. The Consolidated Financial Statement have been prepared in accordance with Ind AS and relevant provisions of the Act based on the financial statement received from subsidiary and associate companies, as approved by their respective Board of Directors.

Directors

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of Independence as prescribed under the Act.

The term of office of Mr. Sushilkumar Agrawal as an Independent Director will expire on August 21, 2020. The Board of Directors, based on the performance evaluation and as per the recommendations of Nomination and Remuneration Committee and the Board of Directors has recommended re-appointment of Mr. Sushilkumar Agrawal, as an Independent Director of the Company for a second term of 5 (five) consecutive years on the expiry of his current term of office. The Board considers that, given his background, experience and contributions made by him during his tenure, the continued association of Mr. Sushilkumar Agrawal would be beneficial to the Company.

During the year under review, the Company appointed Mrs. Sangeeta Sharma as an Independent Director of the Company for a term of 5 (five) consecutive years commencing from January 14, 2020. The Company also appointed Mr. Sunil Wadikar as an Additional Director with effect from June 30, 2020 to hold office as Director up to the date of ensuing Annual General Meeting of the Company. The Company has received notices under Section 160 of the Act from a member proposing their candidature for the office of Directors of the Company.

A brief profile of Mrs. Sangeeta Sharma & Mr. Sunil Wadikar, alongwith the requisite details is given in the Notice of this Annual report.

During the year under review Mr. Parag Ved, Ms. Maya Nair, & Mr. Satish Kadakia ceased to be Directors with effect from July 24, 2019, October 16, 2019, & July 1, 2020 respectively. The Board places on record its deep sense of appreciation for the valuable contribution made by them during their tenure as Directors of the Company.

In the opinion of the Board, the Independent Directors possess the requisite expertise and experience and are the persons of high integrity and repute. They fulfil the conditions specified in the Companies Act, 2013 and the Rules made thereunder and are independent of the management.

Key Managerial Personnel

During the year, Mr. Basant Varma was appointed as Chief Financial Officer (CFO) & Manager of the Company with effect from June 30, 2020. Mr. Sunil Wadikar appointed as a Whole-time Director of the Company with effect from June 30, 2020. Further Mr. Satish Kadakia resigned as a Whole-time Director & CFO of the Company with effect from July 1, 2020.

Evaluation of Directors, Board and Committees

The Nomination and Remuneration Committee (NRC) of the Company has devised a policy for performance evaluation of the individual Directors, Board and its Committee, which includes criteria for performance evaluation.

Pursuant to the provisions of the Act and the Rules made thereunder, the Board has carried out an annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of the Committees of the Board. The Board performance was evaluated based on inputs received from all the Directors after considering criteria such as Board composition and structure, effectiveness of Board / Committee processes, and information provided to the Board, etc. A separate meeting of the Independent Directors was also held during the financial year for the evaluation of the performance of non-independent Directors, performance of the Board as a whole and that of the Chairman of the Board.

The performance of the committees was evaluated by the Board of Directors based on inputs received from all the committee members after considering criteria such as composition and structure of committees, effectiveness of committee meetings, etc.

The Nomination and Remuneration Committee has also reviewed the performance of the individual Directors based on their knowledge, level of preparation and effective participation in meetings, understanding of their roles as directors, etc.

Policy on appointment and remuneration for Directors, Key Managerial Personnel and Senior Management Employees

The Nomination and Remuneration Committee of the Board has devised a policy for selection and appointment of Directors, Key Managerial Personnel and Senior Management Employees and their Remuneration. The Committee has formulated the criteria for determining qualifications, positive attributes and independence of a Director. The policy on the above is attached as Annexure - A.

Directors' Responsibility Statement

Pursuant to the requirements under Section 134(5) of the Act with respect to Directors' Responsibility Statement, it is hereby confirmed that:

i. In the preparation of the annual financial statement for the financial year ended March 31, 2020, the applicable Accounting Standards had been followed along with proper explanation relating to material departures, if any;

ii. The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2020 and of the loss of the Company for the year ended on that date;

iii. The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

iv. The Directors had prepared the annual financial statement for the financial year ended March 31, 2020 on a 'going concern' basis;

v. The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively; and

vi. The Directors had laid down proper internal financial controls to be followed by the Company and such financial controls are adequate and are operating effectively, the Company is taking constant steps to further strengthen the same.

Contracts and Arrangements with Related Parties

All contracts / arrangements / transactions entered into / by the Company during the financial year under review with related parties were on an arm's length basis and in the ordinary course of business. There were no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons, which may have a potential conflict with the interest of the Company at large.

None of the Directors has any pecuniary relationship or transactions vis-à-vis the Company. Your Directors draw attention of the members to the Notes to Accounts which set outs related party disclosures.

Material changes and commitments, if any, affecting the financial position of the Company

There were no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year and the date of this Report.

Meetings of the Board

During the year, four Board Meetings were held.

Audit Committee

The Audit Committee of the Board consists of Independent Directors namely Mr. Sushilkumar Agrawal as Chairman and Mrs. Sangeeta Sharma, Non-Executive Director, Mr. Sunil Wadikar as Members. During the year, all the recommendations made by the Audit Committee were accepted by the Board. In accordance with Section 177 of the Act, Vigil Mechanism is not applicable to the Company

Auditors and Auditor's Report

M/s. M. S. Sethi & Associates, Chartered Accountants, were appointed as Auditors of the Company for a term of 5 (five) consecutive years, at the Annual General Meeting of the Company held on December 22, 2017.

The Company has received letter from M/s. M.S. Sethi & Associates, Chartered Accountants that they are not disqualified from continuing as Auditors of the Company. The Notes on Financial Statement referred to in the Auditor's Report are self –explanatory and do not call for any further comments.

The observations and comments given by the Auditors in their report read together with notes on financial statements are self-explanatory and hence do not call for any further comments under Section 134 of the Act.

Secretarial Audit

Pursuant to the provisions of Section 204 of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors had appointed M/s. Bhatt & Associates Company Secretaries LLP, to undertake the Secretarial Audit of the Company. The Audit Report of the Secretarial Auditor is attached as Annexure-B. The Board noted the observations made by the Secretarial Auditor and is taking constant steps to strengthen the processes to avoid recurrence of the same.

Secretarial Standards

During the year under review, the Company has complied with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

Maintenance of Cost Records

The Central Government has not specified maintenance of cost records, for any of the products of the Company, under Section 148(1) of the Act.

Annual Return

As required under Section 134(3)(a)of the Act, the Annual Return for the financial year 2018-19 & 2019-20 is put up on the Company's website and can be accessed at https://www.reliancemediaworks.com/Annual-Reports.aspx.

Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

The Company is a media entertainment Company and does not involve in any manufacturing activity, most of the information as required under Section 134(3)(m) of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014 are not applicable. However, the information as applicable has been given in Annexure - C forming part of this Report.

Risk Management

The Company has laid down a Risk Management Policy, defining Risk profiles involving, and Operational, Financial, Organisational, Legal and Regulatory risks within a well-defined framework. The Risk Management Policy acts as an enabler of growth for the Company by helping its businesses to identify the inherent risks, asses, evaluate and monitor these risks continuously and undertake effective steps to manage these risks.

Compliance with provisions of Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company is committed to uphold and maintain the dignity of women employees. Company doesn't have more than 10 employees at any workplace, still Company has such policy which provides for protection against sexual harassment of women at work place and for prevention and redressal of such complaints.

Corporate Social Responsibility

The Company has constituted Corporate Social Responsibility (CSR) Committee in compliance with the provisions of Section 135 of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014.The CSR Committee has formulated a Corporate Social Responsibility Policy (CSR Policy) indicating the activities to be undertaken by the Company.

The CSR Policy may be accessed on the Company's website at the link: http://www.reliancemediaworks.com /pdf / Group_CSR_Policy_Document.pdf.

The CSR Committee consists of Mr. Sushilkumar Agrawal as Chairman, Mr. Sunil Wadikar, and Mrs. Sangeeta Sharma as Members. The disclosures with respect to CSR activities is given in Annexure-D.

Significant and material orders, if any, passed by Regulators or Courts or Tribunals

No orders have been passed by the regulators or courts or tribunals impacting the going concern status and the Company's operations.

Internal Financial Controls and their adequacy

The Company has in place adequate internal financial controls across the organization. The same is subject to review periodically by the internal audit cell for its effectiveness. During the year, such controls were tested and no reportable material weaknesses in the design or operation were observed.

Acknowledgements

Your Directors would like to express their sincere appreciation for the co-operation and assistance received from shareholders, debenture holders, debenture trustee, bankers, financial institutions, regulatory bodies and other business constituents during the year under review. Your Directors also wish to place on record their deep sense of appreciation for the commitment displayed by all executives, officers and staff during the year.

For and on behalf of the Board of Directors

Sushilkumar Agrawal	**Sunil Wadikar**
Director	**Director**

Mumbai
August 14, 2020

Annexure - A

1. Policy on appointment and remuneration for Directors, Key Managerial Personnel and Senior Management Employees

1.1 Reliance MediaWorks Limited considers human resources as its invaluable assets. This policy aims to harmonise the aspirations of the directors / employees with the goals of the Company.

1.2 Human capital is a strategic source of value creation. As part of our progressive HR philosophy, it is necessary to have in place a comprehensive Compensation Policy, which is in line with the industry trend and is employee friendly.

2. Objectives

2.1 Ensuring that the quantum and composition of remuneration is reasonable and sufficient to attract, retain and motivate employees to run the Company successfully.

2.2 Ensuring that relationship of remuneration to performance is clear and meets the performance benchmarks.

2.3 Ensure that annual compensation review considers industry / business outlook and strategies adopted by industry peers, differentiates employees based on their performance / skill sets and also protects employees, particularly those in junior cadre, against inflationary pressures.

2.4 Retention of high performers at all levels and those playing critical roles.

3. Scope

The Board has constituted the "Nomination and Remuneration Committee" in line with the requirements under the provisions of the Companies Act, 2013. This Policy sets out the broad guiding principles for the Committee for recommending to the Board the appointment and remuneration of the directors, key managerial personnel, and senior managerial personnel of the Company.

4. Definitions

4.1 "Director" means a director appointed to the Board of the Company.

4.2 "Key Managerial Personnel" means

(i) the Chief Executive Officer or the Managing Director or the Manager;

(ii) the Company Secretary;

(iii) the Whole-time Director;

(iv) the Chief Financial Officer; and

(v) such other officer as may be prescribed under the Companies Act, 2013.

4.3 ''Senior Management'' means personnel of the company who are members of its core management team excluding Board of Directors comprising of all members of management one level below the executive directors, if any.

5. Policy

5.1 **Appointment of Directors / Key Managerial / Senior Management personnel**

The Nomination and Remuneration Committee, inter-alia, considers qualifications, positive attributes, areas of expertise and number of Directorships and Memberships held in various committees of other companies by such persons for selection. The Board considers the recommendation of the Committee's and takes appropriate decisions. The Company also considers the requirement of skills and effectiveness of persons contributing to the Company's business and policy decisions.

5.2 **Remuneration to Directors / Key Managerial Personnel**

5.2.1 The remuneration of the Directors / Managing Directors / Whole-time Directors and Managers etc. will be governed as per provisions contained in the Companies Act, 2013 and rules made therein from time to time.

5.2.2 Non-Executive Directors shall be entitled to sitting fees for attending the meetings of the Board and the Committees thereof as approved by the Board of Directors from time to time. The Non-Executive Directors shall also be entitled to profit related Commission, if approved by the Board, in addition to the sitting fees.

5.2.3 The Board, on the recommendation of the Nomination and Remuneration Committee, shall review and approve the remuneration payable to the Directors / Key Managerial Personnel / Senior Management Personnel of the Company within the overall limits, if any, approved by the shareholders.

5.2.4 The remuneration structure shall include the following components:

(i) Basic Pay

(ii) Perquisites and Allowances

(iii) Stock Options, if any.

(iv) Commission (Applicable in case of Executive Directors / Directors)

(v) Retiral Benefits

(vi) Performance Linked Incentives

5.2.5 The Annual Plan, Objectives, financial results of the Company shall be reviewed by the Nomination and Remuneration Committee and performance incentives, increment, revision in remuneration etc. will be proposed based on the achievements.

5.3 **Remuneration to other employees**

Employees shall be assigned grades / bands according to their qualifications and work experience, competencies as well as their roles and responsibilities in the organization. Individual remuneration shall be determined within the appropriate grade / bands and shall be based on various factors such as job profile, skill sets, seniority, experience, performance and prevailing remuneration levels for equivalent jobs.

6. Retention Features as part of Compensation Package

Based on the organizational need for retaining performing employees and those in critical roles, certain retention features may be rolled out as part of the overall compensation package. These may take form of Retention Bonuses (RBs), Special Monetary Programs (SMPs), Long-term Incentives (LTIs), Employee Stock Options, etc.

7. Modification and Amendment

The policy is subject to modification, amendment and alterations by the management at any time without assigning any reasons.

Annexure - B

Form No. MR-3
Secretarial Audit Report
for the financial year ended 31st March, 2020

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To
The Members,
Reliance MediaWorks Limited
Communication Centre,
Film City Complex
Goregaon (East)
Mumbai 400065

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate governance practice by **Reliance MediaWorks Limited** (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minutes 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, We hereby report that in our opinion, the Company has, during audit period covering the financial year ended 31st March, 2020, complied with the statutory provisions listed hereunder and also that the Company has followed proper Board processes and have required 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, 2020, according to the provisions of: The Companies Act, 2013 (the Act) and the rules made there under;

ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder – Not Applicable;

iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder – Not Applicable;

iv. The Annual performance report and Annual return on Foreign Liabilities and Assets under Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment is yet to be filed; and External Commercial Borrowings – Not Applicable;

v. The following regulations and guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') were not applicable to the Company during the financial year under report:-

   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 (Issue of Capital and Disclosure Requirements) Regulations, 2018;

   d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;

   e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

   f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993, regarding the Companies Act and dealing with client;

   g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;

   h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

On account of pandemic "COVID 2019" and nationwide lockdown imposed by governments, the audit process has been modified, wherein certain documents /records etc were verified in electronic mode, and have relied on the representations received from the Company for its accuracy and authenticity.

We have also examined compliances with applicable clauses of:

I. The Secretarial Standards issued by the Institute of the Company Secretaries of India;

II. The Listing Agreements entered into by the Company with Stock Exchange(s) – Not Applicable.

Directors' Report

During the financial year under report, the Company has complied with the provisions of the Act, rules, regulations, guidelines, standards, etc., except:

1. Disclosure of name of Reliance Mediaworks (Netherlands) B.V., subsidiary Company in Form AOC-1 and whose accounts were not consolidated;
2. Signing of Form MGT-7 under Section 92(2) of the Act;
3. Disclosure under Section 102(1)(a) and Clause 1.2.5 of Secretarial Standards – 2 pertaining to the resolution passed for appointment of Director at the 32nd Annual General Meeting;
4. Due to resignation of a director on October 16, 2019, the total number of Directors on the Board were reduced to 2 and a new director was appointed on January 14, 2020, hence after the aforesaid period, the constitution of the Board and its Committees was in accordance with the requirement of law;
5. One of the Independent Director resigned on July 24, 2019, and the Board appointed another Independent Director on January 14, 2020 after prescribed time limit;
6. The board meeting dated July 30, 2019 was held after the expiry of 120 days due to non-availability of directors;
7. Compliance of Section 168(2) pertaining to date of resignation of a Director.

The company is in process of filing Form BEN-2 with the Registrar of Companies.

We further report that:

Except as stated above, the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors and 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.

Adequate notice is given to all directors to schedule the Board Meeting, agenda and detailed notes on agenda were sent atleast 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.

The decisions at Board Meetings and Committee Meetings are carried out and recorded in the minutes of the Board of Directors and Committee of the Board accordingly.

We have relied on the representation made by the Company and its Officers for adequate systems and processes in the Company commensurate with its size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines. We were confirmed that except the laws as stated in this report, no other laws were required to be audited for the financial year 2019-20.

We further report that during the audit period, the Company has undertaken event / action having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above viz.

a. Approval of Board and Members for issuance of Non-Convertible Debentures and/ or debt securities for refinancing of existing debt;
b. Appointment and Resignation of Directors;
c. Reconstitutions of various committees.

For **Bhatt & Associates Company Secretaries LLP**

Dhara Dalal
Partner
ACS No.: 36723; COP No.:18246
UDIN :A036723B000582224

Place: Mumbai
Date: August 14, 2020

Annexure – C

Particulars of Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo required under the Companies (Accounts) Rules, 2014

(a)	**Conservation of Energy:**		
	The steps taken or impact on conservation of energy The steps taken by the Company for utilizing alternate sources of energy The capital investment on energy conservation equipment	:	The Company requires energy for its operations and is making all efforts to conserve energy by monitoring energy costs and periodically reviews of the consumption of energy. It also takes appropriate steps to reduce the consumption through efficiency in usage and timely maintenance / installation / up gradation of energy saving devices.
(b)	**Technology Absorption, Adoption and Innovation:**		
	(i) The efforts made towards technology absorption: (ii) The benefits derived like product improvement, cost reduction, product development or import substitution (iii) In case of imported technology (imported during the last three years reckoned from the beginning of financial year) (a) The details of technology imported (b) The year of import (c) Whether technology been fully absorbed? (d) If not fully absorbed, areas where absorption has not taken place, and the reasons thereof.	:	The Company uses latest technology and equipment into the business. Further the Company is not engaged in any manufacturing activities.
	(e) The expenditure incurred on Research and development	:	The Company has not spent any amount towards research and developmental activities and has been active in harnessing and tapping the latest and the best technology in the industry.
(c)	**Total foreign exchange earnings and outgo:**		
	(a) Total Foreign Exchange earnings	:	Nil
	(b) Total Foreign Exchange outgo	:	Nil

Annexure - D

Annual Report on Corporate Social Responsibility (CSR) activities for the financial year 2019-20

1. **A brief outline of the Company's CSR policy, including overview of projects on programmes proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programmes:**

   The Company has a robust CSR Policy at group level. As per the said policy, all our efforts are focused towards two goals: building a great enterprise for the stakeholders and a great future for our country.

   Our approach is to interweave social responsibility into the Company's mainstream business functions through translating commitments into policies, which not only drive all employees but influence and mobilize stakeholders, especially partners and supplies, to embrace responsible business practices in their respective spheres of along with our commitment to preserve natural resources and augment the growth and development to employees and families, the communities we operate in, supplies / vendors and our investors. Through the social policy manual, the Company seeks to engage with all the stakeholders, using it as a reference or guideline for all stakeholders and practitioners. Our CSR policy is placed on our website at the http://www.reliancemediaworks.com/pdf/Group_CSR_Policy_Document.pdf.

2. **Composition of CSR Committee:**

   Mr. Sushilkumar Agrawal, Chairman (Independent Director)

   Mr. Sunil Wadikar (Whole-time Director)

   Mrs. Sangeeta Sharma (Independent Director)

3. **Average net loss of the Company for the last three financial years:**

   Average Net Loss of ₹ 3,670.28 lakhs.

4. **Prescribed CSR Expenditure (two percent of the amount as in item 3 above):**

   Since the average net profit of the three immediately preceding financial years is negative, the company is not required to incur any expenditure on the CSR activities for the financial year 2019-20

5. **Details of CSR spent during the financial year:**

   a. Total amount spent for the financial year : NA

   b. Amount unspent, if any : NA

   c. Manner in which the amount spent during the financial year is detailed below:

1	2	3	4	5	6	7	8
Sr. No.	**CSR project or activity identified**	**Sector in which the Project is covered**	**Projects or programs (1) Local area or other (2) Specify the State and district where projects or programs was undertaken**	**Amount outlay (budget) project or programs wise**	**Amount spent on the projects or programs Sub – heads: (1) Direct expenditure on projects or programs (2) Overheads**	**Cumulative Expenditure upto the reporting period**	**Amount spent: Direct or through implementing agency***
Not Applicable							

6. **In case the company has failed to spend the two percent of the average net profit of the last three financial years or any part thereof, the Company shall provide the reasons for not spending the amount in its Board report.**

   N.A.

7. **A Responsibility Statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and policy of the Company.**

   The implementation and monitoring of CSR Policy is in compliance with CSR objectives and policy of the Company.

Sunil Wadikar
Whole-time Director

Sushikumar Agrawal
Chairman, CSR Committee

August 14, 2020

Independent Auditors' Report on the Standalone Financial Statement

To The Members of
Reliance MediaWorks Limited

Report on the Audit of the Standalone Financial Statements

Opinion

1. We have audited the accompanying Standalone financial statements of **Reliance MediaWorks Limited** ("the Company"), which comprise the Standalone Balance Sheet as at March 31, 2020, the Standalone Statement of Profit and Loss (including Other Comprehensive Income), the Standalone Statement of Changes in Equity and the Standalone Cash Flow Statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred as "the Standalone financial statements").

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, and its loss including other comprehensive income, the changes in equity and its cash flows for the year ended on that date.

3. Emphasis of Matter

The Company has not recognised interest expenses of ₹ 2,746.80 Lakh on borrowings for reasons stated in note 31. To that extent the loss of the Company is understated.

We draw attention to note 37 of the Standalone financial statements, regarding the management evaluation of COVID - 19 impact on the future performance of the Company.

Our opinion is not modified in respect of the above matters.

4. Basis for Opinion

We conducted our audit of the Standalone financial statements in accordance with the Standards on Auditing (SAs) as specified under section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules there under, 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.

Going Concern

5 We draw attention to Note 38 in the Standalone financial statements regarding accumulated loss exceeding Net Worth of the Company and the Company has prepared the Standalone financial statements on a going concern basis for the reasons stated therein.

Our opinion is not modified in this respect;

Management's Responsibility for the Standalone Financial Statements

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

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

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

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

7. Our objectives are to obtain reasonable assurance about whether the Standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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 Standalone 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 Standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls 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 ability of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

Materiality is the magnitude of misstatements in the Standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Standalone 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 Standalone 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.

Other Information

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

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

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

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

Report on Other Legal and Regulatory Requirements

9. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "**Annexure A**" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

10. As required by Section 143 (3) of the Act, we report that:

    a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

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

    c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive Income), the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;

    d) In our opinion, the aforesaid Standalone financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act;

    e) On the basis of the written representations received from the Directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a Director in terms of Section 164(2) of the Act;

    f) The going concern matter described in Going Concern clause above, In our opinion, may have effect on the functioning of the Company.

    g) 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**";

    h) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

       In our opinion and to the best of our information and according to the explanations given to us, the Company has paid managerial remuneration to directors during the year in accordance with the provisions of Section 197 read with Schedule V to the Act.

    i) 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 according to the explanations given to us:

       (i) There are pending litigations which may impact financial position of the Company as detailed in Note 31 of the Standalone financial statements.

       (ii) The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.

       (iii) There were no amounts which were required to be transferred to the Investor Education and protection fund by the Company during the year ended March 31, 2020.

For M. S. Sethi & Associates
Chartered Accountants
Firm Registration No. 109407W

Manoj Sethi
Proprietor
Membership No. 039784

Place : Mumbai
Date : August 14, 2020
UDIN: 20039784AAABCT8404

Annexure A to the Independent Auditors' Report on the Standalone Financial Statement

Referred to in our Report of even date on Accounts of **Reliance MediaWorks Limited** for year ended March 31, 2020

i) a) The Company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.

b) As explained to us, the fixed assets have been physically verified by the management during the year and no material discrepancies were noticed on such verification. In our opinion, the frequency of physical verification is reasonable having regard to the size of the Company and the nature of its assets.

c) The Company does not have any immovable property hence clause 3(i)(c) of the Order is not applicable.

ii) As explained to us, there is no inventory hence clause 3(ii) of the Order is not applicable.

iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, during the year to parties covered in the Register maintained under Section 189 of the Act.

iv) In our opinion and according to the information and explanations given to us, the Company has complied with provisions of section 185 and 186 of the Act, with respect to the loans and investments made.

v) According to information and explanations given to us, the Company has not accepted any deposits under the provisions of section 73 to 76 of the Act or any other relevant provisions of the Act and the rules framed there under.

vi) According to information and explanations given to us, maintenance of cost records has not been prescribed for the Company by the Central Government under sub section (1) of section 148 of the Companies Act, 2013.

vii) a) Based on our examination of the books and records, the Company has generally been regular in depositing with appropriate authority undisputed statutory dues including provident fund, income-tax, duty of customs, Goods and Service Tax, cess and other statutory dues, wherever applicable, during the year. Further no undisputed amounts payable in respect of provident fund, income tax, Goods and Service Tax, duty of customs, cess and other statutory dues were in arrears as at March 31, 2020 for a period of more than six months from the date they became payable except dues of ₹ 109.38 Lakhs of Income Tax deducted at source which is outstanding for more than six months.

b) As per the information and explanations given to us, there are disputed statutory dues pending to be deposited with the respective authorities by the Company as mentioned in the table attached herewith.

viii) The Company has not raised any funds from financial institutions or banks or by issue of debentures during the year under audit.

ix) The Company has not raised money by way of initial public offer or further public offer (including debt instruments) during the year.

x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

xi) In our opinion and according to the information and explanations given to us, the Company has paid/provided managerial remuneration in accordance with the provisions of section 197 read with schedule V to the Companies Act, 2013.

xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.

xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable Indian Accounting Standards.

xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.

xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.

xvi) According to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For M. S. Sethi & Associates
Chartered Accountants
Firm Registration No. 109407W

Manoj Sethi
Proprietor
Membership No. 039784

Place : Mumbai
Date : August 14, 2020

Annexure A to the Independent Auditors' Report on the Standalone Financial Statement

Table: Disputed statutory dues pending to be deposited with the respective authorities by the Company.

Name of the Statute	Nature of the Dues	Demand Amount (₹ in Lakhs)	Period to which the amount relates	Forum where dispute is pending
VAT, Madhya Pradesh	Duty and Penalty	2.78	2006-2007	Commercial Tax Officer, Madhya Pradesh
VAT, Madhya Pradesh	Duty and Penalty	7.04	2007-2008	Commercial Tax Officer, Madhya Pradesh
VAT, Madhya Pradesh	Duty and Penalty	5.30	2008-2009	Commercial Tax Officer, Madhya Pradesh
VAT, Ghaziabad	Duty and Penalty	75.29	2011-2012	Additional Commissioner Appeals (Ghaziabad)
VAT, Ghaziabad	Duty and Penalty	90	2012-2013	Additional Commissioner Appeals (Ghaziabad)
VAT, Ghaziabad	Duty and Penalty	204.45	2013-2014	Additional Commissioner Appeals (Ghaziabad)
VAT, Ghaziabad	Duty and Penalty	251.27	2014-2015	Appeal filing by the Company is in process
VAT, Ghaziabad	Duty and Penalty	55.54	2015-2016	Appeal filing by the Company is in process
VAT, West Bengal	Duty and Penalty	6.21	2008-2009	Commercial Tax Officer, West Bengal
VAT, Rajasthan Jaipur	Duty and Penalty	278.50	2010-2015	Deputy Commissioner, Jaipur
VAT, Kanpur	Duty and Penalty	6.48	2007-08	Additional Commissioner (Appeals), Kanpur
VAT, Maharashtra	Duty and Penalty	106.22	2012-2013	Deputy Commissioner of Commercial Tax , Maharashtra
Entertainment Tax	Entertainment Tax	139.30	2006-2011	Supreme Court
Entertainment Tax	Entertainment Tax	488.90	2006-2011	Hon'ble High Court, Madhya Pradesh
Entertainment Tax	Entertainment Tax	71.50	2007-2011	Divisional Commissioner, Pune
Chapter V of the Finance Act, 1994	Service Tax	7462.11	2009-10 to 2013-14	Central Excise and Service Tax Appellate Tribunal
Chapter V of the Finance Act, 1994	Service Tax	68.60	2006-2007	Central Excise and Service Tax Appellate Tribunal
Chapter V of the Finance Act, 1994	Service Tax	67.71	2008-2009	Central Excise and Service Tax Appellate Tribunal
Chapter V of the Finance Act, 1994	Service Tax	2404.06	2014-2015	Central Excise and Service Tax Appellate Tribunal

Annexure B to the Independent Auditors' Report on the Standalone Financial Statement

(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of **Reliance MediaWorks Limited** ("the Company") of even date)

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

We have audited the internal financial controls over financial reporting of **Reliance MediaWorks Limited** as of 31st March, 2020 in conjunction with our audit of Standalone the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

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 and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, 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 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.

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, 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 ICAI.

For M. S. Sethi & Associates
Chartered Accountants
Firm Registration No. 109407W

Manoj Sethi
Proprietor
Membership No. 039784

Place : Mumbai
Date : August 14, 2020

Standalone Balance Sheet as at March 31, 2020

(Currency : ₹ in lakhs)

Particulars	Note	As at March 31, 2020	As at March 31, 2019
ASSETS			
1 Non-current Assets			
(a) Property, plant and equipment	3	**-**	3.51
(b) Intangible assets			
(i) Others	3	**21.84**	-
(c) Financial assets			
(i) Investments	4	**15,121.00**	10,511.00
(ii) Loans	5	**171.78**	157.59
(iii) Other Financial Assets	6	**8.36**	9.34
(d) Deferred Tax Asset (net)	32	**-**	-
(e) Other non current assets	7	**568.71**	942.80
Total Non-current Assets		**15,891.69**	11,624.24
2 Current Assets			
(a) Financial assets			
(i) Investments	4	**-**	1,753.01
(ii) Trade receivables	8	**6.59**	6.00
(iii) Cash and cash equivalents	9	**61.57**	85.00
(iv) Bank balance other than cash and cash equivalents above	10	**1,163.93**	1,085.66
(v) Loans	5	**-**	4,610.00
(vi) Other financial assets	6	**38.05**	56.58
(b) Other non current assets	7	**1,238.98**	1,192.30
Total Current Assets		**2,509.12**	8,788.55
Total Assets		**18,400.81**	20,412.79
EQUITY AND LIABILITIES			
Equity			
(a) Share Capital	11	**9,660.44**	9,660.44
(b) Other Equity	12	**(217,563.56)**	(202,816.74)
Total Equity		**(207,903.12)**	(193,156.30)
Liabilities			
1 Non current Liabilities			
(a) Financial liabilities			
(i) Borrowings	13	**214,876.24**	201,978.24
(b) Provisions	14	**1.11**	0.78
Total Non-current liabilities		**214,877.35**	201,979.02
2 Current Liabilities			
(a) Financial liabilities			
(i) Borrowings	13	**1,100.00**	1,100.00
(ii) Trade payables	15	**1,665.19**	1,723.46
(iii) Other financial liabilities	16	**7,484.02**	7,578.14
(b) Provisions	14	**1.37**	1.49
(c) Other current liabilities	17	**1,176.00**	1,186.98
Total Current liabilities		**11,426.58**	11,590.07
Total Liabilities		**226,303.93**	213,569.09
Total Equity and Liabilities		**18,400.81**	20,412.79

The accompanying notes 1 to 41 form an integral part of the financial statements

As per our Report of even date

For **M.S. Sethi & Associates**
Chartered Accountants
Firm Registration No. 109407W

Manoj Sethi
Proprietor
Membership No.: 039784

Place : Mumbai
Date : August 14, 2020

For and on behalf of the Board of Directors

Sunil Wadikar
Whole-time Director
DIN: 07238445

Sushilkumar Agrawal
Director
DIN: 00400892

Mangala Savla
Company Secretary

Basant Varma
Manager and Chief Financial Officer

Place : Mumbai
Date : August 14, 2020

Standalone Statement of Profit and Loss for the year ended March 31, 2020

(Currency : ₹ in lakhs)

Particulars	Note	Year ended March 31, 2020	Year ended March 31, 2019
Income			
Revenue from operations	18	**0.50**	225.38
Other income	19	**724.57**	8,763.54
Total Income		**725.07**	8,988.92
Expenses			
Employee benefit expenses	20	**91.03**	74.19
Finance costs	21	**14,915.05**	19,236.12
Depreciation and amortization expenses	3	**10.07**	1.63
Other expenses	22	**455.81**	3,553.62
Total Expenses		**15,471.96**	22,865.56
Profit / (Loss) before tax		**(14,746.89)**	(13,876.64)
Tax Expense:			
Current Tax		**-**	-
Profit / (Loss) after tax - I		**(14,746.89)**	(13,876.64)
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
Remeasurements of the defined benefit plans		**(0.08)**	(0.86)
Total Other Comprehensive Income - II		**(0.08)**	(0.86)
Total Comprehensive Income for the year (I + II)		**(14,746.81)**	(13,875.78)
Earnings per equity share of face value ₹ 5 each fully paid-up			
Basic and Diluted (in ₹)	23	**(7.63)**	(7.18)

The accompanying notes 1 to 41 form an integral part of the financial statements

As per our Report of even date

For **M.S. Sethi & Associates**
Chartered Accountants
Firm Registration No. 109407W

Manoj Sethi
Proprietor
Membership No.: 039784

Place : Mumbai
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For and on behalf of the Board of Directors

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Mangala Savla
Company Secretary

Basant Varma
Manager and Chief Financial Officer

Place : Mumbai
Date : August 14, 2020

Standalone Cash flow Statement for the year ended March 31, 2020

(Currency : ₹ in lakhs)

	Particulars	Year ended March 31, 2020	Year ended March 31, 2019
A.	**Cash flow from operating activities**		
	Net Profit/ (Loss) before tax as per Statement of Profit and Loss	**(14,746.89)**	(13,876.64)
	Adjustment for:		
	Interest income	**(223.69)**	(107.85)
	Gain on sale of current investments	**(48.79)**	(152.51)
	Gain (Loss) form change in fair value	**-**	(5,478.43)
	Provision for doubtful debts / advances/ provision written back	**(311.18)**	(2,644.63)
	Depreciation / amortisation	**10.07**	1.63
	Finance costs (net)	**14,915.05**	19,236.12
	Bad Debts / Advances written-off	**299.19**	2,600.63
	Operating profit before working capital changes	**(106.23)**	(421.69)
	Adjustment for:		
	(Increase)/ Decrease in trade receivables	**(0.59)**	(2,535.10)
	(Increase) / Decrease in other receivables	**(82.47)**	(3,111.01)
	Increase / (Decrease) in trade and other payables	**(45.02)**	2,409.40
	Cash used in operating activities	**(234.31)**	(3,658.40)
	Taxes paid (net of refund)	**358.43**	489.80
	Net cash flow / (used in) Operating activities (A)	**124.12**	(3,168.60)
B.	**Cash flow from Investing activities**		
	Proceeds form sale of current investment (net)	**1,704.22**	(1,562.50)
	Proceeds form sale of assets held for disposal	**-**	20,000.00
	Interest received	**283.43**	62.70
	Net cash flow / (used in) investing activities (B)	**1,987.65**	18,500.20
C.	**Cash flow from financing activities**		
	Repayment of borrowings	**(2,012.00)**	(369.00)
	Finance cost paid	**(123.20)**	(14,924.20)
	Net cash flow / (used in) financing activities (C)	**(2,135.20)**	(15,293.20)
	Net increase / (decrease) in cash and cash equivalent (A+B+C)	**(23.43)**	38.40
	Cash and cash equivalents as at beginning of the year	**85.00**	46.60
	Cash and cash equivalents as at end of the year (Refer note 9)	**61.57**	85.00
	Notes:		
	Cash and cash equivalents at the year end comprises:		
	- Cash on hand	**0.23**	0.40
	- Balance with banks in Current accounts	**61.34**	84.60
		61.57	85.00

The above Statement of cash flow should be read in conjunction with accompanying notes 1 to 41

As per our Report of even date

For **M.S. Sethi & Associates**
Chartered Accountants
Firm Registration No. 109407W

Manoj Sethi
Proprietor
Membership No.: 039784

Place : Mumbai
Date : August 14, 2020

For and on behalf of the Board of Directors

Sunil Wadikar
Whole-time Director
DIN: 07238445

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Director
DIN: 00400892

Mangala Savla
Company Secretary

Basant Varma
Manager and Chief Financial Officer

Place : Mumbai
Date : August 14, 2020

Standalone Statement of Changes in Equity for the year ended March 31, 2020

(Currency : ₹ in lakhs)

A. Equity Share Capital

Particulars	Amount
Balance at April 1, 2018	**9,660.44**
Changes in during the year	-
Balance as at March 31, 2019	**9,660.44**
Additions during the year	-
Balance as at March 31, 2020	**9,660.44**

B. Other Equity (Refer Note 13)

Particulars	Reserve and Surplus						Total
	Capital reserve	Foreign currency translation reserve	General reserve	Securities premium reserve	Retained earnings	Other items of other comprehensive income	
Balance at April 1, 2018	21,826.69	6,271.92	1,195.02	98,037.21	(316,276.77)	4.97	(188,940.95)
Profit / (Loss) for the year	-	-	-	-	(13,876.64)	-	(13,876.64)
Other comprehensive income	-	-	-	-	-	0.86	0.86
Total	**-**	**-**	**-**	**-**	**(13,876.64)**	**0.86**	**(13,875.78)**
Balance at March 31, 2019	**21,826.69**	**6,271.92**	**1,195.02**	**98,037.21**	**(330,153.41)**	**5.83**	**(202,816.74)**
Profit / (Loss) for the year	-	-	-	-	(14,746.89)	-	(14,746.89)
Other comprehensive income	-	-	-	-	-	0.08	0.08
Total	**-**	**-**	**-**	**-**	**(14,746.89)**	**0.08**	**(14,746.81)**
Balance at March 31, 2020	**21,826.69**	**6,271.92**	**1,195.02**	**98,037.21**	**(344,900.31)**	**5.91**	**(217,563.56)**

As per our Report of even date

For **M.S. Sethi & Associates**
Chartered Accountants
Firm Registration No. 109407W

Manoj Sethi
Proprietor
Membership No.: 039784

Place : Mumbai
Date : August 14, 2020

For and on behalf of the Board of Directors

Sunil Wadikar
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Basant Varma
Manager and Chief Financial Officer

Place : Mumbai
Date : August 14, 2020

Notes annexed to and forming part of the Financial statements for the year ended March 31, 2020

1. Corporate Information

Reliance MediaWorks Limited ('Reliance MediaWorks' or 'the Company') was incorporated in 1987 as a Private Limited Company and is currently a Public Limited Company.

The equity shares of the Company were listed on BSE Limited and National Stock Exchange of India Limited till May 6, 2014. Reliance MediaWorks is primarily engaged in theatrical exhibition, film production services and film production and distribution and related services.

The Registered Office of the Company is located at Communication Centre, Film City Complex, Goregaon East, Mumbai - 400 065

2. Basis of Preparation and Significant Accounting Policies

2.1 Basis of Preparation and Presentation

a) Basis of preparation

The Financial Statements are prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended, prescribed under section 133 of the Companies Act, 2013 ("the Act").

The financial statements have been prepared on a going concern basis.

The Company uses accrual basis of accounting.

b) Historical cost convention

These financial statements have been prepared on a historical cost basis, except for certain financial assets and liabilities which are measured at fair value (refer accounting policy regarding financial instruments).

Company's financial statements are presented in Indian Rupees ₹ in lakh which is also its functional currency.

2.2 Summary of Significant Accounting Policies

a) Current and non-current classification

All assets and liabilities have been classified as current and non-current as per the Company's normal operating cycle and other criteria's set out in the Schedule III to the Companies Act, 2013. Based on the nature of business activities and its realisation in cash or cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of the classification of assets and liabilities into current and non-current.

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

b) Fair Value Measurement

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

- in the principal market for the asset or liability, or
- in the absence of a principal market, in the most advantageous market for the asset or liability"
    - Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
    - Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
    - Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

c) Property, Plant and Equipment (PPE)

i) An item of PPE is recognized as an asset if it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

ii) The cost of an item of property, plant and equipment is measured at :

- its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates.
- any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

- the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation which is to be incurred either when the item is acquired or as a consequence of having used the item during a particular period for purposes other than to produce inventories during that period.

iii) After initial recognition, PPE is carried at cost less accumulated depreciation/amortization and accumulated impairment losses, if any.

iv) An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit and Loss when the asset is derecognized.

e) Depreciation on Property, Plant & Equipment and Amortization of Intangible Assets

i) Tangible Fixed assets are stated at cost less accumulated depreciation. Cost includes freight, duties, taxes (other than those recoverable from tax authorities) and other incidental expenses related to the acquisition / construction and installation of the fixed assets for bringing the assets to its working condition for its intended use.

ii) Depreciation on fixed assets is provided pro-rata to the period of use, under Straight Line Method, at the rates prescribed in Schedule II to the Companies Act, 2013, except in the case of leasehold improvements wherein they are depreciated over the primary period of the lease or the useful life of assets whichever is lower.

iii) Intangible assets are depreciated @ 25% on Written Down Value method.

iv) Leasehold Improvements are amortised over the period of lease.

f) Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

The following specific recognition criteria must also be met before revenue is recognized:

i) Film production services

Revenue from processing / printing of cinematographic films is recognised upon completion of the related processing / printing.

Revenue from processing of digital content is recognised using the proportionate completion method. Use of the proportionate completion method requires the Company to estimate the efforts expended to date as a proportion of the total efforts to be expended. Efforts expended have been used to measure progress towards completion, as there is a direct relationship between efforts expended and contracted output.

Sale of traded goods is recognised when the risks and rewards of ownership are passed on to the customer, which generally coincides with the dispatch of goods.

Income from equipment / facility rental is recognised over the period of the relevant agreement / arrangement.

ii) Theatrical exhibition and related income

Sale of tickets - Revenue from theatrical exhibition is recognised on the date of the exhibition of the films and comprises proceeds from sale of tickets, gross of entertainment tax. As the Company is the primary obligor with respect to exhibition activities, the share of distributors in these proceeds is separately disclosed as distributors' share. Amount of entertainment tax is shown as a reduction from revenue

Sale of food and beverages - Revenue from sale of food and beverages is recognised upon sale and delivery at the counter.

Advertisement / sponsorship revenue - Revenue from advertisements, sponsorship and events is recognised on the date of the exhibition of the advertisement / event, over the period of the contract or on completion of the Company's obligations, as applicable.

iii) Film production, distribution and related income

Film production and related income - Revenue from sale of content / motion pictures is accounted for on the date of agreement to assign / sell the rights in the concerned motion picture / content or on the date of release of the content / motion picture, whichever is later.

Income from film distribution activity - In case of distribution rights of motion pictures / content, revenue is recognised on the date of release / exhibition. Revenue from other rights such as satellite rights, overseas rights, music rights, video rights, etc. is recognised on the date when the rights are made available to the assignee for exploitation. Revenue from sale of VCDs / DVDs, etc is recognised when the risks and rewards of ownership are passed on to the customer, which generally coincides with the dispatch of the products.

iv) Interest income / income from film financing

Interest income, including from film / content related production financing, is recognised on a time proportion basis at the rate implicit in the transaction.

v) Dividend income

Dividend income is recognised when the right to receive dividend is unconditional at the balance sheet date.

vi) Marketing rights

Amounts received in lieu of future marketing rights sale are recognised as income in the year of entering into the contract.

vii) Trading Income

Sales are recognised when significant risk and reward of ownership of goods have passed to the buyer which coincides with delivery and are recorded net of trade discounts, rebates and Value added tax.

g) Income Taxes

Income tax expense represents the sum of current and deferred tax. Tax is recognised in the Statement of Profit and Loss, except to the extent that it relates to items recognised directly in equity or other comprehensive income. In which case the tax is also recognised directly in equity or in other comprehensive income.

i) Current tax

Provision for current income-tax is recognised in accordance with the provisions of Indian Income-tax Act, 1961, and rules made thereunder, and recorded at the end of each reporting period based on the amount expected to be paid to the tax authorities in accordance with the taxation laws prevailing in the respective jurisdiction. Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set-off the recognised amounts and there is an intention to settle the assets and the liability on a net basis.

ii) Deferred tax

The deferred tax asset and deferred tax liability is calculated by applying the tax rate and tax laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax assets arising mainly on account of brought forward losses and unabsorbed depreciation under tax laws, are recognised only if there is a virtual certainty of their realisation, supported by convincing evidence, However such deferred tax assets are recognised to the extent there is adequate deferred tax liability reversing out in future periods. Deferred tax Assets on account of other timing differences are recognised, only to the extent there is a reasonable certainty of its realisation. At each Balance Sheet date, the carrying amount of deferred tax assets is reviewed to obtain reassurance as to realisation.

iii) Minimum Alternate Tax (MAT)

Minimum Alternate Tax (MAT) paid in a year is charged to the Statement of Profit and Loss as current tax. MAT Credit Entitlement is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period, which is the period for which MAT credit is allowed to be carried forward. Such assets is reviewed at each Balance Sheet date and the carrying amount of MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal income tax during the specified period.

h) Foreign Currency Transactions

Transactions in foreign currencies are recorded at the exchange rates prevailing on the date of the transaction. Monetary assets and liabilities in foreign currency, outstanding at the close of the year, are converted into Indian currency at the appropriate rates of exchange prevailing on the date of the Balance Sheet. The resultant gain or loss, except to the extent it relates to long term monetary items, is charged to the Statement of Profit and Loss. Such gain or loss relating to long term monetary items for financing acquisition of depreciable capital assets, is adjusted to the acquisition cost of such asset and depreciated over its remaining useful life. Transactions in foreign currencies are recorded at the exchange rates prevailing on the date of the transaction. Monetary assets and liabilities in foreign currency, outstanding at the close of the year, are converted into Indian currency at the appropriate rates of exchange prevailing on the date of the Balance Sheet. The resultant gain or loss, except to the extent it relates to long term monetary items, is charged to the Statement of Profit and Loss. Such gain or loss relating to long term monetary items for financing acquisition of depreciable capital assets, is adjusted to the acquisition cost of such asset and depreciated over its remaining useful life.

i) Employee Benefits Expense

Provident Fund

Provident fund contribution for employees and contribution towards employee's pension scheme for all employees is a defined contribution scheme. There are no other obligations, other than the contribution payable to the respective funds.

Gratuity

The liability or asset recognised in the balance sheet in respect of gratuity plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation denominated in INR is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

Net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income.

Compensated Absences

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The Company treats accumulated leave expected to be carried forward beyond twelve months, as long term employee benefit for measurement purpose. Such long term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year end. The Company presents the leave as a current liability in the balance sheet, to the extent it does not have an unconditional right to defer its settlement for 12 months after the reporting date.

j) Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date and are not discounted to its present value. These are reviewed at each Balance Sheet date and adjusted to reflect the current management estimates.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

Contingent Assets are not recognised but disclosed in the financial statements when economic inflow is probable.

k) Earnings Per Share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Earnings considered in ascertaining the Company's earnings per share is the net profit for the period after deducting preference dividends and any attributable tax thereto for the period. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares, provided the number of shares to be issued is material.

l) Statement of Cash Flows

i) Cash and Cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, stamp in hand, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

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

m) Leases

As a lessee

The Company's lease asset classes primarily consist of leases for buildings taken on lease for operating its branch offices. The Company assesses whether a contract contains a lease, at inception of a contract. At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the lease term.

The lease liability is initially measured at amortized cost at the present value of the future lease payments"

Transition

Effective April 1, 2019, the Group adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on April 1, 2019 using the modified retrospective method and has taken the cumulative adjustment to retained earnings, on the date of initial application. Accordingly, comparatives as at and for the year ended March 31, 2019 have not been retrospectively adjusted.

As a lessor

Lease income from operating leases where the Group is a lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

n) Investments

Investments that are readily realisable and are intended to be held for not more than one year from the date, on which such investments are made, are classified as current investments. All other investments are classified as long term investments. Current investments are carried at cost or fair value, whichever is lower. Long-term investments are carried at cost, However, provision for diminution is made to recognize a decline, other than temporary, in the value of the investments, such reduction being determined and made for each investment individually.

o) Borrowing Costs

Borrowing costs that are attributable to the acquisition, construction or production of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use. All other borrowing costs are charged to revenue.

p) Financial instruments

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

Initial Recognition

The Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, that are not at fair value through profit or loss, are added to the fair value on initial recognition.

Subsequent measurement

(i) Financial assets carried at amortized cost

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

(ii) Financial assets at Fair value through other comprehensive income (FVTOCI)

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

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

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

(iv) Investments in subsidiaries

Investments in subsidiaries are carried at cost. On transition to Ind AS, the Company has elected to continue with the carrying value of all of its Investments in subsidiaries recognised as at 1 April 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of the Investment in subsidiaries.

(v) Financial Liabilities

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

Derecognition of financial instruments

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

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 profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to life time 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 life time 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 recognized is recognized as an impairment gain or loss in the statement of profit or loss.

2.3 Key Accounting Estimates and Judgements

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

a) Depreciation / amortisation and useful lives of property plant and equipment / intangible assets

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

b) Recoverability of trade receivable

Judgements are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required. Factors considered include the period of overdues, the amount and timing of anticipated future payments and the probability of default.

c) Provisions

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of resources resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability requires the application of judgement to existing facts and circumstances. The carrying amounts of provisions and liabilities are reviewed regularly and revised to take account of changing facts and circumstances.

d) Measurement of defined benefit obligations

The measurement of defined benefit and other post-employment benefits obligations 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, mortality rates and future pension increases. 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.

Notes annexed to and forming part of the Financial statements for the year ended March 31, 2020

Note 3 : Property, Plant & Equipment

(Currency : ₹ in lakhs)

Particulars	Office equipment	Total Tangible Assets	Distribution Rights	Negative Rights	Right to use assets	Total Intangible Assets
Year ended March 31, 2019						
Gross Carrying Amount	2.13	2.13	27,376.82	1,236.78	-	28,613.60
Additions	-	-	-	-	-	-
Disposals	-	-	-	-	-	-
Closing gross carrying amount as on March 31, 2019	**21.26**	**21.26**	**27,376.82**	**1,236.78**	**-**	**28,613.60**
Accumulated depreciation and impairment	16.12	16.12	27,376.82	1,236.78	-	28,613.60
Depreciation charge during the year	1.63	1.63	-	-	-	-
Disposals	-	-	-	-	-	-
Closing accumulated depreciation and impairment as on March 31,2019	**17.75**	**17.75**	**27,376.82**	**1,236.78**	**-**	**28,613.60**
Net carrying amount as on March 31, 2019	**3.51**	**3.51**	**-**	**-**	**-**	**-**
Year ended March 31, 2020						
Gross Carrying Amount	21.26	21.26	27,376.82	1,236.78	-	28,613.60
Additions	-	-	-	-	28.40	28.40
Disposals	-	-	-	-	-	-
Closing gross carrying amount as on March 31, 2020	**21.26**	**21.26**	**27,376.82**	**1,236.78**	**28.40**	**28,642.00**
Accumulated depreciation and impairment	17.75	17.75	27,376.82	1,236.78	-	28,613.60
Depreciation charge during the year	3.51	3.51	-	-	6.55	6.55
Disposals		-	-	-	-	-
Closing accumulated depreciation and impairment as on March 31, 2020	**21.26**	**21.26**	**27,376.82**	**1,236.78**	**6.55**	**28,620.15**
Net carrying amount as on March 31, 2020	**-**	**-**	**-**	**-**	**21.84**	**21.84**

Notes annexed to and forming part of the Financial statements for the year ended March 31, 2020

(Currency : ₹ in lakhs)

Note 4 : Investments in subsidiaries and joint ventures

Particulars	Face Value	As at March 31, 2020		As at March 31, 2019	
		Nos.	Amount	Nos.	Amount
Non-current Investments					
Investments (at Cost, fully paid up Unquoted)					
Equity Investments in Subsidiary Companies					
Indian Subsidiary					
Reliance MediaWorks Financial Services Private Limited*	10	**105,010,000**	**10,501.00**	105,010,000	10,501.00
Foreign Subsidiary					
Global MediaWorks (UK) Limited	£ 1	**10,000**	**8.47**	10,000	8.47
Global MediaWorks (USA) Inc.	$100	**200**	**9.21**	200	9.21
Reliance MediaWorks (Netherlands) B.V.	€ 100	**180**	**10.41**	180	10.41
Less: Provision for diminution in value of investments			**(28.1)**		(28.1)
			-		-
Investment in Partnership Firm					
HPE / Adlabs (Limited Partnership)			**1,999.28**		1,999.28
Less: Provision for diminution in value of investments			**(1,999.28)**		(1,999.28)
			-		-
Investment in Government Securities					
National savings certificate**			**10.00**		10.00
Investment in Optionally Convertible Debentures					
0% Unsecured Optionally Covertible Debentures of Reliance Alpha Services Private Limited	1,000	**461,000**	**4,610.00**		-
Total (A)			**15,121.00**		10,511.00
Current Investments					
At FVTPL					
Investment In Mutual Fund - Quoted					
Reliance Liqiuidity - Growth Option			**-**		1,753.01
Total (B)			**-**		1,753.01
Total (A + B)			**15,121.00**		12,264.01
Aggregate amount of Quoted Investments			**-**		175.30
Aggregate amount of Unquoted Investments			**15,121.00**		10,511.00
Name of the partner and share in profits (%)					
Reliance MediaWorks Limited			**50%**		50%
Hyde Park Entertainment Inc			**50%**		50%
Total Capital of the firm			**437.74**		437.74

* The above shares are pledged against the NCD issued by RMFSPL.

** National savings certificate pledge with Entertainment Tax Authorities.

Notes annexed to and forming part of the Financial statements for the year ended March 31, 2020

(Currency : ₹ in lakhs)

Note 5 : Loans

Particulars	As at March 31, 2020		As at March 31, 2019	
	Current	Non Current	Current	Non Current
(Unsecured, considered good)				
Loans to others	-	171.78	4,610.00	157.59
(Unsecured, considered doubtful)				
Loans to Others	100.00	-	100.00	-
Loans to Related parties (Refer note no. 30)	43,134.99	98.60	43,134.99	98.60
Less : Provision for doubtful loans	(43,234.99)	(98.60)	(43,234.99)	(98.60)
	-	-	-	-
Total	-	171.78	4610.00	157.59

Note 6 : Other Financial Assets

Particulars	As at March 31, 2020		As at March 31, 2019	
	Current	Non Current	Current	Non Current
(Unsecured, considered good unless otherwise stated)				
Security deposits	-	8.36	-	9.34
Interest accrued on bank deposits	-	-	18.52	-
Interest Accrued on other loans	38.05	-	38.05	-
Total	38.05	8.36	56.58	9.34

Note 7 : Non Current / Current Other Assets

Particulars	As at March 31, 2020		As at March 31, 2019	
	Current	Non Current	Current	Non Current
(Unsecured, considered good unless otherwise stated)				
Advance income tax (net of provision)	-	123.79	-	498.62
Advance Entertainment Tax paid under protest	-	444.18	-	444.18
Balances with government authorities	1,157.71	-	1,116.69	-
Balances with gratuity trust funds (Refer Note no. 25)	80.81	-	75.61	-
Advance lease rental	0.46	0.74	-	-
Total	1,238.98	568.71	1,192.30	942.80

Note 8 : Trade Receivables

Particulars	As at March 31, 2020	As at March 31, 2019
Considered good		
Unsecured and considered good	6.59	6.00
Unsecured and considered doubtful	918.95	1,218.14
	925.54	1,224.14
Less: Allowance for doubtful receivables	(918.95)	(1,218.14)
Total	6.59	6.00

Notes annexed to and forming part of the Financial statements for the year ended March 31, 2020

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Note 9 : Cash and Cash Equivalents		
Cash on hand	**0.23**	0.40
Balances with Banks		
In Current Accounts	**61.34**	84.60
Total	**61.57**	85.00
Note 10 : Bank balance other than cash and cash equivalents above		
Bank deposits with original maturity of more than 3 months but less than 12 months		
Fixed deposit*	**1,163.93**	1,085.66
	1,163.93	1,085.66
*Includes deposit under lien with bank for issuance of Bank Guarantees		
- Entertainment tax authorities	550.70	502.20
- Bank Guarantees for VAT authorities	41.60	39.65
- Others	571.63	543.81

Note 11 : Equity Share Capital

Particulars	As at March 31, 2020		As at March 31, 2019	
	Number	**Amount**	Number	Amount
Authorised				
Equity Shares of ₹ 5/- each	**480,000,000**	**24,000.00**	480,000,000	24,000.00
Preference shares of ₹ 5/- each	**6,020,000,000**	**3,01,000.00**	6,020,000,000	3,01,000.00
		3,25,000.00		3,25,000.00
Issued, Subscribed and paid up				
Equity Shares of ₹ 5/- each fully paid up	**193,208,831**	**9,660.44**	193,208,831	9,660.44
	193,208,831	**9,660.44**	193,208,831	9,660.44

Notes :

(a) Reconciliation of the number of equity shares outstanding at the beginning and at the end of the year

Particulars	As at March 31, 2020		As at March 31, 2019	
	Number	**Amount**	Number	Amount
Equity shares				
Shares outstanding at the beginning of the year	**193,208,831**	**9,660.44**	193,208,831	9,660.44
Shares issued / Bought back during the year	**-**	**-**	-	-
Closing balance	**193,208,831**	**9,660.44**	193,208,831	9,660.44

(b) Details of shareholders holding more than 5% shares in the Company

Name of the Shareholder	As at March 31, 2020		As at March 31, 2019	
	No. of Shares held	**% of Holding**	No. of Shares held	% of Holding
Equity Shares				
Reliance Alpha Services Private Limited	**62,199,483**	**32.19%**	62,199,483	32.19%
Ariel Trading Private Limited	**-**	**-**	57,961,764	30.00%
Indian Agri Services Private Limited	**56,044,964**	**29.01%**	56,044,964	29.01%
Reliance Entertainment Networks Private Limited	**57,961,764**	**30.00%**	-	-

Notes annexed to and forming part of the Financial statements for the year ended March 31, 2020

(Currency : ₹ in lakhs)

(c) Rights, preference and restrictions attached to the equity shares

The Company has only one class of equity shares having par value of ₹ 5 per share. Each equity shareholder is entitled to one vote per share. The Company declares and pays dividends, if any, in Indian Rupees. The dividend proposed, if any by the Board of the Directors is subject to the approval of the shareholders in the ensuing 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 all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Note 12 : Other Equity

Particulars	As at March 31, 2020	As at March 31, 2019
Capital reserve	**21,826.69**	21,826.69
Foreign currency translation reserve	**6,271.92**	6,271.92
General reserve	**1,195.02**	1,195.02
Securities premium reserve	**98,037.21**	98,037.21
Retained earnings		
Opening balance	**(330,153.41)**	(316,276.77)
Profit/ (Loss) for the year	**(14,746.89)**	(13,876.64)
Closing balance	**(344,900.31)**	(330,153.41)
Other Comprehensive Income		
Opening balance	**5.83**	4.97
Profit/ (Loss) for the Year	**0.08**	0.86
Closing balance	**5.91**	5.83
Total	**(217,563.56)**	(202,816.74)

Note 13 : Borrowings

Particulars	As at March 31, 2020		As at March 31, 2019	
	Current	**Non Current**	Current	Non Current
Preference Shares				
Series I				
10% Non Convertible Non cumulative redeemable preference shares ₹ 5 each fully paid up	**-**	**7,966.62**	-	5,016.62
Series II				
11.5% Non Convertible Non cumulative redeemable preference shares ₹ 5 each fully paid up	**-**	**185,160.62**	-	173,200.62
Inter-corporate deposit				
Others (unsecured)	**1,100.00**	**21,749.00**	1,100.00	23,761.00
Total	**1,100.00**	**214,876.24**	1,100.00	201,978.24

Terms of borrowings

Preference share

Series I

Preference shares shall be redeemed at the end of 20 years from the date of allotment i.e. March 31, 2012. Each Preference shares shall be redeemed at a premium calculated in a manner that gives the holder an yield of 10% p.a. (till date of redemption) on issue price of ₹ 1,000 (including premium of ₹ 995) after deduction of dividend, if any declared during the tenure. However, the premium on redemption will be paid only to the original subscribers or to the transferees if the transfers have been previously approved by the Company.

Notes annexed to and forming part of the Financial statements for the year ended March 31, 2020

(Currency : ₹ in lakhs)

Further early redemption at the option of holder of Preference shares can be done, at issue price plus yield as mentioned above, at any time after the date of allotment by giving not less than two months advance notice to the Company. Early redemption at the option of Company at the applicable redemption price can be done, any time after the date of allotment by giving not less than 30 days notice to the Preference share holder.

Series II

Preference shares shall be redeemable at the end of 5 years from the date of allotment i.e March 31, 2017 and shall be redeemed at a premium equal to an amount calculated to yield a return of 11.50% p.a. with effect from the date of allotment up to the date of redemption on issue price of ₹ 5/-

Inter-corporate deposit

Non Current

Unsecured loan is repayable within three years from their respective drawal and carry an interest rate ranging from 11.25% to 12% p.a.

Current

Unsecured loan is repayable within six to twelve months from their respective drawal and carry an interest rate ranging from 12% p.a.

Note 14 : Provisions

Particulars	As at March 31, 2020		As at March 31, 2020	
	Current	Non Current	Current	Non Current
Provision for Compensated Absences	1.37	1.11	1.49	0.78
Total	1.37	1.11	1.49	0.78

Particulars	As at March 31, 2020	As at March 31, 2019
Note 15 : Trade Payables		
Outstanding dues of Micro & Small enterprises (Refer note no. 24)	-	-
Outstanding dues of Others	1,665.19	1,723.46
Total	1,665.19	1,723.46
Note 16 : Other Financial Liabilities - Current		
Interest accrued on borrowings	7,459.99	7,578.14
Lease liability	24.03	-
Total	7,484.02	7,578.14
Note 17 : Other Current Liabilities		
Statutory dues	204.46	218.24
Advances from customers	680.74	680.74
Income earned in advance	213.30	213.30
Employee payables	77.50	74.70
Total	1,176.00	1,186.98

Note 18 : Revenue from Operations

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Consultancy Services	0.50	-
Rental Income	-	225.38
Total	0.50	225.38

Notes annexed to and forming part of the Financial statements for the year ended March 31, 2020

(Currency : ₹ in lakhs)

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Note 19 : Other Income		
Interest income on:		
Bank Deposits	**85.89**	56.79
Loans and advances	**14.18**	51.07
Income tax refund	**123.39**	142.57
Lease	**0.22**	-
Income tax refund	**140.91**	222.76
Gain on sale of assets held for disposal	**-**	5,478.43
Net gain on sale of current investments	**48.79**	152.51
Provision written back	**299.19**	2,600.63
Bad debts recovered	**-**	4.00
Sundry balances written-back (net)	**11.99**	40.00
Miscellaneous Income	**-**	14.78
Total	**724.57**	8,763.54
Note 20 : Employee Benefit Expenses		
Salaries, wages and bonus	**89.15**	73.53
Contributions to provident and other funds	**(2.15)**	(1.36)
Staff welfare expenses	**4.03**	2.02
Total	**91.03**	74.19
Note 21 : Finance Costs		
Interest on		
Loans	**0.72**	4,326.12
Preference shares	**14,910.00**	14,910.00
Lease laibility	**4.33**	-
Total	**14,915.05**	19,236.12
Note 22 : Other expenses		
Bank charges	**0.09**	0.06
Rent	**4.79**	482.72
Rates and taxes	**90.93**	284.95
Insurance	**-**	1.25
Electricity charges	**0.67**	1.67
Advertisement expenses	**0.63**	0.44
Travelling and conveyance	**1.94**	5.38
Printing and communication	**3.72**	24.14
Legal and professional fees	**39.10**	129.17

Notes annexed to and forming part of the Financial statements for the year ended March 31, 2020

(Currency : ₹ in lakhs)

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Repairs and maintenance		
- Others	**12.26**	16.96
Audit fees (Refer details below)	**0.50**	0.50
Directors sitting fees	**1.00**	2.50
Bad debts / Advances written-off	**299.19**	2,600.63
Miscellaneous expenses	**0.99**	3.26
Total	**455.81**	3,553.62
Payment to auditor		
Audit fee	**0.50**	0.50
Total	**0.50**	0.50

Note 23 : Earning per share (EPS)

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

Particulars	As at March 31, 2020	As at March 31, 2019
Profit / (Loss) for Basic & Diluted earning per share (a)	**(14,746.89)**	(13,876.64)
Weighted average number of equity shares (b)	**193,208,831**	193,208,831
Face value per share (₹)	**5.00**	5.00
Basic/Diluted earning per share (₹) (a/b)	**(7.63)**	(7.18)

Note 24 : Dues to micro and small suppliers

Under the Micro, Small and Medium Enterprise Development Act, 2006 (MSMED), certain disclosures are required to be made relating to micro and small enterprise. On the basis of the information and records available with the Company, the following disclosures are made for the amounts due to the MSME.

Particulars	As at March 31, 2020	As at March 31, 2019
Principal amount due to any supplier as at the year end	**-**	-
Interest due on the principal amount unpaid at the year end to any supplier	**-**	-
Amount of Interest paid by the Company in terms of section 16 of the MSMED, along with the amount of the payment made to the supplier beyond the appointed day during the accounting year	**-**	-
Payment made to the enterprises beyond appointed date under section 16 of MSMED	**-**	-
Amount of interest due and payable for the period of delay in making payment, which has been paid but beyond the appointed day during the period, but without adding the interest specified under MSMED	**-**	-
The amount of interest accrued and remaining unpaid at the end of each accounting year; and	**-**	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest due as above is actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under Section 23 of the MSMED.	**-**	-

Notes annexed to and forming part of the Financial statements for the year ended March 31, 2020

(Currency : ₹ in lakhs)

Note 25 : Disclosure under Ind AS 19 "Employee Benefits"

(a) Defined Contribution Plan

i) Provident Fund

The Company has recognised the following amounts as expense in the financial statements for the year:

Particulars	As at March 31, 2020	As at March 31, 2019
Contribution to Provident Fund	**2.92**	2.01

(b) Defined Benefit Plan

The employees' gratuity fund scheme managed by a Trust is a defined benefit plan. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognizes each year 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 encashment is recognised in the same manner as gratuity.

Particulars	Gratuity (funded)	
	As at March 31, 2020	As at March 31, 2019
I. Change in defined benefit obligation		
1. Defined benefit obligation at beginning of year	**6.78**	4.85
2. Service cost		
a. Current service cost	**0.58**	0.34
b. Past service cost	**-**	-
3. Interest expenses	**0.37**	0.26
4. Cash flows		
a. Benefit payments from plan	**(1.26)**	-
b. Benefit payments from employer	**-**	-
c. Settlement payments from plan	**-**	-
d. Settlement payments from employer	**-**	-
5. Remeasurements - actuarial (gains)/ losses		
Effect of changes in demographic assumptions	**-**	-
Effect of changes in financial assumptions	**0.49**	0.11
Effect of experience adjustments	**0.55**	1.20
6. Transfer In /Out		
a. Transfer In	**-**	-
b. Transfer out	**-**	-
7. Defined benefit obligation at end of year	**7.51**	6.78
II. Change in fair value of plan assets		
1. Fair value of plan assets at beginning of year	**121.31**	112.75
2. Expected return on plan assets	**9.02**	8.73
3. Cash flows		
a. Total employer contributions		
(i) Employer contributions	**-**	-
(ii) Employer direct benefit payments	**-**	-
(iii) Employer direct settlement payments	**-**	-
b. Participant contributions	**-**	-
c. Benefit payments from plan assets	**(1.26)**	-
d. Benefit payments from employer	**-**	-
e. Settlement payments from plan assets	**-**	-
f. Settlement payments from employer		-
4. Remeasurements		
a. Return on plan assets (excluding interest income)	**0.87**	(0.17)

Notes annexed to and forming part of the Financial statements for the year ended March 31, 2020

(Currency : ₹ in lakhs)

Particulars		Gratuity (funded)	
		As at March 31, 2020	As at March 31, 2019
	5. Transfer In /Out		
	a. Transfer In	**-**	-
	b. Transfer out	**-**	-
	6. Fair value of plan assets at end of year	**129.94**	121.31
III.	**Amounts recognized in the Balance Sheet**		
	1. Present value of funded defined benefit obligations	**7.51**	6.78
	2. Fair value of plan assets	**(129.94)**	(121.31)
	3. Funded status	**-**	-
	4. Effect of asset ceiling	**41.61**	38.93
	5. Net defined benefit liability (asset) (Non Current)	**(80.81)**	(75.61)
IV.	**Amount recognized in statement of other comprehensive income outside profit and loss account**		
	Opening amount recognised in OCI	**5.83**	0.50
	Remeasurements during the period due to:		
	Changes in financial assumptions	**0.49**	0.11
	Changes in demgraphic assumptions	**-**	-
	Experience adjustments	**0.55**	1.20
	Actual return on plan assets less interest on plan assets	**(0.87)**	0.17
	Adjustment to recognise the effect of asset ceiling	**(0.26)**	(0.62)
	Total Re-measurements (OCI)	**5.75**	1.36
V.	**Employer Expense (P&L)**		
	a. Current Service Cost	**0.58**	0.34
	b. Net interest on the net defined benefit liability / (asset)	**(5.71)**	(5.59)
	c. Total P&L Expenses	**(5.13)**	(5.25)
VI.	**Net defined benefit liability (asset) reconciliation**		
	1. Net defined benefit liability (asset)	**(11.51)**	(7.12)
	2. Defined benefit cost included in P&L	**(5.13)**	(5.25)
	3. Total remeasurements included in OCI	**4.39**	0.86
	4 Net defined benefit liability (asset) as of end of year	**(12.24)**	(11.51)
VII.	**Reconciliation of OCI (Re-measurement)**		
	1. Recognised in OCI at the beginning of year	**5.83**	4.97
	2. Recognised in OCI during the year	**0.08**	0.86
	3. Recognised in OCI at the end of the year	**5.91**	5.83
VIII.	**Sensitivity analysis - DBO end of Period**		
	1. Discount rate +50 basis points	**0.73**	0.73
	2. Discount rate -50 basis points	**0.77**	0.70
	3. Salary Increase Rate +50 basis points	**0.77**	0.70
	4. Salary Increase Rate -50 basis points	**0.73**	0.73
IX.	**Significant actuarial assumptions**		
	1. Discount rate Current Year	**6.25%**	7.55%
	2. Expected rate of return on plan assets	**7.50%**	7.50%
	3. Salary increase rate	**7.00%**	7.00%
	4 Pre-retirement mortality	**Indian Assured Lives Mortality (2012-14) Ultimate**	Indian Assured Lives Mortality (2006-08) Ultimate
	5 Disability	**Nil**	Nil

Notes annexed to and forming part of the Financial statements for the year ended March 31, 2020

(Currency : ₹ in lakhs)

Note 26 : Fair values

Fair value measurement include the significant financial instruments stated at amortised cost in the statement of financial position. The carrying values of current financial instruments approximate their fair values due to the short-term maturity of these instruments and the disclosures of fair value are not made when the carrying amount of current financial instruments is a reasonable approximation of the fair value.

Fair value measurements

The carrying value and fair value of financial instruments by categories as of March 31, 2020 are as follows:

Particulars	At amortised costs	At fair value through profit and loss	At fair value through OCI	Total carrying value	Total fair value
Financial assets					
Investments	15,121.00	-	-	15,121.00	15,121.00
Trade receivables	6.59	-	-	6.59	6.59
Cash and cash equivalents	61.57	-	-	61.57	61.57
Bank balance other than cash and cash equivalents above	1,163.93	-	-	1,163.93	1,163.93
Loans	-	-	-	-	-
Other financial assets	38.05	-	-	38.05	38.05
	16,391.14	**-**	**-**	**16,391.14**	**16,391.14**
Financial liabilities					
Borrowings	215,976.23	-	-	215,976.23	215,976.23
Trade payables	1,665.19	-	-	1,665.19	1,665.19
Other financial liabilities	7,484.02	-	-	7,484.02	7,484.02
	225,125.44	**-**	**-**	**225,125.44**	**225,125.44**

Fair value measurements

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

Particulars	At amortised costs	At fair value through profit and loss	At fair value through OCI	Total carrying value	Total fair value
Financial assets					
Investments	10,511.00	1,753.01	-	12,264.01	12,264.01
Trade receivables	6.00	-	-	6.00	6.00
Cash and cash equivalents	85.00	-	-	85.00	85.00
Bank balance other than cash and cash equivalents above	1,085.66	-	-	1,085.66	1,085.66
Loans	4,610.00	-	-	4,610.00	4,610.00
Other financial assets	56.58	-	-	56.58	56.58
	16,354.23	**1,753.01**	**-**	**18,107.24**	**18,107.24**
Financial liabilities					
Borrowings	203,078.23	-	-	203,078.23	203,078.23
Trade payables	1,723.46	-	-	1,723.46	1,723.46
Other financial liabilities	7,578.14	-	-	7,578.14	7,578.14
	212,379.83	**-**	**-**	**212,379.83**	**212,379.83**

Notes annexed to and forming part of the Financial statements for the year ended March 31, 2020

(Currency : ₹ in lakhs)

Note 27 : Fair value Hierarchy

Accounting classification and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities if the carrying amount is a reasonable approximation of fair value.

i. (a) Assets and liabilities measured at fair value – recurring fair value measurements at March 31, 2020

Particulars	Level 1 - Quoted price in active markets	Level 2 - Significant observable inputs	Level 3 - Significant unobservable inputs	Total
Financial assets				
Investments	-	10.00	-	10.00

ii. (b) Assets and liabilities for which fair value are disclosed at March 31, 2020

Particulars	Level 1 - Quoted price in active markets	Level 2 - Significant observable inputs	Level 3 - Significant unobservable inputs	Total
Financial assets				
Trade receivables	-	-	6.59	6.59
Cash and cash equivalents	61.57	-	-	61.57
Bank balance other than cash and cash equivalents above	1,163.93	-	-	1,163.93
Loans	-	-	-	-
Other financial assets	-	-	38.05	38.05
Financial liabilities				
Borrowings	-	-	215,976.23	215,976.23
Trade payables	-	-	1,665.19	1,665.19
Other financial liabilities	-	-	7,484.02	7,484.02

i. (a) Assets and liabilities measured at fair value – recurring fair value measurements at March 31, 2019

Particulars	Level 1 - Quoted price in active markets	Level 2 - Significant observable inputs	Level 3 - Significant unobservable inputs	Total
Financial assets				
Investments	-	10.00	-	10.00

ii. (b) Assets and liabilities for which fair value are disclosed at March 31, 2019

Particulars	Level 1 - Quoted price in active markets	Level 2 - Significant observable inputs	Level 3 - Significant unobservable inputs	Total
Financial assets				
Investments	1,753.01	-	-	1,753.01
Trade receivables	-	-	6.00	6.00
Cash and cash equivalents	85.00	-	-	85.00
Bank balance other than cash and cash equivalents above	1,085.66	-	-	1,085.66
Loans	-	-	4,610.00	4,610.00
Other financial assets	-	-	56.58	56.58
Financial liabilities				
Borrowings	-	-	203,078.23	203,078.23
Trade payables	-	-	1,723.46	1,723.46
Other financial liabilities	-	-	7,578.14	7,578.14

Notes annexed to and forming part of the Financial statements for the year ended March 31, 2020

(Currency : ₹ in lakhs)

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices.

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

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for Financial assets other than Investment, Trade payable and Other Financial liabilities included in level 3.

Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

- the use of quoted market prices or dealer quotes for similar instruments
- the fair value of the remaining financial instruments is determined using discounted cash flow analysis.

Note 28 : Financial Risk Management

The Company's risk management is carried out by a treasury department (company treasury) under policies approved by Board of Directors. Treasury team identifies, evaluates and hedges financial risk in close co-operation with the company's operating units. The Management of the Company provides written principles for overall risk management, as well as policies covering specific areas, such as interest rate risk and credit risk, use of derivative financial instrument and non-derivative financial instrument, and investments of excess liquidity.

(i) 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.

The Company is engaged in production of Television Content/Web Series

The Company does not have any significant exposure to credit risk.

(ii) Cash and Cash Equivalents & Other Financial Asset

The Company held cash and cash equivalents & other financial assets with credit worthy banks aggregating ₹ 16,391.14 Lakhs as at March 31, 2020 & ₹ 18,107.24 Lakhs as at March 31, 2019 respectively. The credit worthiness of such banks and financial institutions is evaluated by the management on an ongoing basis and is considered to be good.

(iii) Market Risk

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices – will affect the Company's income or the value of its holdings of financial instruments. The Company is not exposed to any significant currency risk and equity price risk.

(a) Interest Rate Risk

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

Liquidity Risk - Table

The table below analyses the Company's non-derivative financial liabilities and net-settled derivative financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

As at March 31, 2020	Less than 1 year	More than 1 year	Total
Borrowings	1,100.00	214,876.23	215,976.23
Trade payables	0.02	1,665.18	1,665.19
Other financial liabilities	-	7,484.02	7,484.02
Total Non-Derivatives	**1,100.02**	**224,025.42**	**225,125.44**

As at March 31, 2019	Less than 1 year	More than 1 year	Total
Borrowings	1,100.00	201,978.23	203,078.23
Trade payables	1,723.46	-	1,723.46
Other financial liabilities	7,578.14	-	7,578.14
Total Non-Derivatives	**10,401.60**	**201,978.23**	**212,379.83**

Note 29 : Capital Risk Management

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

(Currency : ₹ in lakhs)

Note 30 : Related Party Disclosure

As per Ind AS-24 " Related Party Disclosure" the Company's related parties and trasnsactions with them in the ordinary course of business are disclosed below :

(A) Parties controlling the Company

Major Investor

Reliance Alpha Services Private Limited (RASPL)

Reliance Entertainment Networks Private Limited (RENPL) (formally know as "Reliance Land Private Limited")

Indian Agri Services Private Limited

(B) Subsidiaries (including Fellow subsidiaries)

Global MediaWorks (UK) Limited ('GMW-UK')

Global MediaWorks (USA) Inc. ('GMW-US')

Reliance MediaWorks Financial Services Private Limited ('RMFSPL')

Reliance Mediaworks Theatres Limited (RMTL)

Big Synergy Media Limited (BSML)

(C) Associate

Prime Focus Limited

(D) Partnership Firm (including Foreign firm)

HPE / Adlabs (Limited Partnership)

(E) Key Managerial Personnel and their relatives

Satish Kadakia - CFO & Whole-time Director (up to June 30, 2020)

Mangala Savla - Company Secretary (w.e.f. July 25, 2018)

Sunil Wadikar - Whole-time Director (w.e.f. June 30, 2020)

Basant Varma - Manager & CFO (w.e.f. June 30, 2020)

Details of transactions and closing balance with related parties with whom transactions have taken place during the year:

Particulars	March 31, 2020 & March 31, 2019				
	Major Investor	Subsidiaries (Incl. fellow subsidiaries)	Partnership Firm	Associate	Key Managerial Persons
A. Transactions during the year :					
Interest expense					
Reliance Alpha Services Private Limited	**-**	**-**	**-**	**-**	**-**
	(1,556.77)	-	-	-	-
Managerial Remuneration					
Satish Kadakia	**-**	**-**	**-**	**-**	**30.25**
	-	-	-	-	(25.20)
Mangala Savla	**-**	**-**	**-**	**-**	**8.45**
	-	-	-	-	(4.40)
Reimbursement of Expenses - Received					
RASPL	**-**	**0.18**	**-**	**-**	**-**
	-	(0.54)	-	-	-
RMTL	**-**	**70.81**	**-**	**-**	**-**
	-	(19.21)	-	-	-
RMFSPL	-	**12.55**	-	-	-
	-	(281.49)	-	-	-
ICD Received					
RASPL	-	-	-	-	-
	(4,610.00)	-	-	-	-
RENPL	**68.00**	**-**	**-**	**-**	-
	(111.00)	-	-	-	-
ICD Repaid					
RASPL	**310.00**	-	-	-	-
	(20,000)	-	-	-	-
RENPL	**1,770.00**	**-**	-	-	-
	-	-	-	-	-

Notes annexed to and forming part of the Financial statements for the year ended March 31, 2020

(Currency : ₹ in lakhs)

Particulars	March 31, 2020 & March 31, 2019				
	Major Investor	Subsidiaries (Incl. fellow subsidiaries)	Joint Venture	Associate	Key Managerial Persons
B. Balances at the year end :					
Inter corporate Deposit payable to the Company (Including interest)					
Relaince Alpha Services Private Limited	**3321.08**	**-**	**-**	**-**	**-**
	(3631.10)	-	-	-	-
Advance Given					
Global Medaworks (UK) Limited	**-**	**10,809.92**	**-**	**-**	**-**
	-	(10,809.92)	-	-	-
Reliance Mediawork (Netherland) BV	**-**	**199.56**	**-**	**-**	**-**
	-	(199.56)	-	-	-
Global Mediaworks (USA) Inc.	**-**	**32,224.11**	**-**	**-**	**-**
	-	(32,224.11)	-	-	-
Provision for Doubtful Avances	**-**	**43,233.59**	**-**	**-**	**-**
	-	(43,233.59)	-	-	-
Trade Receivables					
Adlabs Films (UK) Ltd	**-**	**301.49**	**-**	**-**	**-**
	-	(301.49)	-	-	-
Adlabs Films (USA) Inc	**-**	**110.80**	**-**	**-**	**-**
	-	(110.80)	-	-	-
Reliance Mediawork USA Inc	**-**	**304.58**	**-**	**-**	**-**
	-	(304.58)	-	-	-
Big Synergy Media Limited	**-**	**30.05**	**-**	**-**	**-**
	-	(30.05)	-	-	-
Provision for Doubful Advances	**-**	**752.92**	**-**	**-**	**-**
	-	(752.92)	-	-	-
Investment					
Global mediaworks (UK) Limited	**-**	**8.47**	**-**	**-**	**-**
	-	(8.47)	-	-	-
Global Mediaworks (USA) Inc.	**-**	**9.21**	**-**	**-**	**-**
	-	(9.21)	-	-	-
Reliance Mediawork (Netherland) BV - Equity Shares	-	**10.41**	-	-	-
	-	(10.41)	-	-	-
Reliance Mediaworks Financial Services Private Limited	-	**10,501.00**	-	-	-
	-	(10,501.00)	-	-	-
HPE Adlabs LLP USA - in Capital	-	-	**1999.28**	-	-
	-	-	(1999.28)	-	-
Provision for Dimunition in Value of Investment	-	**28.10**	**1999.28**	-	-
	-	(28.10)	(1999.28)	-	-
Guarantees Outstanding					
Global Mediaworks (USA) Inc.	**-**	**4,835.30**	**-**	**-**	**-**
	-	(4,835.30)	-	-	-

(Figures in the bracket indicates previous year figures)

Notes annexed to and forming part of the Financial statements for the year ended March 31, 2020

(Currency : ₹ in lakhs)

Note 31: Contingent Liabilities and Capital Commitments

(a) Contingent Liabilities:

On account of	March 31, 2020	March 31, 2019
Central excise		
Disputed central excise demand pending with the Central Excise and Service Tax Appellate Tribunal	**504.60**	504.60
Value added tax		
Disputed value added tax demand pending for various states	**1,090.15**	2,280.81
Service tax		
Disputed Service Tax demand pending with the Central Excise and Service Tax Appellate Tribunal	**10,002.50**	10,002.50
Entertainment tax		
In respect of certain multiplexes, the Company has made an application for availing exemption under the relevant Act retrospectively from the date of commencement of the operations of the said multiplex and the application is pending approval	**12.90**	12.90
In respect of certain multiplexes, the Company is in dispute with the entertainment tax authorities regarding eligibility for availing exemption under the relevant Act	**1,132.00**	1,132.00
The Company shall be liable to pay the entertainment tax in the event that the multiplexes do not continue operations for a period of 10 years from the respective dates from which they commenced their operations	**-**	-
Provident Fund		
The Company has engaged the services of a Contractor for the purpose of deploying personnel at its cinemas. During the tenure of the contract, the Company had paid the Contractor, amounts payable towards employers contribution to provident fund (PF) amounting to ₹ 294.20 lakhs on a regular basis. The Company has learnt that the Contractor has failed to deposit appropriate amounts for employee and employer contribution amounting to approximately ₹ 588.40 lakhs with the PF authorities and the Company apprehends that some portion of the aforesaid amount which was supposed to be deposited in the individual accounts of the Personnel by the Contractor may have actually been mis-appropriated by the Contractor. The Company has filed a criminal complaint against the Contractor and the matter is currently under investigation. Some employees have raised a claim against the Company for amounts due to them in a District Consumer Forum, where they have received favourable judgements, however the Company is confident of reversal of the said judgement in the higher forums, where it has preferred an appeal and stay has been granted till further order.	**-**	-
Claims against Company not acknowledged as debts *	**12,219.73**	12,219.73
Guarantees		
Guarantee given to Service providers in respect of Subsidiary Companies	**4,835.30**	4,835.30
Interest on Inter-corporate Deposit	**2,746.80**	-

Note:

Contingent liabilities:

a) The Company is a party to various legal proceedings in the normal course of business and does not expect the outcome of these proceedings to have any adverse effect on its financial conditions, results of operations or cash flows.

b) The amounts are excluding penalty and interest if any that would be levied at the time of final conclusion.

c) The Company is in the process of filing appeal before the Commissioner of Appeal (VAT - Ghaziabad) against the demand raised of ₹ 306.81 lakhs by the Deputy Commissioner, Ghaziabad for the F.Y. 2013-2014 & F.Y. 2014-2015.

d) During the year end there is disputed outstanding demand of ₹ 109.38 lakhs from income tax department towards the tax deducted at source. The Company is in process of correcting or settling the same with the department.

Capital and Other Commitments

a) The Company has issued letter of financial support to some of its wholly owned foreign subsidiaries.

b) **Series I :** Preference shares shall be redeemed at the end of 20 years from the date of allotment i.e. March 31, 2012. Each Preference share shall be redeemed at a premium calculated in a manner that gives the holder an yield of 10% p.a. (till date of redemption) on issue price of ₹ 1,000 (including premium of ₹ 995) after deduction of dividend, if declared during the tenure. However, the premium on redemption will be paid only to the original subscribers or to the transferees if the transfers have been previously approved by the Company. Yield on preference shares of ₹ 23,616.16 lakhs (current year increase of ₹ 2,950.00 lakhs) as at the balance sheet will be paid as premium at the time of redemption.

Notes annexed to and forming part of the Financial statements for the year ended March 31, 2020

(Currency : ₹ in lakhs)

c) **Series II:** Preference shares issued during the previous year shall be redeemable at the end of 5 years from the date of allotment i.e. March 31, 2017 and shall be redeemed at a premium equal to an amount calculated to yield a return of 11.50% p.a. with effect from date of allotment up to the date of redemption on issue price of ₹ 5.00. Yield on preference shares of ₹ 36,011.07 lakhs (current year increase of ₹ 11,960 lakhs) as at the Balance sheet will be paid as premium at the time of redemption.

d) **Interest on Intercorporate Deposit**

During the year the Company has not recognised interest expense amounting to ₹ 2,746.80 lakhs on borrowings. The management is of the view that assets will be realised in long term and at appropriate value so as to meet out the obligations and moreover as of now there is negative networth of the company which has been emphasised by the auditors also.

Note 32 : Tax expense

(a) Amounts recognised in profit and loss

	For the Year Ended March 31, 2020	For the Year Ended March 31, 2019
Current income tax		
Current year	-	-
Deferred tax expenses	-	-
Income Tax expense reported in statement of profit and loss	-	-

(b) Amounts recognised in other comprehensive income

	For the Year Ended March 31, 2020			For the Year Ended March 31, 2019		
	Before tax	**Tax (expense) benefit**	**Net of tax**	Before tax	Tax (expense) benefit	Net of tax
Items that will not be reclassified to profit or loss	-	-	-	-	-	-
	-	-	-	-	-	-

(c) Reconciliation of effective tax rate

	For the Year Ended March 31, 2020	For the Year Ended March 31, 2019
Profit before tax	(14,746.89)	(13,876.64)
Statutory income tax rate	26.00%	26.00%
Expected income tax expense at statutory tax rate	3,834.00	3,608.00
Tax effect of:		
Non deductible expenses for tax purpose	3,830.09	3,318.64
Tax effect of Brought Forward Losses of current year on which no deferred tax asset is recognised	3.80	289.17
Tax effect of Unabsorbed Depreciation of current year on which no deferred tax asset is recognised	0.12	0.20
Temporary differences in current year on which no deferred tax asset is recognised	-	-

(d) Components of deferred tax assets and (liabilities) recognised in the balance sheet, statement of profit and loss and statement of other comprehensive income

	For the Year Ended March 31, 2020	For the Year Ended March 31, 2019
Deferred tax liability	-	-
Deferred tax assets	-	-
Net deferred tax assets /(Liability)	-	-

Notes annexed to and forming part of the Financial statements for the year ended March 31, 2020

(Currency : ₹ in lakhs)

Unused tax losses, unabsorbed depreciation and other temporary differences on which no deferred tax asset is recognised in Balance Sheet

	For the Year Ended March 31, 2020	For the Year Ended March 31, 2019
Unused tax losses	3.80	289.17
Unabsorbed depreciation	0.12	0.20
Other temporary differences	-	-
Total	**3.92**	**289.37**

No deferred tax benefit is recognised in absence of reasonable certainty that taxable income will be generated by the company to offset the losses.

Finacial Year	Business Loss (₹)	Depreciation Loss (₹)	Total (₹)
2018-2019	1,112.18	0.76	1,112.94
2019-2020	14.60	0.45	15.05
Total	**1,126.78**	**1.21**	**1,127.99**

Note 33

Segment information in accordance with Indian Accounting Standard - 108 'Operating Segments' is provided on the basis of consolidated financial statements of the Company, and therefore, separate segment information based on standalone financial statements is not provided.

Note 34: Leases

As a lessee

Interest Expense on lease liability and movement in lease liabilities for the period ended March 31, 2020

Particulars	**March 31, 2020**
Opening Balance	2.84
Additions	0.43
Interest expense	(0.43)
Payment of lease liabilities	(0.44)
Closing Balance	2.40

Maturity Analysis of Lease Liabilities as on March 31, 2020

Particulars	**March 31, 2020**
Not later than one month	
Later than one year and not later than five years	2.40
Later than five year	-
Total Cash outflow on account of lease liabilities for the period ended March 31, 2020	0.87
Expense pertaining to short term leases (i.e having lease period of less than 12 months)	4.79

Note 35 : Particulars of unhedged foreign currency exposures

31 March 2020					
Trade & Other Receivables			**Trade & Other Payables**		
Type Of Currency	**Currency Balance (in Lakhs)**	**Amount in ₹**	**Type Of Currency**	**Currency Balance (in Lakhs)**	**Amount in ₹**
USD	540.10	32,338.60	USD	-	-
GBP	109.40	11,111.40	GBP	-	-
EURO	2.40	202.30	EURO	-	0.80
		43,652.30			**0.80**

Notes annexed to and forming part of the Financial statements for the year ended March 31, 2020

(Currency : ₹ in lakhs)

31 March 2019					
Trade & Other Receivables			Trade & Other Payables		
Type Of Currency	Currency Balance (in Lakhs)	Amount in ₹	Type Of Currency	Currency Balance (in Lakhs)	Amount in ₹
USD	540.10	32,338.60	USD	-	-
GBP	109.40	11,111.40	GBP	-	-
EURO	2.40	202.30	EURO	-	0.80
		43,652.30			**0.80**

Note 36: Details of loan given, investment made and guarantee given covered u/s 186 (4) of the Companies Act, 2013

(i) No Loans or guarantee have been given by the company as at as at March 31, 2020

(ii) No Investment made by the Company as at March 31, 2020 are as per Note No. 4.

Note 37 : The Coronavirus (COVID-19) outbreak is an unprecedented global situation that has severely impacted many local economies around the globe. Due to lockdown, there has been significant disruptions to businesses, resulting in an economic slowdown, which will have impact on the business of the Company. The duration and impact of the COVID-19 pandemic remains unclear at this point of time. It is not possible to reliably estimate the duration and severity of these consequences, as well as their impact on the financial position and results of the Company. However, the Company will continue to closely monitor any material changes to future economic conditions.

Note 38 : The Company's net worth has eroded, however, having regard to financial support from its promoters and further restructuring exercise being implemented the financial statements have been prepared on the basis that the Company is a going concern and that no adjustments are required to the carrying value of assets and liabilities.

Note 39 : Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

Note 40 : Events after the reporting period

There were no events that occurred after the reporting period i.e. March 31, 2020 up to the date of approval of financial statements that require any adjustment to the carrying value of assets and Liabilities.

Note 41 : Approval of financial statements

The financials statements are approved for issue by the Board of Directors on August 14, 2020

As per our Report of even date

For **M.S. Sethi & Associates**
Chartered Accountants
Firm Registration No. 109407W

Manoj Sethi
Proprietor
Membership No.: 039784

Place : Mumbai
Date : August 14, 2020

For and on behalf of the Board of Directors

Sunil Wadikar
Whole-time Director
DIN: 07238445

Sushilkumar Agrawal
Director
DIN: 00400892

Mangala Savla
Company Secretary

Basant Varma
Manager and Chief Financial Officer

Place : Mumbai
Date : August 14, 2020

Independent Auditors' Report on the Consolidated Financial Statements

To The Members of
Reliance MediaWorks Limited

We have audited the accompanying consolidated financial statements of **Reliance MediaWorks Limited** (the "Company") and its Subsidiary Companies (the Company together with its Subsidiary constitutes "the Group") which comprise the Consolidated Balance Sheet as at March 31, 2020, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Cash Flows Statement and the Consolidated Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated financial statements")

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated 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 prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ('Ind AS'), and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2020, consolidated loss, consolidated total comprehensive income, consolidated changes in equity and consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing specified under section 143 (10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made there under, 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 obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Other Information

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

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

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

If, based on the work we have performed, we conclude that there is material misstatement therein; we are required to report that fact.

We have nothing to report in this regard.

Management's Responsibility for the Consolidated Financial Statements

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

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the management either intends to liquidate or cease operations, or has no realistic alternative but to do so. The respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

Auditors' Responsibility for the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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 consolidated 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 consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls 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.

Independent Auditors' Report on the Consolidated Financial Statements

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company 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 consolidated 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 consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities and business activities within Group to express an opinion on the consolidated financial statements.

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 consolidated 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.

Other Matters

We did not audit the financial statements of 2 Subsidiary Companies whose financial statements reflect total assets of ₹ 1,01,422.38 Lakh as at March 31, 2020, total revenue of ₹ 108.93 Lakh and net cash outflows of ₹ 4,068.85 Lakh for the year ended on that date as considered in the consolidated financial statements. It also includes the Group's share of net loss (and other comprehensive Income) of ₹ 5,342.58 Lakh for the year ended March 31, 2020, in respect of one associate whose financial statements have not been audited by us.

These financial statements and related other financial information have been audited by other auditors whose reports have been furnished to us by the Management.

The financial statements of 3 Subsidiary Companies whose financial statements reflect total assets of ₹ 4,386.09 Lakh as at March 31, 2020, total revenue of ₹ 2,571.34 Lakh and net cash flow of ₹ 116.92 Lakh for the year ended on that date as considered in the consolidated financial statements.

These financial statements and related other financial information have not been audited either by us or by other auditors. Our report is solely based on such unaudited financial statements.

Our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of these Subsidiaries, our report in terms of sub-sections (3) and (11) of Section 143 of the Act, is based solely on the report of the other auditors.

Our report is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
   (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books.
   (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account.
   (d) In our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.
   (e) On the basis of the written representations received from the directors and taken on record by the Board of Directors of the Group Companies, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.
   (f) With respect to the adequacy of internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in Annexure; and
   (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
      i) The Group has disclosed the impact of pending litigations as at March 31, 2020 on its financial position in its financial statements as referred to in Note 38 to the consolidated financial statements.
      ii) Based upon the assessment made by the Company, there are no long-term contracts resulting in any material foreseeable losses.
      iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Group.

For M. S. Sethi & Associates
Chartered Accountants
Firm Registration No. 109407W

Manoj Sethi
Proprietor
Membership No. 039784

Place : Mumbai
Date : August 14, 2020
UDIN: 20039784AAABCU3780

Annexure A to the Independent Auditors' Report on the Consolidated Financial Statements

Report on the Internal Financial Controls under Section 143(3)(i) of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting ('Financial Controls') of **Reliance MediaWorks Limited** ("the Parent Company") (the Company together with its Subsidiary constitutes "the Group") in conjunction with our audit of the Consolidated Financial Statements of the Company for the year ended March 31, 2020.

Management's Responsibility for Internal Financial Controls

The Parent Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('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.

Auditors' Responsibility

Our responsibility is to express an opinion on the Parent Company's Financial Controls based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the 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 Financial Controls are established and maintained and if such controls operated effectively in all material respects. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

Our audit of Financial Controls includes obtaining an understanding of Financial Controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's 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 and the audit evidence obtained by other auditors is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting with reference to Consolidated Financial Statements.

Meaning of Internal Financial Controls over Financial Reporting

A company's Financial Controls 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 Financial Controls includes those policies and procedures that (1) pertain to maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and Directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of Financial Controls, 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 Financial Controls to future periods are subject to the risk that the Financial Controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the parent Company and its Subsidiary companies have, in all material respects, an adequate Financial Controls system and such Financial Controls are operating effectively as at March 31, 2020, based on the Financial Controls criteria established by each Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by ICAI.

Other Matter

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the financial controls over financial reporting in so far as it relates to 2 Subsidiary companies which is based on the corresponding reports of other auditors of such companies incorporated in India.

For M. S. Sethi & Associates
Chartered Accountants
Firm Registration No. 109407W

Manoj Sethi
Proprietor
Membership No. 039784

Place : Mumbai
Date : August 14, 2020

Consolidated Balance Sheet as at March 31, 2020

(Currency : ₹ in lakhs)

Particulars	Note	As at March 31, 2020	As at March 31, 2019
ASSETS			
1 Non-current Assets			
(a) Property, plant and equipment	3	**93.13**	87.11
(b) Goodwill		**363.32**	363.32
(c) Financial assets			
(i) Investments	4 a	**94,359.72**	95,074.00
(ii) Loan	5	**171.78**	157.59
(iii) Other financial assets	6	**173.98**	1,450.91
(e) Deferred tax asset (net)	7	**36.51**	34.32
(f) Other non current assets	8	**621.02**	1,048.18
Total Non-current assets		**95,819.46**	98,215.44
2 Current Assets			
(a) Inventories	9	**496.62**	107.81
(b) Financial Assets			
(i) Investments	4 b	**266.37**	1,939.44
(ii) Trade Receivables	10	**691.74**	373.02
(iii) Cash and Cash Equivalents	11	**317.08**	4,452.46
(iv) Bank Balance Other Than Cash and Cash Equivalents above	12	**1,198.00**	1,240.41
(v) Loans	13	**1,964.09**	6,918.92
(vi) Other Financial Assets	14	**203.59**	119.81
(c) Other Current Assets	15	**2,509.51**	1,993.88
Total current assets		**7,647.00**	17,145.75
TOTAL ASSETS		**103,466.46**	115,361.18
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	16	**9,660.44**	9,660.44
(b) Other Equity	17	**(250,563.05)**	(221,859.66)
Equity attributable to equity holders of the parent		**(240,902.61)**	(212,199.22)
Non-controlling interests		**1,367.29**	1,629.74
Total Equity		**(239,535.32)**	(210,569.48)
Liabilities			
1 Non current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	18 a	**297,107.40**	287,207.44
(b) Provisions	19 a	**49.06**	21.73
Total Non-current liabilities		**297,156.46**	287,229.17
2 Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	18 b	**1,100.00**	1,100.00
(ii) Trade Payables	20	**8,595.45**	8,687.08
(iii) Other Financial Liabilities	21	**33,961.63**	27,206.38
(b) Provisions	19 b	**2.67**	5.06
(c) Other Current Liabilities	22	**2,185.57**	1,702.98
Total Current liabilities		**45,845.32**	38,701.50
Total liabilities		**343,001.78**	325,930.67
TOTAL EQUITY AND LIABILITIES		**103,466.46**	115,361.18

The accompanying notes 1 to 47 form an integral part of the financial statements

As per our Report of even date

For **M.S. Sethi & Associates**
Chartered Accountants
Firm Registration No. 109407W

Manoj Sethi
Proprietor
Membership No.: 039784

Place : Mumbai
Date : August 14, 2020

For and on behalf of the Board of Directors

Sunil Wadikar
Whole-time Director
DIN: 07238445

Sushilkumar Agrawal
Director
DIN: 00400892

Mangala Savla
Company Secretary

Basant Varma
Manager and Chief Financial Officer

Place : Mumbai
Date : August 14, 2020

Consolidated Statement of Profit and Loss for the year ended March 31, 2020

(Currency : ₹ in lakhs)

Particulars	Note	Year ended March 31, 2020	Year ended March 31, 2019
Revenue			
Revenue from Operations	23	**2,360.20**	6,788.01
Other Income	24	**1,045.14**	9,076.89
Total income		**3,405.34**	15,864.90
Expenses			
Cost of production	25	**1,994.51**	4,679.23
Employee benefits expenses	26	**658.70**	572.07
Finance costs	27	**22,353.24**	19,296.75
Depreciation, amortisation and impairment	3	**24.53**	17.13
Others expenses	28	**1,996.59**	4,269.90
Total expenses		**27,027.57**	28,835.08
Profit / (loss) before share of profit/(loss) of Associate, Joint Venture and Tax		**(23,622.23)**	(12,970.18)
Share of profit/(loss) from Joint Venture		**-**	(329.00)
Share of profit/(loss) from Associate		**(5,342.58)**	(3,107.04)
Profit/(loss) before tax		**(28,964.81)**	(16,406.22)
Income tax expense:			
- Current tax		**-**	213.87
- Deferred tax		**(1.87)**	15.93
- Income tax of earlier years		**1.97**	-
Total tax expense		**0.10**	229.80
Profit/(loss) for the year after tax		**(28,964.91)**	(16,636.02)
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
- Remeasurement of defined benefit plans : Gains/(Loss)		**(1.24)**	6.81
- Income tax relating to the above		**0.32**	(1.66)
		(0.92)	5.15
Total Comprehensive Income for the year		**(28,965.83)**	(16,630.87)
Net Profit attibutable To :			
Owners of the Company		**(28,702.88)**	(16,914.47)
Non controlling interest		**(262.03)**	278.45
Other Comprehensive income attributable to :			
Owners of the Company		**(0.51)**	3.05
Non controlling interest		**(0.41)**	2.11
Total Comprehensive income attributable to the owners of the Company			
Owners of the Company		**(28,703.23)**	(16,913.13)
Non controlling interest		**(262.44)**	280.56
Earnings per equity share			
Nominal value ₹ 5 each fully paid-up	29		
- Basic (₹)		**(14.99)**	(8.61)
- Diluted (₹)		**(14.99)**	(8.61)

The accompanying notes 1 to 47 form an integral part of the financial statements

As per our Report of even date

For **M.S. Sethi & Associates**
Chartered Accountants
Firm Registration No. 109407W

Manoj Sethi
Proprietor
Membership No.: 039784

Place : Mumbai
Date : August 14, 2020

For and on behalf of the Board of Directors

Sunil Wadikar
Whole-time Director
DIN: 07238445

Sushilkumar Agrawal
Director
DIN: 00400892

Mangala Savla
Company Secretary

Basant Varma
Manager and Chief Financial Officer

Place : Mumbai
Date : August 14, 2020

Consolidated Cash flow Statement for the year ended March 31, 2020

(Currency : ₹ in lakhs)

	Particulars	Year ended March 31, 2020	Year ended March 31, 2019
A.	**Cash flow from Operating activities:-**		
	Profit/ (Loss) before Tax	**(28,964.81)**	(16,406.22)
	Adjustment for :		
	Depreciation	**24.53**	17.10
	Excess provision written back	**(421.71)**	(2,644.63)
	Bad Debts	**742.36**	-
	Loss on sale of shares	**-**	3.94
	Loss on foreign currency translation and transaction	**2.33**	(186.33)
	Loss on Sale of Investment	**-**	(26.78)
	Loss on Sale of Assets held for disposal	**-**	(5,478.43)
	Interest income	**(415.08)**	(394.05)
	Provision for Gratuity	**-**	(9.99)
	Dividend income	**(0.55)**	(2.24)
	Gain on Sale of mutual fund	**(52.87)**	-
	Fair Value Gain on financial instrument through FVTPL	**0.94**	(136.92)
	Provision for Doubtful Debts	**169.90**	-
	Interest expense	**22,353.24**	19,326.01
	Operating profits before working capital changes	**(6,561.69)**	(5,938.54)
	(Increase) / Decrease in inventories	**(388.81)**	(62.09)
	(Increase) / Decrease in Financial Assets & other Assets	**(842.56)**	1,869.69
	Increase / (Decrease) in Financial Liabilities & other Liabilities	**319.09**	2,215.90
	Cash flow from / (used in) operation	**(7,473.97)**	(1,915.04)
	Taxes paid (net of refunds)	**423.24**	309.98
	Net cash flow from / (used in) Operating activities (A)	**(7,050.73)**	(1,605.06)
B.	**Cash flow from Investing activities:-**		
	Sale of Property Plant & Equipment	**(30.55)**	-
	Sale / (Purchase) of other current Investments	**(18.30)**	(1,263.54)
	(Investment) Divestment in Mutual Fund & Others	**1,725.94**	-
	Proceeds from disposal of Property Plant & Equipment	**-**	20,000.00
	(Investment)/Redemption in Fixed Deposit with Banks	**1,692.36**	(574.85)
	Dividend received	**0.55**	0.72
	Inter-corporate Deposit (Given) /Received	**4,940.65**	(4,250.05)
	Interest income	**326.75**	300.64
	Net cash flow from / (used in) Investing activities (B)	**8,637.40**	14,212.93

Consolidated Cash flow Statement for the year ended March 31, 2020

(Currency : ₹ in lakhs)

	Particulars	Year ended March 31, 2020	Year ended March 31, 2019
C	**Cash flow from Financing activities**		
	Inter corporate loan received / (repaid)	**(1,600.04)**	3,656.00
	Proceeds from issue of Non Convertible Debentures	**(3,410.00)**	-
	Interest Expense	**(712.02)**	(12,231.96)
	Net cash flow from / (used in) Financing activities (C)	**(5,722.06)**	(8,575.96)
	Net increase/(decrease) in cash and cash equivalent (A + B + C)	**(4,135.38)**	4,031.90
	Cash and cash equivalents as at beginning of the year	**4,452.46**	420.56
	Cash and cash equivalents as at end of the year (Refer note below)	**317.08**	4,452.46

Notes:

1) Cash and cash equivalents at year end comprises:

- Cash on Hand	**3.46**	3.84
- Balance with Banks in Current accounts	**304.43**	280.60
- Balance with Bank held as Security against Borrowings	**9.19**	4,168.02
	317.08	4,452.46

The above Statement of cash flow should be read in conjuction with accompanying notes 1 to 47

As per our Report of even date

For **M.S. Sethi & Associates**
Chartered Accountants
Firm Registration No. 109407W

Manoj Sethi
Proprietor
Membership No.: 039784

Place : Mumbai
Date : August 14, 2020

For and on behalf of the Board of Directors

Sunil Wadikar
Whole-time Director
DIN: 07238445

Sushilkumar Agrawal
Director
DIN: 00400892

Mangala Savla
Company Secretary

Basant Varma
Manager and Chief Financial Officer

Place : Mumbai
Date : August 14, 2020

Consolidated Statement of Changes in Equity for the year ended March 31, 2020

(Currency : ₹ in lakhs)

A. Equity Share Capital (Refer Note 16)

Particulars	No. of Shares	Total
Balance as at 1st April, 2018	19 32 08 831	9,660.44
Changes in equity share capital during the year	-	-
Balance as at 31st March, 2019	**19 32 08 831**	**9,660.44**
Balance as at 1st April, 2019	19 32 08 831	9,660.44
Changes in equity share capital during the year	-	-
Balance as at 31st March, 2020	**19 32 08 831**	**9,660.44**

B. Other Equity (Refer Note 17)

Particulars	Reserve and Surplus		Total
	Retained Earnings	Other Comprehensive income	
Balance as at 1st April, 2018	(204,518.62)	5.09	(2,04,948.24)
Profit./ (Loss) for the year	(16,914.47)	-	(16,914.47)
Other Comprehensive Income	-	3.05	3.05
Balance as at 31st March, 2019	**(2,21,867.80)**	**8.15**	**(2,21,859.66)**
Profit./ (Loss) for the year	(28,702.88)	-	(28,702.88)
Other Comprehensive income	-	(0.15)	(0.51)
Balance as at 31st March, 2020	**(2,50,570.69)**	**7.64**	**(2,50,563.05)**

As per our Report of even date

For **M.S. Sethi & Associates**
Chartered Accountants
Firm Registration No. 109407W

Manoj Sethi
Proprietor
Membership No.: 039784

Place : Mumbai
Date : August 14, 2020

For and on behalf of the Board of Directors

Sunil Wadikar
Whole-time Director
DIN: 07238445

Sushilkumar Agrawal
Director
DIN: 00400892

Mangala Savla
Company Secretary

Basant Varma
Manager and Chief Financial Officer

Place : Mumbai
Date : August 14, 2020

Notes to the Consolidated Financial Statements for the year ended March 31, 2020

1. Group Information

The Consolidated financial statements comprise financial statements of Reliance MediaWorks Limited (the Company) and its subsidiaries, associates and joint venture (collectively, the Group) for the year ended March 31, 2020. The Company was incorporated in 1987 as a Private Limited Company and is currently a Public Limited Company.

The equity shares of the Company were listed on BSE Limited and National Stock Exchange of India Limited till May 6, 2014. The Group is primarily engaged in theatrical exhibition, film production services and film production and distribution and related services.

2. Basis of Preparation and Significant Accounting Policies

2.1 Basis of Preparation and Presentation

a) Compliance with Ind AS

The Consolidated Financial Statements are prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended, notified under section 133 of Companies Act, 2013 (the Act).

b) Historical cost convention

These financial statements have been prepared on a historical cost basis, except for certain financial assets and liabilities which are measured at fair value (refer accounting policy regarding financial instruments).

c) Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at March 31, 2020. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights
- The size of the group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that group member's financial statements in preparing the consolidated financial statements to ensure conformity with the group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company, i.e., year ended on March 31, 2020. When the end of the reporting period of the parent is different from that of a subsidiary, the subsidiary prepares, for consolidation purposes, additional financial information as of the same date as the financial statements of the parent to enable the parent to consolidate the financial information of the subsidiary, unless it is impracticable to do so.

Notes to the Consolidated Financial Statements for the year ended March 31, 2020

The list of Subsidiaries, Associate & Joint Venture included in consolidation is mentioned below:

Sr. No	Name of the Entity	Country of incorporation	% of Equity Interest	
			As at March 31, 2020	As at March 31, 2019
Subsidiaries				
1	Reliiance MediaWorks Financial Services Private Limited (RMFSL)	India	**100%**	100%
2	Reliance MediaWorks Theatres Limited (RMTL)	India	**100%**	100%
3	Big Synergy Media Limited (BSML)	India	**51%**	51%
4	Reliance MediaWorks (Netherlands) B.V.	The Netherland	**100%**	100%
5	Global MediaWorks (USA) Inc.	USA	**100%**	100%
6	Global MediaWorks (UK) Limited	UK	**100%**	100%

The list of step down subsidiaries considered in these consolidated financial statements with percentage shareholding is summarised below:

Sr. No	Name of the Entity	Country of incorporation	% of Equity Interest	
			As at March 31, 2020	As at March 31, 2019
Subsidiaries				
1	Global Cinemas Entertainment LLC	USA	**100%**	100%
2	Global Cinemas Entertainment (DE) LLC	USA	**100%**	100%
3	BIG Cinemas Laurel LLC	USA	**100%**	100%
4	BIG Cinemas Norwalk LLC	USA	**100%**	100%
5	Global Cinemas Galaxy LLC	USA	**100%**	100%
6	BIG Cinemas Sahil LLC	USA	**97%**	97%
7	BIG Cinemas IMC LLC	USA	**100%**	100%
8	Big Pictures USA Inc.$	USA	**100%**	100%
9	Reliance Media Works VFX Inc.	USA	**100%**	100%
Joint Ventures				
Divyashakti Marketing Private Limited		India	**50%**	50%
Associates				
Prime Focus Limited		India	**35.06%**	35.11%

$ - This subsidiary does not have any transactions since the date of incorporation.

Consolidation procedure:

(i) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.

(ii) Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.

(iii) Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it:

- Derecognises the assets (including goodwill) and liabilities of the subsidiary
- Derecognises the cumulative translation differences recorded in equity
- Recognises the fair value of the consideration received

- Recognises the fair value of any investment retained
- Recognises any surplus or deficit in profit or loss
- Reclassifies the parent's share of components previously recognised in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities.

d) Company's financial statements are presented in Indian Rupees which is also its functional currency.

2.2 Summary of Significant Accounting Policies

a) Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their acquisition date fair values. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable. However, the following assets and liabilities acquired in a business combination are measured at the basis indicated below:

- Deferred tax assets or liabilities, and the assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with Ind AS 12 Income Tax and Ind AS 19 Employee Benefits respectively.
- Liabilities or equity instruments related to share based payment arrangements of the acquiree or share – based payments arrangements of the Group entered into to replace share-based payment arrangements of the acquire are measured in accordance with Ind AS 102 Share-based Payments at the acquisition date.
- Assets (or disposal groups) that are classified as held for sale in accordance with Ind AS 105 Non-current Assets Held for Sale and Discontinued Operations are measured in accordance with that standard.
- Reacquired rights are measured at a value determined on the basis of the remaining contractual term of the related contract. Such valuation does not consider potential renewal of the reacquired right.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

If the business combination is achieved in stages, any previously held equity interest is re-measured at its acquisition date fair value and any resulting gain or loss is recognised in profit or loss or OCI, as appropriate.

Any contingent consideration to be transferred by the acquirer is recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of Ind AS 109 Financial instruments, is measured at fair value with changes in fair value recognised in profit or loss. If the contingent consideration is not within the scope of Ind AS 109, it is measured in accordance with the appropriate Ind AS. Contingent consideration that is classified as equity is not re-measured at subsequent reporting dates and subsequent its settlement is accounted for within equity.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in OCI and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognises the gain directly in equity as capital reserve, without routing the same through OCI.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

Where goodwill has been allocated to a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted through goodwill during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognized at that date. These adjustments are called as measurement period adjustments. The measurement period does not exceed one year from the acquisition date.

b) Investment in associates and joint ventures

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The considerations made in determining whether significant influence or joint control are similar to those necessary to determine control over the subsidiaries.

The Group's investments in its associate and joint venture are accounted for using the equity method. Under the equity method, the investment in an associate or a joint venture is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the associate or joint venture since the acquisition date. Goodwill relating to the associate or joint venture is included in the carrying amount of the investment and is not tested for impairment individually.

The statement of profit and loss reflects the Group's share of the results of operations of the associate or joint venture. Any change in OCI of those investees is presented as part of the Group's OCI. In addition, when there has been a change recognised directly in the equity of the associate or joint venture, the Group recognises its share of any changes, when applicable, in the statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and the associate or joint venture are eliminated to the extent of the interest in the associate or joint venture.

If an entity's share of losses of an associate or a joint venture equals or exceeds its interest in the associate or joint venture (which includes any long term interest that, in substance, form part of the Group's net investment in the associate or joint venture), the entity discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture. If the associate or joint venture subsequently reports profits, the entity resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

The aggregate of the Group's share of profit or loss of an associate and a joint venture is shown on the face of the statement of profit and loss. The financial statements of the associate or joint venture are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in its associate or joint venture. At each reporting date, the Group determines whether there is objective evidence that the investment in the associate or joint venture is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate or joint venture and its carrying value, and then recognises the loss as 'Share of profit of an associate and a joint venture' in the statement of profit or loss.

Upon loss of significant influence over the associate or joint control over the joint venture, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate or joint venture upon loss of significant influence or joint control and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

c) Current versus non-current classification

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

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

All other assets are classified as non-current.

A liability is current when:

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

The Group classifies all other liabilities as non-current.

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

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

Group companies

On consolidation, the assets and liabilities of foreign operations are translated into INR at the rate of exchange prevailing at the reporting date and their statements of profit or loss are translated at exchange rates prevailing at the dates of the transactions. For practical reasons, the group uses an average rate to translate income and expense items, if the average rate approximates the exchange rates at the dates of the transactions. The exchange differences arising on translation for consolidation are recognised in OCI. On disposal of a foreign operation, the component of OCI relating to that particular foreign operation is recognised in profit or loss.

Any goodwill arising in the acquisition/ business combination of a foreign operation and any fair value adjustments to the carrying amounts of assets and liabilities arising on the acquisition are treated as assets and liabilities of the foreign operation and translated at the spot rate of exchange at the reporting date.

Gain or loss on a subsequent disposal of any foreign operation excludes translation differences that arose before the date of transition but includes only translation differences arising after the transition date.

d) Fair Value Measurement

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

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

The principal or the most advantageous market must be accessible by the Group. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use. The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

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

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

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

e) Property, Plant and Equipment (PPE)

i) An item of PPE is recognized as an asset if it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.

ii) The cost of an item of property, plant and equipment is measured at :

  - its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates.

- any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.
- the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation which is to be incurred either when the item is acquired or as a consequence of having used the item during a particular period for purposes other than to produce inventories during that period.

iii) After initial recognition, PPE is carried at cost less accumulated depreciation/amortization and accumulated impairment losses, if any.

iv) An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit and Loss when the asset is derecognized.

f) Intangible Assets

Intangible assets are stated at cost less accumulated amortization and impairment. Costs relating to software licenses, which are acquired, are capitalized and amortized on a straight-line basis over their respective individual useful life which generally do not exceed 5 years.

g) Depreciation on Property, Plant & Equipment and Amortization of Intangible Assets

i) Tangible Fixed assets are stated at cost less accumulated depreciation. Cost includes freight, duties, taxes (other than those recoverable from tax authorities) and other incidental expenses related to the acquisition / construction and installation of the fixed assets for bringing the assets to its working condition for its intended use.

ii) Depreciation on fixed assets is provided pro-rata to the period of use, under Straight Line Method, at the rates prescribed in Schedule II to the Companies Act, 2013, except in the case of leasehold improvements wherein they are depreciated over the primary period of the lease or the useful life of assets whichever is lower.

iii) Intangible assets are depreciated @ 25% on Written Down Value method.

iv) Leasehold Improvements are amortised over the period of lease.

h) Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

The following specific recognition criteria must also be met before revenue is recognized:

i) Film production services

Revenue from processing / printing of cinematographic films is recognised upon completion of the related processing / printing.

Revenue from processing of digital content is recognised using the proportionate completion method. Use of the proportionate completion method requires the Group to estimate the efforts expended to date as a proportion of the total efforts to be expended. Efforts expended have been used to measure progress towards completion, as there is a direct relationship between efforts expended and contracted output.

Sale of traded goods is recognised when the risks and rewards of ownership are passed on to the customer, which generally coincides with the dispatch of goods.

Income from equipment / facility rental is recognised over the period of the relevant agreement / arrangement.

Sale of traded goods is recognised when the risks and rewards of ownership are passed on to the customer, which generally coincides with the dispatch of goods.

Income from equipment / facility rental is recognised over the period of the relevant agreement / arrangement.

ii) Theatrical exhibition and related income

Sale of tickets - Revenue from theatrical exhibition is recognised on the date of the exhibition of the films and comprises proceeds from sale of tickets, gross of entertainment tax. As the Group is the primary obligor with respect to exhibition activities, the share of distributors in these proceeds is separately disclosed as distributors' share.

Amount of entertainment tax is shown as a reduction from revenue.

Sale of food and beverages - Revenue from sale of food and beverages is recognised upon sale and delivery at the counter.

Advertisement / sponsorship revenue - Revenue from advertisements, sponsorship and events is recognised on the date of the exhibition of the advertisement / event, over the period of the contract or on completion of the Group's obligations, as applicable.

iii) Film production, distribution and related income

Film production and related income - Revenue from sale of content / motion pictures is accounted for on the date of agreement to assign / sell the rights in the concerned motion picture / content or on the date of release of the content / motion picture, whichever is later.

Income from film distribution activity - In case of distribution rights of motion pictures / content, revenue is recognised on the date of release / exhibition. Revenue from other rights such as satellite rights, overseas rights, music rights, video rights, etc. is recognised on the date when the rights are made available to the assignee for exploitation. Revenue from sale of VCDs / DVDs, etc is recognised when the risks and rewards of ownership are passed on to the customer, which generally coincides with the dispatch of the products.

iv) Interest income / income from film financing

Interest income, including from film / content related production financing, is recognised on a time proportion basis at the rate implicit in the transaction.

v) Dividend income

Dividend income is recognised when the right to receive dividend is unconditional at the balance sheet date.

vi) Marketing rights

Amounts received in lieu of future marketing rights sale are recognised as income in the year of entering into the contract.

vii) Trading Income

Sales are recognised when significant risk and reward of ownership of goods have passed to the buyer which coincides with delivery and are recorded net of trade discounts, rebates and Value added tax or Goods and Service Tax.

i) Income Taxes

Income tax expense represents the sum of current and deferred tax. Tax is recognised in the Statement of Profit and Loss, except to the extent that it relates to items recognised directly in equity or other comprehensive income. In which case the tax is also recognised directly in equity or in other comprehensive income.

i) Current tax

Provision for current income-tax is recognised in accordance with the provisions of Indian Income-tax Act, 1961, and rules made thereunder, and recorded at the end of each reporting period based on the amount expected to be paid to the tax authorities in accordance with the taxation laws prevailing in the respective jurisdiction. Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set-off the recognised amounts and there is an intention to settle the assets and the liability on a net basis.

ii) Deferred tax

The deferred tax asset and deferred tax liability is calculated by applying the tax rate and tax laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax assets arising mainly on account of brought forward losses and unabsorbed depreciation under tax laws, are recognised only if there is a virtual certainty of their realisation, supported by convincing evidence, However such deferred tax assets are recognised to the extent there is adequate deferred tax liability reversing out in future periods. Deferred tax Assets on account of other timing differences are recognised, only to the extent there is a reasonable certainty of its realisation. At each Balance Sheet date, the carrying amount of deferred tax assets is reviewed to obtain reassurance as to realisation.

iii) Minimum Alternate Tax (MAT)

Minimum Alternate Tax (MAT) paid in a year is charged to the Statement of Profit and Loss as current tax. MAT Credit Entitlement is recognised as an asset only when and to the extent there is convincing evidence that the Group will pay normal income tax during the specified period, which is the period for which MAT credit is allowed to be carried forward. Such assets is reviewed at each Balance Sheet date and the carrying amount of MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Group will pay normal income tax during the specified period.

j) Foreign Currency Transactions

Transactions in foreign currencies are recorded at the exchange rates prevailing on the date of the transaction. Monetary assets and liabilities in foreign currency, outstanding at the close of the year, are converted into Indian currency at the appropriate rates of exchange prevailing on the date of the Balance Sheet. The resultant gain or loss, except to the extent it relates to long term monetary items, is charged to the Statement of Profit and Loss. Such gain or loss relating to long term monetary items for financing acquisition of depreciable capital assets, is adjusted to the acquisition cost of such asset and depreciated over its remaining useful life.

k) Employee Benefits Expense

Provident Fund

Provident fund contribution for employees and contribution towards employee's pension scheme for all employees is a defined contribution scheme. There are no other obligations, other than the contribution payable to the respective funds.

Gratuity

The liability or asset recognised in the balance sheet in respect of gratuity plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation denominated in INR is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

Net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. the Group recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income.

Compensated Absences

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short term employee benefit. the Group measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The Group treats accumulated leave expected to be carried forward beyond twelve months, as long term employee benefit for measurement purpose. Such long term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year end. the Group presents the leave as a current liability in the balance sheet, to the extent it does not have an unconditional right to defer its settlement for 12 months after the reporting date.

l) Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date and are not discounted to its present value. These are reviewed at each Balance Sheet date and adjusted to reflect the current management estimates.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. the Group does not recognize a contingent liability but discloses its existence in the financial statements.

Contingent Assets are not recognised but disclosed in the financial statements when economic inflow is probable.

m) Earnings Per Share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Earnings considered in ascertaining the Group's earnings per share is the net profit for the period after deducting preference dividends and any attributable tax thereto for the period. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares, provided the number of shares to be issued is material.

n) Statement of Cash Flows

i) Cash and Cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, stamp in hand, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

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

o) Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

Where the Group is lessee

Leases where the lessor effectively retains substantially all risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognized as an expense in the statement of profit and loss on a straight-line basis over the lease term.

p) Inventories

Program / Film rights are stated at lower of unamortized cost or net realizable value.

- Cost of televised events including programs are fully expensed on telecast, basis expected pattern of realization of economic benefits.
- Film rights with limitation on number of telecast during the license period are amortised on a straight-line basis over the license period or telecast basis whichever is earlier. Other film rights are amortized on a straight-line basis over the license period or up to 5 years from the date of purchase, whichever is shorter.
- Programs pending completion are carried at cost. Cost comprises production cost and direct overheads.
- Film rights pending commencement include content where rights are yet to commence. These are carried at cost and amortised after commencement of rights.

q) Investments

Investments that are readily realisable and are intended to be held for not more than one year from the date, on which such investments are made, are classified as current investments. All other investments are classified as long term investments. Current investments are carried at cost or fair value, whichever is lower. Long-term investments are carried at cost, However, provision for diminution is made to recognize a decline, other than temporary, in the value of the investments, such reduction being determined and made for each investment individually.

r) Borrowing Costs

Borrowing costs that are attributable to the acquisition, construction or production of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use. All other borrowing costs are charged to revenue.

s) Financial instruments

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

Initial Recognition

The Group recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, that are not at fair value through profit or loss, are added to the fair value on initial recognition.

Subsequent measurement

(i) Financial assets carried at amortized cost

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

(ii) Financial assets at Fair value through other comprehensive income (FVTOCI)

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

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

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

(iv) Investments in subsidiaries

Investments in subsidiaries are carried at cost. On transition to Ind AS, the Group has elected to continue with the carrying value of all of its Investments in subsidiaries recognised as at 1 April 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of the Investment in subsidiaries.

(v) Financial Liabilities

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

Derecognition of financial instruments

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

Impairment of Financial Assets

the Group recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to life time 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 life time 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 recognized is recognized as an impairment gain or loss in the statement of profit or loss.

2.3 Key Accounting Estimates and Judgements

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

a) Depreciation / amortisation and useful lives of property plant and equipment / intangible assets

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

b) Recoverability of trade receivable

Judgements are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required. Factors considered include the period of overdues, the amount and timing of anticipated future payments and the probability of default.

c) Provisions

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of resources resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability requires the application of judgement to existing facts and circumstances. The carrying amounts of provisions and liabilities are reviewed regularly and revised to take account of changing facts and circumstances.

d) Measurement of defined benefit obligations

The measurement of defined benefit and other post-employment benefits obligations 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, mortality rates and future pension increases. 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.

(Currency : ₹ in lakhs)

Note 3 : Property, Plant & Equipment

Particulars	Leasehold Improvement	Office equipment	Plant and machinery	Furniture and fixtures	Computers	Vehicles	Editing Machine	Total
Non-Current								
Year ended March 31, 2019								
Gross carrying amount	54.12	35.02	27.37	7.81	9.56	11.37	3.45	148.69
Deemed cost as at April 1, 2018	-	-	-	0.72	1.95	-	-	2.66
Additions	-	-	-	-	(0.51)	-	-	(0.51)
Disposals and transfers	54.12	35.02	27.37	8.52	10.99	11.37	3.45	150.85
Closing gross carrying amount								
Accumulated depreciation	6.03	21.84	3.08	0.92	4.21	9.77	1.07	46.92
Depreciation charge during the year	5.29	4.25	2.24	0.78	3.13	0.75	0.69	17.13
Disposals and transfers	-	-	-	-	(0.32)	-	-	(0.32)
Closing accumulated depreciation	**11.33**	**26.10**	**5.31**	**1.71**	**7.02**	**10.51**	**1.76**	**63.73**
Net carrying amount as on March 31, 2019	**42.79**	**8.93**	**22.06**	**6.82**	**3.97**	**0.86**	**1.70**	**87.11**
Year ended March 31, 2020								
Gross carrying amount	54.12	35.02	27.37	8.52	10.99	11.37	3.45	150.85
Deemed cost as at April 1, 2019	32.77	-	-	0.76	1.40	-	-	34.92
Additions	-	-	-	-	-	-	-	-
Disposals and transfers	86.88	35.02	27.37	9.28	12.39	11.37	3.45	185.77
Closing gross carrying amount								
Accumulated depreciation	11.33	26.10	5.31	1.71	7.02	10.51	1.76	63.73
Depreciation charge during the year	11.84	5.63	2.24	0.91	3.12	0.11	0.69	24.53
Disposals and transfers	-	-	-	-	-	-	-	-
Closing accumulated depreciation	**27.54**	**31.72**	**7.55**	**2.61**	**10.14**	**10.62**	**2.45**	**92.64**
Net carrying amount as on March 31, 2020	**59.34**	**3.30**	**19.82**	**6.67**	**2.25**	**0.75**	**1.01**	**93.13**

Notes to the Consolidated Financial Statements for the year ended March 31, 2020

(Currency : ₹ in lakhs)

Particulars		March 31, 2020	March 31, 2019
4	**Investments**		
a	**Non-current Investments**		
	Investment in Associates (at Cost, Quoted)		
	Prime Focus Limited*	**89,579.46**	94,922.04
	10 49 39 361 (Previous year 10 49 39 361) equity shares of ₹ 10 each fully paid up		
	Investment in Optionally Convertible Debentures (at Cost, Unquoted)		
	4 61 0000 (Previous year Nil) 0% Unsecured OCD of Reliance Alpha Services Private Limited of ₹ 1,000 each fully paid	**4,610.00**	-
	Investment in Joint Venture (at Cost, Unquoted)		
	Divya Shakti Marketing Private Limited		
	100 000 (Previous year 100 000) equity shares of ₹ 10 each fully paid up	**-**	-
	Investment in Government Securities (at Cost, Unquoted)		
	National Savings Certificate	**10.00**	10.00
	Investment in Partnership Firm (at Amortised Cost, Unquoted)		
	Gold Adlabs (55%)	**160.26**	141.96
	Total	**94,359.72**	95,074.00
	Aggregate carrying value of quoted investments	**89,579.46**	94,922.04
	Aggregate fair value of quoted investments	**26,654.60**	69,627.27
	*Interest expense to the extent of ₹ Nil (Previous year ₹ 92,42,87,322) directly attributable to the acquisition cost of equity share of Prime Focus Limited, hence added in the cost of investment during the year (Refer Note 41)		
b	**Current Investments**		
	Investments in Equity - at Cost, Unquoted, fully paid up		
	Osian's Art Fund Contemporary	**16.00**	16.00
	100 000 (Previous year 100 000) equity shares of ₹ 10 each fully paid up		
	Less: Provision for diminution in value of investment	**(16.00)**	(16.00)
		-	-
	Investments in Mutual Funds - Quoted, fully paid up		
	Birla Sunlife Short Term Opportunities Fund - Growth-Regular Plan	**-**	66.96
	Birla Sunlife Dynamic Bond Fund-Growth-Regular Plan	**-**	23.26
	BSL Medium Term Plan-Quarterly Dividend-Regular Plan	**-**	26.91
	Reliance Liquidity Fund - Growth Option	**-**	1,753.01
	Franklin India Short Term Income Plan-Growth	**66.43**	69.31
	Reliance Liquidity Fund - Growth Option	**199.94**	-
		266.37	1,939.44
	Total	**94,626.09**	97,013.44
5	**Loans**		
	(Unsecured, considered good unless otherwise stated)		
	To Others	**270.38**	256.19
	Less: Provision	**(98.60)**	(98.60)
	Total	**171.78**	157.59
6	**Other Financial Assets**		
	Non-Current		
	(Unsecured, considered good unless otherwise stated)		
	Security deposits	**173.98**	163.91
	Bank deposit with original maturity of more than 12 months	**-**	1,287.00
	Total	**173.98**	1,450.91

Notes to the Consolidated Financial Statements for the year ended March 31, 2020

(Currency : ₹ in lakhs)

Particulars		March 31, 2020	March 31, 2019
7	**Deferred Tax Assets**		
	Deferred tax liabilities on account of :		
	Property, plant and equipment	**22.81**	26.61
	Provisions	**13.70**	7.71
	Total deferred tax assets	**36.51**	34.32
	Deferred tax assets on account of :		
	Fair valuation of financial instrument	**-**	-
	Total deferred tax liabilities	**-**	-
	Net Deferred Tax Assets	**36.51**	34.32
8	**Other non current assets**		
	(Unsecured, considered good unless otherwise stated)		
	Advance income tax and tax deducted at sources	**176.10**	603.75
	Balances with government authorities	**-**	0.25
	Advance Entertainment tax paid under protest	**444.18**	444.18
	Advance lease rental	**0.74**	-
	Total	**621.02**	1,048.18
9	**Inventories**		
	(At lower of cost and net realisable value)		
	Project in progress		
	Opening Balance	**107.81**	45.10
	Add/(less) : Transfer from/(to) cost of production (net)	**388.81**	62.71
	Total	**496.62**	107.81
10	**Trade Receivables**		
	(Unsecured, considered good unless otherwise stated)		
	Trade receivables	**1,610.69**	1,591.16
	Less : Provision for doubtful debts	**(918.95)**	(1,218.14)
	Total	**691.74**	373.02
11	**Cash and Cash Equivalents**		
	Cash on Hand	**3.46**	3.85
	Balances with Banks		
	In Current Accounts	**304.43**	280.59
	in bank deposits with original maturity of less than 3 months	**9.19**	4,168.02
	Total	**317.08**	4,452.46
12	**Bank balance other than cash and cash equivalents above**		
	Bank deposits with original maturity of more than 3 months but less than 12 months	**1,198.00**	1,240.41
	Total	**1,198.00**	1,240.41
13	**Loans**		
	(Unsecured, considered good unless otherwise stated)		
	To Related parties	**1,992.20**	44,917.19
	Inter corporate deposits	**(28.22)**	(43,134.99)
	Less: Provision	**1,963.98**	1,782.20
	To Others		
	Inter corporate deposits	**100.11**	5,236.72
	Less: Provision	**(100.00)**	(100.00)
		0.11	5,136.72
	Total	**1,964.09**	6,918.92

Notes to the Consolidated Financial Statements for the year ended March 31, 2020

(Currency : ₹ in lakhs)

Particulars		March 31, 2020	March 31, 2019
14	**Other financial assets**		
	(Unsecured, considered good)		
	Interest accrued and due		
	From Related Parties	**159.65**	37.31
	Less: Provision	**-**	-
		159.65	37.31
	From Others	**79.88**	113.88
	Less: Provision	**(40.07)**	(40.07)
		39.81	73.81
	Security Deposits	**4.13**	8.69
	Total	**203.59**	119.81
15	**Other Current Assets**		
	(Unsecured, considered good)		
	Advances recoverable in cash or kind or for value to be received	**749.07**	292.68
	Advance lease rental	**0.46**	-
	Prepaid expenses	**18.09**	8.30
	Balances with gratuity trust funds (Refer Note no. 30)	**80.81**	75.61
	Balances with government authorities	**1,661.08**	1,617.29
	Total	**2,509.51**	1,993.88

16 Equity Share Capital

Particulars	As at March 31, 2020		March 31, 2019	
	Number	Amount	Number	Amount
Authorised				
Equity Shares of ₹ 5/- each	**48 00 00 000**	**24,000.00**	48 00 00 000	24,000.00
Preference shares ₹ 5/- each	**602 00 00 000**	**301,000.00**	602 00 00 000	301,000.00
Issued, Subscribed and paid up capital				
Equity Shares of ₹ 5/- each fully paid up	**19 32 08 831**	**9,660.44**	19 32 08 831	9,660.44
	19 32 08 831	**9,660.44**	19 32 08 831	9,660.44

Notes :

(a) Reconciliation of the number of equity shares outstanding at the beginning and at the end of the year

Particulars	March 31, 2020		March 31, 2019	
	Number	Amount	Number	Amount
Shares outstanding at the beginning of the year	**19 32 08 831**	**9,660.44**	19 32 08 831	9,660.44
Shares issued/bought back during the year	**-**	**-**	-	-
Shares outstanding at the end of the year	**19 32 08 831**	**9,660.44**	19 32 08 831	9,660.44

(b) Equity Shares held by the shareholders holding more than 5% shares in the Company

Name of the Shareholder	March 31, 2020		March 31, 2019	
	Number of shares	% of Holding	Number of shares	% of Holding
Reliance Alpha Services Private Limited	**6 21 99 483**	**32.19**	6 21 99 483	32.19
Ariel Trading Private Limited	**-**	**-**	5 79 61 764	30.00
Indian Agri Services Private Limited	**5 60 44 964**	**29.01**	5 60 44 964	29.01
Reliance Entertainment Networks Private Limited	**5 79 61 734**	**30.00**	-	-

(c) Rights, preference and restrictions attached to the equity shares

The Company has equity shares having par value of ₹ 5 per share. Each equity holder entitle to one vote per share. The dividend proposed by the Board of the Directors is subject to the approval of the shareholders in the ensuing 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 all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Notes to the Consolidated Financial Statements for the year ended March 31, 2020

(Currency : ₹ in lakhs)

Particulars		March 31, 2020	March 31, 2019
17	**Other Equity**		
	Retained Earnings		
	Opening Balance	**(2,21,867.81)**	(2,04,953.34)
	Profit / (Loss) for the Year	**(28,702.88)**	(16,914.47)
	Balance at the year end	**(2,50,570.70)**	(2,21,867.81)
	Other Comprehensive Income		
	Balance as per last Balance sheet	**8.15**	5.09
	Profit/ (Loss) for the Year	**(0.51)**	3.05
	Balance at the end	**7.64**	8.15
	Total	**(2,50,563.05)**	(2,21,859.66)
18	**Borrowings**		
	a) Non-Current		
	Secured		
	Non-Convertible debentures (Refer note a to d below)	**57,835.16**	61,245.16
	10% NCNCR Preference shares (Refer note e below)	**7,966.62**	5,016.62
	11.5% NCNCR Preference shares (Refer note f below)	**185,160.62**	173,200.62
	Unsecured		
	Inter-Corporate Deposits (Refer note g below)		
	Related Parties (Refer Note 35)	**18,123.00**	18,123.00
	Others	**28,022.00**	29,622.04
	Total	**297,107.40**	287,207.44
	b) Current		
	Unsecured		
	Others	**1,100.00**	1,100.00
	Total	**1,100.00**	1,100.00

Secured

a) The Group had issued 6 041 rated listed, redeemable non convertible debentures of face value of ₹ 10,00,000 each (held by M/s Credit Suisse Finance (India) Private Limited) for cash at par aggregating ₹ 65,000 lakhs on private placement basis on March 28, 2018 with five equal ISIN number.

The Debentures are secured by

(i) a first ranking and exclusive pledge of 100% (One Hundred per cent) of the equity share capital of the Company (on a fully diluted basis) by Reliance MediaWorks Limited pursuant to the Share Pledge Agreement;

(ii) a first ranking and exclusive pledge over 10,49,39,361 (35.06%) equity shares of Prime Focus Limited such that the Collateral Cover is met, by the Group;

(iii) a first ranking and exclusive charge by way of hypothecation on the Account Assets pursuant to the Deed of Hypothecation;

(iv) Such other security Interest on such assets as may be agreed between the company (Issuer) and the Debenture Trustee;

(v) Pledge over 100% of the shares of Reliance General Insurance Company Limited (RGICL) by the Corporate Guarantor."

b) The Group has pledged 10,49,39,361 (35.06%) equity shares of Prime Focus Limited ('PFL') in favour of IDBI Trusteeship Services Limited ('Debenture Trustee') as a security for NCDs issued by the Group. The Debenture Trustee on November 28, 2019 invoked the pledge on 7,32,99,666 (24.49%) equity shares and currently the Group holds 3,16,39,695 (10.57) equity shares of PFL. Till the date of finalisation, the Group continue to consider its rights on the invoked equity shares.

c) The Debenture Trustee, on November 19, 2019, invoked the pledge and presently holds the shares of RGICL in their custody. Vide orders dated December 4, 2019 and December 27, 2019, Insurance Regulatory and Development Authority of India (IRDAI), has informed the Corporate Guarantor that the shares are being held by the Debenture Trustee in the capacity as Trustee and the shares have not been transferred. The said order was challenged in Securities Appellate Tribunal, Mumbai (SAT) and SAT vide its Order dated February 27, 2020 also confirmed that the Debenture Trustee is also holding shares as Trustee / custodian and will not exercise any control over RGIC and cannot exercise any voting rights on shares of RGIC."

e) 10% NCNCR Preference shares

29 50 000 Preference shares of ₹ 5/- each shall be redeemed at the end of 20 years from the date of allotment i.e March 31, 2012 each Preference shares shall be redeemed at a premium calculated in a manner that gives the holder an yield of 10% p.a. (till date of redemption) on issue price of ₹ 1,000 (including premium of ₹ 995) after

(Currency : ₹ in lakhs)

deduction of dividend, if any declared during the tenure. However, the premium on redemption will be paid only to the original subscribers or to the transferees if the transfers have been previously approved by the Company. Further early redemption at the option of holder of Preference shares can be done, at issue price plus yield as mentioned above, at any time after the date of allotment by giving not less than two months advance notice to the Company. Early redemption at the option of Company at the applicable redemption price can be done, any time after the date of allotment by giving not less than 30 days notice to the Preference share holder.

f) 11.5 % NCNCR Preference shares

208 00 00 000 Preference shares of ₹ 5/- each shall be redeemable at the end of 5 years from the date of allotment i.e March 31, 2017 and shall be redeemed at a premium equal to an amount calculated to yield a return of 11.50% p.a. with effect from the date of allotment up to the date of redemption on issue price of ₹ 5/-

g) Unsecured

Unsecured loan is repayable after the tenure of 3 years and carries an interest rate as agreed between the group companies.

Particulars			March 31, 2020	March 31, 2019
19	**Provisions**			
	a	**Non-Current**		
		Provision for Leave Encashment	**49.06**	21.73
			49.06	21.73
	b	**Current**		
		Provision for Gratuity	**1.30**	0.63
		Provision for Leave Encashment	**1.37**	4.42
	Total		**2.67**	5.06
20	**Trade Payables**			
	Total outstanding due to micro and small enterprises (refer note below)		**-**	-
	Total outstanding due to creditors other than micro and small enterprises		**8,595.45**	8,687.08
	Total		**8,595.45**	8,687.08

There are no Micro, Small and Medium Enterprises, to whom the Company owes dues, which are outstanding for more than 45 days as at the balance sheet date. The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors.

		March 31, 2020	March 31, 2019
(i)	Principal amount and interest due thereon remaining unpaid to MSME suppliers as at the end of the accounting year:		
	- Principal	**-**	-
	- Interest	**-**	-
(ii)	Interest paid by the company in terms of Section 16 of Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the suppliers beyond the appointed day during the year.	**-**	-
(iii)	Interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006.	**-**	-
(iv)	Interest accrued and remaining unpaid.	**-**	-
(v)	Further interest remaining due and payable even in the succeeding period until such date when the interest dues as above are actually paid to the small enterprise.	**-**	-

		March 31, 2020	March 31, 2019
21	**Other financial liabilities**		
	Current maturities of long-term debt	**429.00**	429.00
	Interest accrued but not due on borrowing	**33,508.60**	26,777.38
	Lease Liability	**24.03**	-
	Total	**33,961.63**	27,206.38

Notes to the Consolidated Financial Statements for the year ended March 31, 2020

(Currency : ₹ in lakhs)

	Particulars	March 31, 2020	March 31, 2019
22	**Other Current Liabilities**		
	Statutory dues	**290.20**	259.57
	Advances From Customers	**1,178.13**	680.74
	Income Earned in Advance	**213.30**	252.33
	Employee Payables	**112.48**	145.18
	Book Overdraft	**-**	10.57
	Other Liabilities	**391.46**	354.59
	Total	**2,185.57**	1,702.98

	Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
23	**Revenue from Operations**		
	Programme sales - Television/Web series content	**2,262.15**	6,412.48
	Sales of goods	**-**	95.67
	Consultancy services	**1.25**	-
	Rent	**-**	225.38
	Share of profit in partnership firm	**96.80**	54.48
	Total	**2,360.20**	6,788.01
24	**Other Income**		
	Interest income on:		
	Fixed deposits with bank	**136.82**	182.48
	Loan to related parties	**129.07**	96.98
	Loan to others	**14.18**	79.07
	Income tax refund	**134.78**	142.57
	Lease	**0.22**	-
	Fair value gain on financial instrument through FVTPL	**1.94**	136.92
	Dividend Income	**0.55**	2.24
	Provision written back	**421.71**	2,657.34
	Sundry Credit balance written back	**11.99**	-
	Bad debts recovered	**-**	35.56
	Miscellaneous Income	**141.01**	238.52
	Gain on sale of asset held for disposal	**-**	5,478.43
	Gain on sale of investments	**52.87**	26.78
	Total	**1,045.14**	9,076.89
25	**Cost of production**		
	Equipment hire charges	**195.21**	463.29
	Set expenses	**45.77**	59.89
	Professional and technical fees	**1,562.57**	2,595.30
	Research expenses	**1.10**	152.50
	Production expenses	**452.41**	1,071.83
	Unit transportation	**126.26**	303.37
		2,383.32	4,646.18
	Transfer to/(from) project in progress (net)	**(388.81)**	(62.71)
		1,994.51	4,583.47
	Purchases of stock-in-trade	**-**	95.76
	Total	**1,994.51**	4,679.23

Notes to the Consolidated Financial Statements for the year ended March 31, 2020

(Currency : ₹ in lakhs)

	Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
26	**Employee benefits expenses**		
	Salaries, wages and bonus	**632.16**	549.61
	Contributions to provident and other Fund	**15.81**	22.71
	Contributions to Gratuity Fund (Refer Note 30)	**3.53**	(5.25)
	Compensated absences	**-**	0.40
	Staff welfare expenses	**7.20**	4.60
	Total	**658.70**	572.07
27	**Finance cost**		
	Interest expenses		
	on Non convertible debentures	**7,438.19**	-
	on other loans	**14,915.05**	19,296.75
	Total	**22,353.24**	19,296.75
28	**Other expenses**		
	Bank charges	**1.44**	0.51
	Marketing expenses	**13.89**	12.15
	Business promotion	**25.18**	18.44
	Rent	**117.43**	602.81
	Rates and taxes	**90.99**	286.17
	Travelling and conveyance	**16.24**	16.36
	Insurance	**0.81**	14.45
	Auditor remuneration (excluding taxes)	**13.16**	27.81
	Legal and professional fees	**733.54**	655.20
	Loss on foreign currency translations and transactions	**2.33**	(81.97)
	Loss on sale of current investments	**-**	3.94
	Loss on sale of property, plant and equipment	**-**	0.14
	Printing and stationery	**9.22**	29.35
	Telephone expenses	**9.07**	10.38
	Electricity charges	**8.98**	10.64
	Repairs and maintenance	**19.84**	26.00
	Fair value loss on financial instrument through FVTPL	**2.87**	-
	Bad debt	**742.36**	2,602.98
	Provision for bad and doubtful debts	**169.90**	-
	Miscellaneous expenses	**19.34**	34.54
	Total	**1,996.59**	4,269.90
	Breakup of Auditors' remuneration		
	Audit fees	**13.16**	27.81
		13.16	27.81

29 Basic and diluted earnings per share

The computation of earnings per share is set out below:

	Particulars	2019-20	2018-19
a)	Amounts used as the numerators		
	Net loss after tax	**(289 64 90 822)**	(166 36 02 324)
b)	Weighted average number of equity shares (Nos.)	**19 32 08 831**	19 32 08 831
c)	Basic earnings per share of face value ₹ 5 each (₹)	**(14.99)**	(8.61)
d)	Diluted earnings per share of face value ₹ 5 each (₹)	**(14.99)**	(8.61)

Notes to the Consolidated Financial Statements for the year ended March 31, 2020

(Currency : ₹ in lakhs)

Note 30 : Disclosure under Ind AS 19 "Employee Benefits"

(a) Defined Contribution Plan

i) Provident Fund

ii) Employer's contribution to Employees' State Insurance Scheme

The Company has recognised the following amounts as expense in the financial statements for the period:

Particulars	2019-20	2018-19
Contribution to Provident Fund	**20.10**	15.42
Contribution to ESIC	**0.78**	0.95

(b) Defined Benefit Plan

The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognizes each year 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 encashment is recognised in the same manner as gratuity.

Particulars	Gratuity (funded)	
	2019-20	2018-19
I. Change in defined benefit obligation		
1. Defined benefit obligation at beginning of period	**26.96**	51.42
2. Service cost		
a. Current service cost	**4.07**	4.07
b. Past service cost	**-**	-
c. (Gain) / loss on settlements	**-**	-
3. Interest expenses	**1.73**	3.76
4. Cash flows		
a. Benefit payments from plan	**(13.00)**	(28.81)
b. Benefit payments from employer	**-**	-
c. Settlement payments from plan	**-**	-
d. Settlement payments from employer	**-**	-
5. Remeasurements		
a. Effect of changes in demographic assumptions	**1.35**	(3.43)
b. Effect of changes in financial assumptions	**0.94**	(0.63)
c. Effect of experience adjustments	**(0.43)**	0.59
6. Transfer In /Out		
a. Transfer In	**-**	-
b. Transfer out	**-**	-
7. Defined benefit obligation at end of period	**21.62**	26.96
II. Change in fair value of plan assets		
1. Fair value of plan assets at beginning of period	**140.86**	124.82
2. Interest income	**10.34**	9.64
3. Cash flows		
a. Total employer contributions		
(i) Employer contributions	**4.02**	34.23
(ii) Employer direct benefit payments	**-**	-
(iii) Employer direct settlement payments	**-**	-
b. Participant contributions	**-**	-
c. Benefit payments from plan assets	**(13.00)**	(28.81)
d. Benefit payments from employer	**-**	-
e. Settlement payments from plan assets	**-**	-
f. Settlement payments from employer	**-**	-
4. Remeasurements		
a. Return on plan assets (excluding interest income)	**0.53**	0.99
5. Transfer In /Out		
a. Transfer In	**-**	-
b. Transfer out	**-**	-
6. Fair value of plan assets at end of period	**142.75**	140.86

Notes to the Consolidated Financial Statements for the year ended March 31, 2020

(Currency : ₹ in lakhs)

Particulars			Gratuity (funded) 2019-20	2018-19
III.	**Amounts recognized in the Balance Sheet**			
	1.	Defined benefit obligation	**(6.60)**	26.96
	2.	Fair value of plan assets	**(117.12)**	(140.86)
	3.	Funded status		
	4.	Effect of asset ceiling	**41.61**	38.93
	5.	Net defined benefit liability (asset) (Non Current)	**(82.12)**	(74.97)
IV.	**Components of defined benefit cost**			
	1.	Service cost		
		a. Current service cost	**4.07**	4.07
		b. Past service cost	**-**	-
		c. (Gain) / loss on settlements	**-**	-
		d. Total service cost	**4.07**	4.07
	2.	Net interest cost		
		a. Interest expense on DBO	**1.73**	3.76
		b. Interest (income) on plan assets	**10.34**	9.64
		c. Interest expense on effect of (asset ceiling)	**-**	-
		d. Total net interest cost	**(8.60)**	(5.88)
	3.	Remeasurements (recognized in OCI)		
		a. Effect of changes in demographic assumptions	**1.35**	(3.43)
		b. Effect of changes in financial assumptions	**0.94**	(0.63)
		c. Effect of experience adjustments	**(0.43)**	0.59
		d. (Return) on plan assets (excluding interest income)	**(0.34)**	(0.34)
		e. Changes in asset ceiling (excluding interest income)	**-**	-
		f. Total remeasurements included in OCI	**1.16**	(5.95)
	4.	Total defined benefit cost recognized in P&L and OCI	**(3.38)**	0.36
V.	**Re-measurement**			
	a.	Actuarial Loss/(Gain) on DBO	**0.82**	(4.79)
	b.	Returns above Interest Income	**0.34**	(1.16)
	c.	Change in Asset ceiling	**-**	-
	Total Re-measurements (OCI)		**1.16**	(5.95)
VI.	**Employer Expense (P&L)**			
	a.	Current Service Cost	**4.07**	4.07
	b.	Interest Cost on net DBO	**(5.67)**	(3.00)
	c.	Past Service Cost	**-**	-
	d.	Total Expenses debited to profit and loss account	**(1.60)**	1.07
VII.	**Net defined benefit liability (asset) reconciliation**			
	1.	Net defined benefit liability (asset)	**76.24**	(36.72)
	2.	Defined benefit cost included in P&L	**(1.60)**	1.07
	3.	Total remeasurements included in OCI	**1.08**	(5.09)
	4.	a. Employer contributions	**-**	-
		b. Employer direct benefit payments	**-**	-
		c. Employer direct settlement payments	**(4.02)**	(34.23)
	5.	Net transfer	**-**	-
	6.	Net defined benefit liability (asset) as of end of period	**71.70**	(74.97)
VIII.	**Reconciliation of OCI (Re-measurement)**			
	1.	Recognised in OCI at the beginning of period	**5.80**	3.78
	2.	Recognised in OCI during the period	**1.08**	2.02
	3.	Recognised in OCI at the end of the period	**6.87**	5.80
IX.	**Sensitivity analysis - DBO end of Period**			
	1	Discount rate +1%	**6.47**	6.61
	2	Discount rate -1%	**8.66**	7.74
	3	Salary Increase Rate +1%	**8.55**	7.64
	4	Salary Increase Rate -1%	**6.54**	6.66
	5	Attrition Rate +1%	**0.26**	(0.12)
	6	Attrition Rate -1%	**0.28**	0.12

Notes to the Consolidated Financial Statements for the year ended March 31, 2020

(Currency : ₹ in lakhs)

Particulars			Gratuity (funded)	
			2019-20	2018-19
X.	**Significant actuarial assumptions**			
	1.	Discount rate Current Period	**6.25%**	7.55%
	2.	Discount rate Previous Period	**7.50%**	7.50%
	3.	Salary increase rate	**7.00%**	7.00%
	4	Attrition Rate	**15.00%**	22.00%
	5	Retirement Age	**60**	60
	6.	Pre-retirement mortality	**Indian Assured Lives Mortality (2012-14) Ultimate**	Indian Assured Lives Mortality (2006-08) Ultimate
	7.	Disability	**Nil**	Nil
XI.	**Expected cash flows for following period**			
	1.	Expected total benefit payments		
	2.	Year 1	**5.84**	7.76
	3.	Year 2	**1.42**	3.54
	4	Year 3	**1.33**	3.04
	5	Year 4	**1.26**	2.60
	6.	Year 5	**1.58**	2.25
	7.	Next 5 years	**14.49**	16.28

The estimates for rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors. The above information is certified by the actuary and the auditors have relied on the same.

Note 31 : Fair values

Fair value measurement include the significant financial instruments stated at amortised cost in the statement of financial position. The carrying values of current financial instruments approximate their fair values due to the short-term maturity of these instruments and the disclosures of fair value are not made when the carrying amount of current financial instruments is a reasonable approximation of the fair value.

Fair value measurements

The carrying value and fair value of financial instruments by categories as of March 31, 2020 are as follows :

Particulars	Amortised costs	Fair value through profit and loss	Fair value through OCI	Total carrying value	Total fair value
Financial assets					
Investments	94,359.72	266.37	-	94,626.09	94,626.09
Trade receivables	691.74	-	-	691.74	691.74
Cash and cash equivalents	317.08	-	-	317.08	317.08
Bank balance other than cash and cash equivalents above	1,198.00	-	-	1,198.00	1,198.00
Loans	2,135.87	-	-	2,135.87	2,135.87
Other Financial Assets	377.57	-	-	377.57	377.56
	99,079.97	**266.37**	**-**	**99,346.35**	**99,346.35**
Financial liabilities					
Borrowings	298,207.40	-	-	298,207.40	298,207.40
Trade Payables	8,595.45	-	-	8,595.45	8,595.45
Other Financial Liabilities	33,961.63	-	-	33,961.63	33,961.63
	340,764.48	**-**	**-**	**340,764.48**	**340,764.48**

(Currency : ₹ in lakhs)

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

Particulars	Amortised costs	Fair value through profit and loss	Fair value through OCI	Total carrying value	Total fair value
Financial assets					
Investments	95,074.00	1,939.44	-	97,013.44	97,013.44
Trade receivables	373.02	-	-	373.02	373.02
Cash and cash equivalents	4,452.46	-	-	4,452.46	4,452.46
Bank balance other than cash and cash equivalents above	1,240.41	-	-	1,240.41	1,240.41
Loans	7,076.51	-	-	7,076.51	7,076.51
Other Financial Assets	1,570.71	-	-	1,570.71	1,570.71
	109,787.12	**1,939.44**	**-**	**111,726.56**	**111,726.56**
Financial liabilities					
Borrowings	288,307.44	-	-	288,307.44	288,307.44
Trade Payables	8,687.08	-	-	8,687.08	8,687.08
Other Financial Liabilities	27,206.38	-	-	27,206.38	27,206.38
	324,200.90	**-**	**-**	**324,200.90**	**324,200.90**

Note 32 : Fair value Hierarchy

Accounting classification and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities if the carrying amount is a reasonable approximation of fair value.

i. (a) Assets and liabilities measured at fair value - recurring fair value measurements at March 31, 2020

Particulars	Level 1 - Quoted price in active markets	Level 2 - Significant observable inputs	Level 3 - Significant unobservable inputs	Total
Financial assets				
Investments	266.37	-	-	266.37

ii. (b) Assets and liabilities for which fair value are disclosed at March 31, 2020

Particulars	Level 1 - Quoted price in active markets	Level 2 - Significant observable inputs	Level 3 - Significant unobservable inputs	Total
Financial assets				
Investments	-	-	94,359.72	94,359.72
Trade receivables	-	-	691.74	691.74
Cash and cash equivalents	-	-	317.08	317.08
Bank balance other than cash and cash equivalents above	-	-	1,198.00	1,198.00
Loans			2,135.87	2,135.87
Other financial assets	-	-	377.57	377.57
Financial liabilities				
Borrowings	-	-	298,207.40	298,207.40
Trade payables	-	-	8,595.45	8,595.45
Other financial liabilities	-	-	33,961.63	33,961.63

i. (a) Assets and liabilities measured at fair value - recurring fair value measurements at March 31, 2019

Particulars	Level 1 - Quoted price in active markets	Level 2 - Significant observable inputs	Level 3 - Significant unobservable inputs	Total
Financial assets				
Investments	1,939.44	-	-	1,939.44

(Currency : ₹ in lakhs)

ii. (b) Assets and liabilities for which fair value are disclosed at March 31, 2019

Particulars	Level 1 - Quoted price in active markets	Level 2 - Significant observable inputs	Level 3 - Significant unobservable inputs	Total
Financial assets				
Investments	-	-	95,074.00	95,074.00
Trade receivables	-	-	373.02	373.02
Cash and cash equivalents	-	-	4,452.46	4,452.46
Bank balance other than cash and cash equivalents above	-	-	1,240.41	1,240.41
Loans			7,076.51	7,076.51
Other financial assets	-	-	1,570.71	1,570.71
Financial liabilities				
Borrowings	-	-	288,307.44	288,307.44
Trade payables	-	-	8,687.08	8,687.08
Other financial liabilities	-	-	27,206.38	27,206.38

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices.

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

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for Financial assets other than Investment, Trade payable and Other Financial liabilities included in level 3.

Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

- the use of quoted market prices or dealer quotes for similar instruments
- the fair value of the remaining financial instruments is determined using discounted cash flow analysis.

33 Financial Risk Management

The Group's risk management is carried out by a treasury department (Group treasury) under policies approved by Board of Directors Treasury team identifies, evaluates and hedges financial risk in close co-operation with the Group's operating units. The Management of the Group provides written principles for overall risk management, as well as policies covering specific areas, such as interest rate risk and credit risk, use of derivative financial instrument and non-derivative financial instrument, and investments of excess liquidity.

(i) Credit Risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations.

The Group is engaged in production of Television Content/Web Series

The Group does not have any significant exposure to credit risk.

(ii) Cash and Cash Equivalents & Other Financial Asset

The Group held cash and cash equivalents & other financial assets with credit worthy banks aggregating ₹ 99,346.35 Lakhs and ₹ 1,11,726.56 Lakhs as at March 31, 2020 and March 31, 2019. The credit worthiness of such banks and financial institutions is evaluated by the management on an ongoing basis and is considered to be good.

(iii) Market Risk

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices – will affect the Group's income or the value of its holdings of financial instruments. The Group is not exposed to any significant currency risk and equity price risk.

(a) Interest Rate Risk

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

(Currency : ₹ in lakhs)

Liquidity Risk - Table

The table below analyses the Group's non-derivative financial liabilities and net-settled derivative financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

As at March 31, 2020

Particulars	Less than 1 year	More than 1 year	Total
Borrowings	-	2,98,207.40	2,98,207.40
Trade payables	8,595.45	-	8,595.45
Other financial liabilities	33,961.63	-	33,961.63
Total Non-Derivatives	**42,557.08**	**2,98,207.40**	**3,40,764.48**

As at March 31, 2019

Particulars	Less than 1 year	More than 1 year	Total
Borrowings	-	2,88,207.43	2,88,207.43
Trade payables	8,687.08	-	8,687.08
Other financial liabilities	27,206.38	-	27,206.38
Total Non-Derivatives	**35,893.46**	**2,88,207.43**	**3,24,200.90**

34 Capital Risk Management

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

35 Related Party Disclosure

As per Ind AS-24 " Related Party Disclosure" the Group's related parties and transactions with them in the ordinary course of business are disclosed below :

(A) Parties where control exists

Major Investors

Reliance Alpha Services Private Limited

Reliance Entertainment Networks Private Limited

Indian Agri Services Private Limited

Subsidiaries (including Fellow subsidiaries)

Reliance MediaWorks Financial Services Private Limited

Reliance MediaWorks Theatres Limited

Big Synergy Private Limited

Global MediaWorks (UK) Limited ('GMW-UK')

Global MediaWorks (USA) Inc. ('RMW-US')

Reliance MediaWorks (Netherland) B.V.

(B) Other related parties with whom transactions have taken place during the year

Key Managerial Personnel

Satish Kadakia - CFO & Whole-time Director (Up to June 30, 2020)

Sunil Wadikar - Whole-time Director (w.e.f. June 30, 2020)

Mangla Savla - Company Secretary (w.e.f. July 25, 2018)

Basant Varma - Manager & CFO (w.e.f. June 30, 2020)

Joint Venture

Divya Shakti Marketing Private Limited ('DSMPL')

Associates

Prime Focus Limited

Partnership Firm (including foreign Firm)

Gold Adlabs (Pune)

HPE Adlabs LLP

(Currency : ₹ in lakhs)

(C) Details of Related party transactions during the year ended March 31, 2020

Particulars	Relationship	2019-20	2018-19
Reimbursement Received			
Reliance Alpha Services Private Limited	Major investor	0.02	0.05
Intercorporate Deposit Received			
Reliance Alpha Services Private Limited	Major investor	1,812.30	2,273.30
Reliance Entertainment Networks Private Limited	Major investor	6.80	11.10
Intercorporate Deposit Repaid			
Reliance Alpha Services Private Limited	Major investor	31.00	2,000.00
Reliance Entertainment Networks Private Limited	Major investor	177.00	-

Balances at the year end March 31, 2020

Particulars	Relationship	March 31, 2020	March 31, 2019
Inter corporate Loan Given			
Divya Shakti Marketing Private Limited	Joint Venture	28.22	28.22
Borrowing			
Reliance Entertainment Networks Private Limited	Major investor	42.90	2,388.00
Reliance Alpha Services Private Limited	Major investor	1,812.30	1,843.30
Interest Corporate Creditor			
Prime Focus Limited	Associates	6.12	6.12
Investments			
Prime Focus Limited	Associates	89,579.46	94,922.04
Gold Adlabs	Partnership Firm	160.26	141.96
Interest payable			
Reliance Entertainment Networks Private Limited	Major investor	899.87	899.87
Reliance Alpha Services Private Limited	Major investor	735.65	735.65

36 Segment Information

The Group has disclosed business segment as the operating segment. The business of the Group is divided into three segments - theatrical exhibition, television / Film production and distribution and sales of precious metal. Segments have been identified taking into account the nature of the business, the differing risks and returns, the organisation structure and internal reporting system.

- Theatrical exhibition operations comprise of single screen, multiplex/Imax cinema exhibition, range of activities / services offered at cinema centres including catering food and beverages.
- Television / film production and distribution comprises of production of television / film content which is produced / coproduced by the Group and includes advisory services in relation to the distribution and production of movies and television content.
- Sales of precious metal comprises of trading in precious metal.

Segment revenue, segment results, segment assets and segment liabilities include the respective amounts identifiable to each segment as also the amounts allocable on a reasonable basis. Income and expenses which are not directly attributable to any business segment are shown as unallocated corporate income / expenses. Assets and liabilities that cannot be allocated between the segments are shown as a part of unallocated corporate assets and liabilities respectively.

Notes to the Consolidated Financial Statements for the year ended March 31, 2020

(Currency : ₹ in lakhs)

Particulars	Theatrical exhibition		Sales of precious metal and consultancy		Television/ Film production and distribution		Total	
	March 31, 2020	March 31, 2019	**March 31, 2020**	March 31, 2019	**March 31, 2020**	March 31, 2019	**March 31, 2020**	March 31, 2019
Revenue								
Operating revenue	**97.05**	279.86	**1.00**	95.67	**2,262.15**	6,412.48	**2,360.20**	6,788.01
Other income	**5.55**	8,799.72	**730.40**	31.71	**309.19**	245.47	**1,045.14**	9,076.89
Total Segment revenue	**102.60**	**9,079.58**	**731.40**	**127.38**	**2,571.34**	**6,657.95**	**3,405.34**	**15,864.90**
Unallocated revenue	**-**	-	**-**	-	**-**	-	**-**	-
Total revenue	**102.60**	9,079.58	**731.40**	127.38	**2,571.34**	6,657.95	**3,405.34**	15,864.90
Segment result (profit / (loss) before interest, finance charges and corporate expenses)								
Segment results	**85.18**	5,507.63	**(817.54)**	22.14	**(536.62)**	796.81	**(1,269.00)**	6,326.58
Unallocated corporate income	**-**	-	**-**	-	**-**	-	**-**	-
Unallocated corporate expenses	**-**	-	**-**	-	**-**	-	**-**	-
Profit before interest and finance charges and tax							**(1,269.00)**	6,326.58
Interest and finance charges (net)							**(22,353.24)**	(19,296.75)
Extraordinary Item							**-**	-
Income tax (including deferred tax)							**(0.10)**	(229.79)
Share in Associate & Joint Ventures							**(5,342.58)**	(3,436.04)
(Loss) for the period							**(28,964.91)**	(16,636.02)
Other information								
Segment assets	**19,171.51**	21,099.98	**101,042.98**	105,715.38	**3,994.80**	4,066.16	**124,209.29**	1,30,881.52
Unallocated corporate assets	**-**	-	**-**	-	**-**	-	**(20,742.83)**	(15,520.34)
Total assets	**19,171.51**	21,099.98	**101,042.98**	105,715.38	**3,994.80**	4,066.16	**1,03,466.46**	1,15,361.18
Segment liabilities	**243,773.97**	230,163.05	**109,041.84**	105,689.34	**1,204.40**	740.17	**3,54,020.21**	3,36,592.55
Unallocated corporate liabilities	**-**	-	**-**	-	**-**	-	**(11,018.43)**	(10,661.89)
Total liabilities	**243,773.97**	230,163.05	**109,041.84**	105,689.34	**1,204.40**	740.17	**3,43,001.78**	3,25,930.67
Capital Expenditure		-	**-**	-	**-**	-	**-**	-
Unallocated capital expenditure							**-**	-
Total capital expenditure							**-**	-
Depreciation and amortisation and impairment	**-**	-	**-**	-	**24.53**	17.13	**24.53**	17.13
Unallocated depreciation and amortisation	**-**	-	**-**	-	**-**	-	**-**	-
Total depreciation and amortisation	**-**	-	**-**	-	**24.53**	17.13	**24.53**	17.13

Notes to the Consolidated Financial Statements for the year ended March 31, 2020

(Currency : ₹ in lakhs)

37 Interests in other entities

A Subsidiaries

The Group's subsidiaries at March 31, 2020 are set out below. Unless otherwise stated, they have share capital consisting solely of equity shares that are held directly either by Parent Company or its subsidiaries / the Group and the proportion of ownership interests held equals the voting rights held by the Group either through equity shares, management agreement or structure of the entity. The country of incorporation or registration is also their principal place of business.

Name of the entity	Principal Activities	Place of business / Country of incorporation	Controlling interest held by the group		Non-controlling interest	
			March 31, 2020	March 31, 2019	**March 31, 2020**	March 31, 2019
			%	%	**%**	%
Reliance MediaWorks Financial Services Private Limited		India	**100.00%**	100.00%	**-**	-
Reliance MediaWorks Theatres Limited		India	**100.00%**	100.00%	**-**	-
Big Synergy Media Limited*		India	**51.00%**	51.00%	**49.00%**	49.00%
Global Mediawork US Inc*		USA	**100.00%**	100.00%	**-**	-
Global Mediawork UK Limited*		UK	**100.00%**	100.00%	**-**	-

Note: The unaudited financial are certified by the mamanagement.

B Non-controlling interest (NCI)

Set out below is summarised financial information for each subsidiary that has non-controlling interests that are material to the Group. The amounts disclosed for each subsidiary are before inter-company eliminations and after policy difference adjustments.

i) Summarised balance sheet

Entities	Non-current assets	Current assets	Non-current liabilities	Current liabilities	Net assets	Accumulated NCI (after elimination)
Big Synergy Media Limited						
March 31, 2020	**200.88**	**3,793.92**	**47.95**	**1,156.45**	**2,790.39**	**1,367.29**
March 31, 2019	1,489.03	2,577.13	20.95	719.22	3,326.00	1,629.74

ii) Summarised statement of profit and loss

Entities	Revenue	Profit / (Loss) for the year	Other Comprehensive Income	Total Comprehensive Income	Profit / (Loss) allocated to NCI	Dividends paid to NCI
Big Synergy Media Limited						
March 31, 2020	**2,571.34**	**(534.77)**	**(0.84)**	**(535.60)**	**(262.44)**	**-**
March 31, 2019	6,657.95	568.27	4.30	572.56	280.56	-

iii) Summarised statement of Cash flows

Entities	Cash flow from / (Used) Operating activities	Cash flow from / (Used) Investing activities	Cash flow from / (Used) financing activities	Net Increase/ (decrease) in cash and cash equivalents
Big Synergy Media Limited				
March 31, 2020	**(1,359.36)**	**1,476.28**	**-**	**116.92**
March 31, 2019	616.51	(443.94)	-	172.56

Notes to the Consolidated Financial Statements for the year ended March 31, 2020

(Currency : ₹ in lakhs)

C Associates

i) Details of carrying value of Associates

Name of the entity	Place of business / Country of incorporation	% of ownership interest as at	% of ownership	Quoted fair value	Carrying amount
Prime Focus Limited	India	**March 31, 2020**	**35.06%**	**27,599**	**89,579.46**
		March 31, 2019	35.06%	69,260	94,922.04
Divya Shakti Marketing Private Limited *	India	**March 31, 2020**	50.00%	unquoted	-
		March 31, 2019	50.00%	unquoted	-

*Unlisted entity- no quoted price available, further since the financial statement have not been presented, therefore the same is not incorporated while preparing this consolidated financial statement.

ii) Details of carrying value of Associates

The tables below provide summarised financial information for those associates and joint venture that are material to the Group. The information disclosed reflects the amounts presented in the financial statements of the relevant associates and not Company's share of those amounts. They have been amended to reflect adjustments made by the entity when using the equity method, including fair value adjustments made at the time of acquisition and modifications for differences in accounting policies.

a) Summarised Balance Sheet

Entities	Financial Assets	Non-financial Assets	Financial Liabilities	Non-financial Liabilities	Net Assets
Prime Focus Limited					
March 31, 2020	**155,170.38**	**346,285.38**	**383,710.28**	**70,096.69**	**47,648.79**
March 31, 2019	58,110.37	332,513.56	279,762.31	46,751.04	64,110.58

Reconciliation to carrying amounts

Particulars	Prime Focus Limited	
	March 31, 2020	March 31, 2019
Opening carrying value	**94,922.04**	98,029.08
Profit / (Loss) for the year	**(5,342.58)**	(3,107.04)
Other comprehensive income		
Carrying cost adjustments	**-**	-
Impairment provision	**-**	-
Closing carrying value	**89,579.46**	94,922.04
Group's share in %		
Group's share	**89,579.46**	94,922.04
Includes Goodwill	**-**	-
Carrying value	**89,579.46**	94,922.04

b) Summarised statement of profit and loss

Entities	Revenue	Profit / (Loss) for the year	Other Comprehensive Income	Total Comprehensive Income	Dividends received
Prime Focus Limited					
March 31, 2020	**301,323.49**	**(15,386.00)**	**(8,871.83)**	**(24,257.83)**	**-**
March 31, 2019	266,375.42	(3,295.37)	(5,561.71)	(8,857.08)	-

(Currency : ₹ in lakhs)

38 Contingent Liabilities and Capital Commitments

(a) Contingent Liabilities:

Particulars	March 31, 2020	March 31, 2019
On account of		
Central excise		
Disputed central excise demand pending with the Central Excise and Service Tax Appellate Tribunal	**504.60**	504.60
Value added tax		
Disputed value added tax demand pending for various states	**1,090.15**	2,280.81
Service tax		
Disputed Service Tax demand pending with the Central Excise and Service Tax Appellate Tribunal	**10,002.50**	10,002.50
Entertainment tax		
In respect of certain multiplexes, the Group has made an application for availing exemption under the relevant Act retrospectively from the date of commencement of the operations of the said multiplex and the application is pending approval	**12.90**	12.90
In respect of certain multiplexes, the Group is in dispute with the entertainment tax authorities regarding eligibility for availing exemption under the relevant Act	**1,132.00**	1,132.00
The Group shall be liable to pay the entertainment tax in the event that the multiplexes do not continue operations for a period of 10 years from the respective dates from which they commenced their operations	**-**	-
Provident Fund		
The Group has engaged the services of a Contractor for the purpose of deploying personnel at its cinemas. During the tenure of the contract, the Group had paid the Contractor, amounts payable towards employers contribution to provident fund (PF) amounting to ₹ 294.20 lakhs on a regular basis. The Group has learnt that the Contractor has failed to deposit appropriate amounts for employee and employer contribution amounting to approximately ₹ 588.40 lakhs with the PF authorities and the Group apprehends that some portion of the aforesaid amount which was supposed to be deposited in the individual accounts of the Personnel by the Contractor may have actually been mis-appropriated by the Contractor. The Group has filed a criminal complaint against the Contractor and the matter is currently under investigation. Some employees have raised a claim against the Group for amounts due to them in a District Consumer Forum, where they have received favourable judgements, however the Group is confident of reversal of the said judgement in the higher forums, where it has preferred an appeal and stay has been granted till further order.	**-**	-
Claims against Group not acknowledged as debts *	**12,219.73**	12,219.73
Guarantees		
Guarantee given to Service providers in respect of Subsidiary Companies	**4,835.30**	4,835.30
Interest on Inter-corporate Deposit	**5,513.60**	-

Note:

Contingent liabilities:

a) The Group is a party to various legal proceedings in the normal course of business and does not expect the outcome of these proceedings to have any adverse effect on its financial conditions, results of operations or cash flows.

b) The amounts are excluding penalty and interest if any that would be levied at the time of final conclusion.

c) The company is in the process of filing appeal before the Commissioner of Appeal (VAT - Ghaziabad) against the demand raised of ₹ 306.81 by the Deputy Commissioner, Ghaziabad for the F.Y. 2013-2014 & F.Y. 2014-2015.

d) During the year end there is disputed outstanding demand of ₹ 109.38 from income tax department towards the tax deducted at source. The Company is in process of correcting or settling the same with the department.

Capital and Other Commitments

(a) Group has issued letter of financial support to some of its wholly owned foreign subsidiaries.

(b) **Series I :** Preference shares shall be redeemed at the end of 20 years from the date of allotment i.e March 31, 2012. Each Preference share shall be redeemed at a premium calculated in a manner that gives the holder an yield of 10% p.a. (till date of redemption) on issue price of ₹ 1,000 (including premium of ₹ 995) after deduction of dividend, if declared during the tenure. However, the premium on redemption will be paid only to the original subscribers or to the transferees if the transfers have been previously approved by the Group. Yield on preference shares of ₹ 23,616.16 lakhs (current year increase of ₹ 2,950.00 lakhs) as at the balance sheet will be paid as premium at the time of redemption.

(c) **Series II :** Preference shares issued during the previous year shall be redeemable at the end of 5 years from the date of allotment i.e March 31, 2017 and shall be redeemed at a premium equal to an amount calculated to yield a return of 11.50% p.a. with effect from date of allotment up to the date of redemption on issue price of ₹ 5.00. Yield on preference shares of ₹ 36,011.07 lakhs (current year increase of ₹ 11,960 lakhs) as at the Balance sheet will be paid as premium at the time of redemption.

(Currency : ₹ in lakhs)

(d) **Interest on Intercorporate Deposit**

During the year the Group has not recognised interest expense amounting to Rs. 5,513.60 Lakhs (Previous year Rs. Nil) on borrowings. The management is of the view that assets will be realised in long term and at appropriate value so as to meet out the obligations and moreover as of now there is negative networth of the Group which has been emphasised by the auditors also.

39 Leases

Disclosure as required under Ind AS – 17 "Leases" is given below:

Operating Leases

The Group was obligated under non-cancellable operating leases primarily for studios and office premises which are renewable thereafter as per the term of the respective agreements.

Particulars	Lease Rental Debited to Statement of Profit and Loss (₹)	Lease Rent Payable in			Period of Lease
		Less Than 1 Year	Between 1 to 5 Years	More than 5 Years	
Office Premises and Warehouses	117.43	9.31	24.27	-	5 Years

40 Disclosure under Section 186 (4) of the Companies Act, 2013

The Group has given following unsecured Intercorporate loans during the years -

Name of the Company	March 31, 2020 (₹)	March 31, 2019 (₹)
Divya Shakti Marketing Private Limited	-	20.00
Reliance Big Entertainment Private Limited	1000.00	1000.00
Rohit Shetty Picturez LLP	500.00	500.00
Reliance Entertainment Studios Private Limited	210.00	-

Note: The Loans have been provided for general business purpose.

41 Investments in 10 49 39 361 Equity shares of ₹ 10/- each of Prime Focus Limited has been made from the proceeds of Secured Non Covertible Debentures and ICDs from group companies. The interest cost on this borrowings for FY 2018-19 being directly attributable to the acquisition of this investment has been added to the cost of investment.

42 Additional Information, as required under Schedule III to the Companies Act, 2013, of enterprises consolidated as Subsidiary / Associates.

A For the year ended March 31, 2020

Sr No	Name	As % of Consolidated net assets	Net Amount	As % of Consolidated net profit or loss	Profit or loss after tax
A	**Parent**				
	Reliance MediaWorks Limited	99.30%	(328,154.61)	96.24%	(22,734.78)
B	**Subsidiaries**				
	Indian/Foreign				
	1 Reliance MediaWorks Financial Services Private Limited	0.24%	(799.89)	3.40%	(802.49)
	2 Reliance MediaWorks Theatres Limited	0.00%	(5.08)	(0.03%)	8.32
	3 Big Synergy Media Limited	(0.04%)	142.35	0.23%	(53.48)
	4 Global Mediaworks UK Limited	0.32%	(1,061.22)	0.15%	(36.38)
	5 Global Mediaworks US Inc.	0.18%	(603.64)	0.01%	(3.52)
	Total	100%	330,482.08	100%	(23,622.33)
C	**Minority interest**				
	Big Synergy Media Limited		1,367.29		(262.04)
	Total		1,367.29		(262.04)
D	**Associates and joint venture**				
	Indian				
	Prime Focus Limited		89,579.46		(5,342.58)
	Divya Shakti Marketing Private Limited*		-		-
	Total		89,579.46		(5,342.58)

Notes to the Consolidated Financial Statements for the year ended March 31, 2020

(Currency : ₹ in lakhs)

B For the year ended March 31, 2019

Sr No	Name	As % of Consolidated net assets	Net Amount	As % of Consolidated net profit or loss	Profit or loss after tax
A	**Parent**				
	Reliance MediaWorks Limited	**99.54%**	**(305,702.82)**	**100.45%**	**(13,258.85)**
B	**Subsidiaries**				
	Indian/Foreign				
	1 Reliance MediaWorks Financial Services Private Limited	**0.00%**	**2.60**	**0.00%**	**(0.30)**
	2 Reliance MediaWorks Theatres Limited	**0.00%**	**(13.40)**	**(0.02%)**	**2.16**
	3 Big Synergy Media Limited	**(0.06%)**	**169.63**	**(0.43%)**	**56.83**
	4 Global Mediaworks UK Limited	**0.33%**	**(1,024.84)**	**(0.02%)**	**2.16**
	5 Global Mediaworks US Inc.	**0.19%**	**(552.44)**	**0.02%**	**(1.97)**
	Total	**100%**	**(307,121.27)**	**100%**	**(13,199.99)**
C	**Minority interest**				
	Big Synergy Media Limited		**1,629.74**		**278.45**
	Total		**1,629.74**		**278.45**
D	**Associates and joint venture**				
	Indian				
	Prime Focus Limited		**94,922.04**		**(3,107.04)**
	Divya Shakti Marketing Private Limited*		**-**		**(329.00)**
	Total		**94,922.04**		**(3,436.04)**

43 The Parent Company's networth has eroded, however, having regard to financial support from its promoters. the financial statements have been prepared on the basis that the Company is a going concern and that no adjustments are required to the carrying value of assets and liabilities.

44 The Coronavirus (COVID-19) outbreak is an unprecedented global situation that has severely impacted many local economies around the globe. Due to lockdown, there has been significant disruptions to businesses, resulting in an economic slowdown, which will have impact on the business of the Company. The duration and impact of the COVID-19 pandemic remains unclear at this point of time. It is not possible to reliably estimate the duration and severity of these consequences, as well as their impact on the financial position and results of the Company. However, the Company will continue to closely monitor any material changes to future economic conditions.

45 Events after the reporting period

There were no events that occurred after the reporting period i.e. March 31, 2020 up to the date of approval of financial statements that require any adjustment to the carrying value of assets and Liabilities.

46 Previous year figures have been regrouped / reclassified whenever necessary to correspond with the current year's classification/ disclosure.

47 Approval of financial statements

The audited consolidated financial statements were subject to review and recommendation and approval of Board of Directors. On August 14, 2020, the Board of Directors approved and recommended the audited consolidated financial statements for consideration and adoption by the shareholders in its annual general meeting.

As per our Report of even date

For **M.S. Sethi & Associates**
Chartered Accountants
Firm Registration No. 109407W

Manoj Sethi
Proprietor
Membership No.: 039784

Place : Mumbai
Date : August 14, 2020

For and on behalf of the Board of Directors

Sunil Wadikar
Whole-time Director
DIN: 07238445

Sushilkumar Agrawal
Director
DIN: 00400892

Mangala Savla
Company Secretary

Basant Varma
Manager and Chief Financial Officer

Place : Mumbai
Date : August 14, 2020

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

(Pursuant to first proviso to sub section (3) of Section 129 of the Act read with rule 5 of the Companies (Accounts) Rules, 2014)

Part "A": Subsidiaries

(Currency : ₹ in lakhs)

Sl. No.	Name	Date since when subsidiary was acquired/ incorporated	Reporting period, if different from the holding company,s reporting period	Reporting currency & exchange rate	Share Capital	Reserve & surplus	Total Assets	Total Liabilities	Investments	Turnover	Profit / (Loss) before tax	Provision for taxation	Profit after taxation	Proposed Dividend	% of Shareholdng
1	Reliance MediaWorks Financial Services Private Limited	March 10, 2017	N. A.	INR	10,501.00	(18,500.00)	101,043.00	109,042.00	99,716.00	6.33	(8,025.00)	-	(8,025.00)	-	100.00
2	Reliance MediaWorks Theatres Limited	May 19, 2003	N. A.	INR	5.00	(55.76)	379.39	430.15	160.26	102.60	85.18	1.97	83.21	-	100.00
3	Big Synergy Media Limited	January 12,2007	N. A.	INR	5.10	1,418.00	3,994.80	1,204.40	66.43	2,571.34	(536.64)	(1.87)	(534.77)	-	51.00
4	Global MediaWorks (UK) Limited	May 19,2006	N. A.	INR	8.47	(10,620.67)	57.14	10,669.35	-	-	(363.79)	-	(363.79)	-	100.00
5	Global MediaWorks (USA) Inc.	May 19,2006	N. A.	INR	10.56	(6,046.95)	334.15	6,370.54	-	-	(35.20)	-	(35.20)	-	100.00

Name of Subsidiaries which are yet to commence operations - Nil
Name of Subsidiaries which liquidated or sold during the year - Nil

Part "B": Associates

(₹ in crore)

Sr. No.	Name of Associates /Joint Ventures	Latest Audited Balance Sheet Date	Date on which the Associate or Joint Venture was associated or aquired	Shares of Associates / Joint Ventures held by the company on the year end			Description of how there is significant influence	Reason why the associate / joint venture is not consolidated	Networth attributable to Shareholding as per latest audited balance sheet	Profit / (loss) for the year	
				No.	Amount of Investment in Associate / Joint Venture	Extend of Holding %				Considered in consolidation	Not considered in consolidataion
1	**Associate**										
	Prime Focus Limited	March 31,2017	January 20, 2015	104,939,361	89,579.46	35.06	Refer Note A	–	–	(5,342.58)	
2	**Joint Ventures**										
	Divyashakti Marketing Private Limited	March 31,2017	May 14, 2004	100,000	32.9	50.00	Refer Note A	-	-	-	-

Name of associates / joint ventures which are yet to commence operations - Nil

Name of associates / joint ventures which have been liquidated or sold during the year -Swanston Multiplex Cinemas Private Limited sold during the year

Note A - There is significant influence due to percentage (%) of Share Capital.

For and on behalf of the Board of Directors

Sunil Wadikar
Whole-time Director
DIN: 07238445

Sushilkumar Agrawal
Director
DIN: 00400892

Mangala Savla
Company Secretary

Basant Varma
Manager and Chief Financial Officer

Place : Mumbai
Date : August 14, 2020

Link Intime India Private Limited
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