

## **INDEPENDENT AUDITOR'S REPORT**

To the Members of Syngience Broadcast Ahmedabad Limited

### **Report on the Ind AS Financial Statements**

#### **Opinion**

We have audited the accompanying Ind AS Financial Statements of Syngience Broadcast Ahmedabad Limited, which comprise the balance sheet as at March 31, 2021, and the statement of Profit and Loss, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as the Ind AS financial statements)

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, and profit/loss, changes in equity and its cash flows for the year ended on that date.

#### **Basis for Opinion**

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

#### **Other Information**

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

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. Based on the work we have performed; we conclude that there is a no material misstatement of this other information.

#### **Responsibility of Management for Ind AS Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance, ~~equity~~ and cash flows of the Company in accordance with the accounting principles generally

accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Ind AS 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.

Those Board of Directors are also responsible for overseeing the company's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Ind AS Financial Statements**

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

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

- Identify and assess the risks of material misstatement of the 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 Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our



auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

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 financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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

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

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

### **Report on Other Legal and Regulatory Requirements**

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 Companies Act, 2013, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order

1. 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 and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - d) In our opinion, the aforesaid Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
  - e) On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is

disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act;

- f) On the basis of the information and explanation provided to us by the Company the internal financial control framework, in our opinion, the Company has, in all material aspects, adequate internal financial controls systems in place and such controls are operating effectively as at March 31 2021. A separate report on this clause has been attached as Annexure B to this report as prescribed by the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.
- g) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company does not have any pending litigations which would impact its financial position;
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
  - iii. There were no amounts, required to be transferred to the investor Education and Protection Fund by the Company.

**For MRKS AND ASSOCIATES**  
Chartered Accountants  
(ICAI Registration No. 023

Kamal Ahuja  
Partner  
Membership No. 505788  
Date: June 14, 2021  
Place: New Delhi  
UDIN: 21505788AAAAUI8805

**Annexure A to the Independent Auditor's Report of even date on the Financial Statements of Syngience Broadcast Ahmedabad Limited for the year ended March 31, 2021**

Report on the statement of matters specified in paragraphs 3 and 4 of the Order.

- (i) The Company does not own any Fixed Assets; accordingly, the provisions of clause 3 (i) (a), (b), (c) of the Order are not applicable to the Company.
- (ii) The Company does not have any inventories; accordingly, the provisions of clause 3 (ii) of the Order are not applicable to the Company.
- (iii) The Company has granted loans unsecured to company covered in the register maintained under section 189 of the Companies Act, 2013.
  - (a) According to information and explanation provided to us and based on audit procedure followed by us, we are of the opinion that, the terms and conditions of aforesaid loan granted by the company are not prejudicial to the interest of the Company.
  - (b) The aforesaid loan is repayable on demand. Accordingly, paragraph 3(iii) (b) and 3(iii) (c) are not applicable on the company.
- (iv) According to information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Companies Act, in respect of loans, investments, guarantees and security as applicable.
- (v) According to information and explanations given to us, the Company has not accepted any deposits during the year. Accordingly, the provisions of clause 3 (v) are not applicable to the Company.
- (vi) According to the information and explanations given to us, the company is not required to maintain cost records as specified by central government under sub-section (1) of section 148 of Companies Act, 2013. Accordingly, the provisions of clause 3 (vi) are not applicable to the Company.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records, the Company is generally regular in depositing undisputed statutory dues, as applicable, to the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of statutory dues are in arrears, as at March 31, 2021 for a period of more than six months from the date they became payable.
  - (b) According to the information and explanations given to us, the Company does not have any dues of income tax or sales tax or service tax or duty of customs or duty of excise or value added tax or goods and service tax or cess which have not been deposited on account of any dispute.
- (viii) According to the information and explanations given to us, the Company does not have any loan or borrowing from financial institution, bank, government and does not issued debentures, Accordingly, the provisions of clause 3 (viii) are not applicable to the Company.



- (ix) According to the information and explanations given to us, the Company has not raised moneys by way of public issue, follow-on offer (including debt instruments) and raised any term loan during the year under audit. Therefore paragraph 3(ix) of the order is not applicable to the Company.
- (x) In our opinion and according to the information and explanations given to us, no fraud by the Company and no significant fraud on the Company by its officers/ employees has been noticed or reported during the year, that ultimately causes the financial statements to be materially misstated.
- (xi) According to the information and explanations given to us, the provisions of clause (xi) in relation to managerial remuneration are not applicable to the company.
- (xii) The Company is not a Nidhi Company. Accordingly, the provisions of clause 3 (xii) are not applicable to the Company.
- (xiii) According to the information and explanations given to us, all transactions with the related parties are in compliance with Section 188 and 177 of Companies Act, 2013 to the extent applicable and the details have been disclosed in the Financial Statements as required by the accounting standards and Companies Act, 2013.
- (xiv) According to the information and explanations given to us, the Company has not made any preferential allotment / private placement of shares or fully or partly convertible debentures during the year under review.
- (xv) According to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with them and hence provisions of Section 192 of the companies Act is not applicable to the company.
- (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 **MRKS AND ASSOCIATES**  
Chartered Accountants  
(ICAI Registration No. 023711N)

Kamal Ahuja  
Partner  
Membership No. 50578  
Date: June 14, 2021  
Place: New Delhi  
UDIN: 21505788AAAAUI8805

**Annexure B to the Independent Auditor's Report of even date on The Financial Statements of Syngience Broadcast Ahmedabad Limited for the year ended March 31, 2021**

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

We have audited the internal financial controls over financial reporting of Syngience Broadcast Ahmedabad Limited ("the Company") as of March 31, 2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

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

**Auditors' Responsibility**

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

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

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

### **Meaning of Internal Financial Controls Over Financial Reporting**

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

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

### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **MRKS AND ASSOCIATES**  
Chartered Accountants  
(ICAI Registration No. 023711N)

Kamal Ahuja  
Partner  
Membership No. 505788  
Date: June 14, 2021  
Place: New Delhi  
UDIN: 21505788AAAAUI8805



**Syngience Broadcast Ahmedabad Limited**  
**Balance Sheet as at March 31, 2021**  
*(All amounts are in ₹ lacs unless stated otherwise)*

Particulars	Notes	As at March 31, 2021	As at March 31, 2020
<b>ASSETS</b>			
<b>(1) Non-current assets</b>			
(a) Income Tax Assets (Net)	2	1.95	3.54
(b) Other non-current assets	3	-	1,821.00
<b>Total non-current assets</b>		<b>1.95</b>	<b>1,824.54</b>
<b>(2) Current assets</b>			
(a) Financial assets			
(i) Cash and cash equivalents	4	0.09	1.18
(ii) Loans	5	150.00	150.00
(iii) Others	6	43.24	27.95
<b>Total current assets</b>		<b>193.33</b>	<b>179.13</b>
<b>TOTAL ASSETS</b>		<b>195.28</b>	<b>2,003.67</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity share capital	7	155.00	1,976.00
(b) Other equity	8	0.79	-5.67
<b>TOTAL EQUITY</b>		<b>155.79</b>	<b>1,970.33</b>
<b>Current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	9	27.58	25.53
(ii) Trade payables			
a) Total outstanding dues of micro enterprises and small enterprises	10	-	-
b) Total outstanding dues of creditors other than micro enterprises and small enterprises	10	3.24	1.35
(iii) Other financial liabilities	11	8.68	6.09
(b) Other current liabilities	12	-	0.36
<b>Total current liabilities</b>		<b>39.50</b>	<b>33.33</b>
<b>TOTAL LIABILITIES</b>		<b>39.50</b>	<b>33.33</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>195.28</b>	<b>2,003.67</b>

Summary of Significant Accounting Policies

1

The notes are an integral part of the financial statement.

**For MRKS and Associates**  
**Chartered Accountants**  
**ICAI Firm Registration No. 023711N**

**For and on behalf of the Board of directors of**  
**Syngience Broadcast Ahmedabad Limited**

**Kamal Ahuja**  
Membership No. 505788  
Place: Delhi  
Date: June 14, 2021

**Anup Sharma**  
Director  
DIN - 08709461  
Place: Delhi  
Date: June 14, 2021

**Ramesh Menon**  
Director  
DIN - 08129145

**Syngience Broadcast Ahmedabad Limited**  
**Statement of Profit and Loss for the period ended March 31, 2021**  
*(All amounts are in ₹ lacs unless stated otherwise)*

Particulars	Notes	For the year ended March 31, 2021	For the year ended March 31, 2020
<b>Income</b>			
Revenue from operations		-	-
Other Income - Interest from related party		16.50	16.56
<b>Total income</b>		<b>16.50</b>	<b>16.56</b>
<b>Expenses</b>			
Finance cost	13	2.80	2.84
Depreciation & Amortization expense		-	-
Other Expenses	14	2.99	1.54
<b>Total Expenses</b>		<b>5.79</b>	<b>4.37</b>
<b>Profit / (Loss) before tax</b>		<b>10.71</b>	<b>12.18</b>
<b>Tax expense</b>			
Current tax		2.53	1.50
adjustment of tax charge related to earlier periods		1.72	2.56
<b>Total tax expenses</b>		<b>4.25</b>	<b>4.06</b>
<b>Profit / (Loss) for the period</b>		<b>6.46</b>	<b>8.12</b>
<b>Other Comprehensive Income</b>		-	-
<b>Total other comprehensive Income</b>		-	-
<b>Total Comprehensive Income for the period</b>		<b>6.46</b>	<b>8.12</b>

**Earnings per shares (Face values of Rs. 10/- each)**      14      0.42      0.04  
Basic and diluted

Summary of Significant Accounting Policies      1

The notes are an integral part of the financial statement.

**For MRKS and Associates**  
**Chartered Accountants**  
**ICAI Firm Registration No. 023711N**

**For and on behalf of the Board of directors of**  
**Syngience Broadcast Ahmedabad Limited**

**Kamal Ahuja**  
Membership No. 505788  
Place: Delhi  
Date: June 14, 2021

**Anup Sharma**  
Director  
DIN - 08709461  
Place: Delhi  
Date: June 14, 2021

**Ramesh Menon**  
Director  
DIN - 08129145

**Syngience Broadcast Ahmedabad Limited**  
**Statement of Changes in Equity for the year ended March 31, 2021**  
*(All amounts are in ₹ lacs unless stated otherwise)*

**A Equity share capital**

Particulars	Equity		Equity	
	March 31, 2021		March 31, 2020	
	Number of shares	Value	Number of shares	Value
Shares outstanding at the beginning of the period	1,97,60,000	1,976.00	1,97,60,000	1,976.00
Changes in equity share capital during the year	(1,82,10,000)	(1,821.00)	-	-
<b>Total</b>	<b>15,50,000</b>	<b>155.00</b>	<b>1,97,60,000</b>	<b>1,976.00</b>

**B Other equity**

Particulars	Retained earnings
<b>Balance as at March 31, 2019</b>	-13.79
Profit for the year	8.12
<b>Balance as at March 31, 2020</b>	<b>-5.67</b>
Opening Balance as on April 1, 2019	-5.67
Profit for the year	6.46
<b>Balance as at March 31, 2021</b>	<b>0.79</b>

Summary of Significant Accounting Policies 1  
The notes are an integral part of financial statement.

**For MRKS and Associates**  
**Chartered Accountants**  
**ICAI Firm Registration No. 023711N**

**For and on behalf of the Board of directors of**  
**Syngience Broadcast Ahmedabad Limited**

**Kamal Ahuja**  
Membership No. 505788  
Place: Delhi  
Date: June 14, 2021

**Anup Sharma**  
Director  
DIN - 08709461  
Place: Delhi  
Date: June 14, 2021

**Ramesh Menon**  
Director  
DIN - 08129145



**Syngience Broadcast Ahmedabad Limited**  
**Cashflow Statement for the year ended March 31, 2021**  
*(All amounts are in ₹ lacs unless stated otherwise)*

SR NO	PARTICULARS	For the year ended March 31, 2021	For the year ended March 31, 2020
<b>A</b>	<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
	Net Profit before Taxes and Exceptional Items	10.71	12.18
	Interest expenses	2.80	2.84
	Interest income	(16.50)	(16.56)
	<b>Operating Profit Before Working Capital Changes</b>	(2.99)	(1.54)
	Adjustments for :		
	(Increase)/Decrease in Other Financial Assets	-	-
	Increase/(Decrease) in Trade & Other Payables	1.66	(1.63)
	Increase/(Decrease) in Other current liabilities	(0.36)	0.13
		<b>1.31</b>	<b>(1.50)</b>
	Cash generated from / (used in) operating activities	(1.69)	(3.04)
	Direct Taxes Paid	(2.65)	(5.44)
		(2.65)	(5.44)
	<b>Net Cash used in Operating Activities</b>	<b>(4.34)</b>	<b>(8.48)</b>
<b>B</b>	<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
	Interest received	1.20	9.01
	<b>Net cash from Investing Activities</b>	<b>1.20</b>	<b>9.01</b>
<b>C</b>	<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
	Receipt of loan from related party	2.05	-
	Net cash from Financing Activities	<b>2.05</b>	-
	<b>INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)</b>	(1.09)	0.53
	Opening cash and cash equivalent	1.18	0.65
	<b>Closing Cash and Cash equivalent</b>	<b>0.09</b>	<b>1.18</b>

Closing Cash and Cash equivalent includes:

- Balances with banks 0.09 1.18

The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Ind AS-7 on Cash Flow Statements notified under Section 133 of the Act, read with relevant rules issued thereunder.

Summary of Significant Accounting Policies 1  
The notes are an integral part of financial statement

As per our report of even date attached  
**For MRKS and Associates**  
Chartered Accountants  
ICAI Firm Registration No. 023711N

**For and on behalf of the Board of directors of**  
**Syngience Broadcast Ahmedabad Limited**

**Kamal Ahuja**  
Membership No. 505788  
Place: Delhi  
Date: June 14, 2021

**Anup Sharma**  
Director  
DIN - 08709461  
Place: Delhi  
Date: June 14, 2021

**Ramesh Menon**  
Director  
DIN - 08129145

## **Syngience Broadcast Ahmedabad Limited**

Notes to the financial statement for the year ended March 31, 2021

### **1. Corporate Information**

Syngience Broadcast Ahmedabad Limited (“the Company”) is incorporated under the provisions of Companies Act 2013. It is a wholly owned subsidiary of Next Radio Limited (NRL). The Company is incorporated to take over the Ahmedabad FM Radio Broadcasting Business from NRL pursuant to the Scheme of Arrangement between NRL and the Company. National Company Law Tribunal has passed as Order bearing No CSP No. 702 of 2017 dated October 05, 2017 approving the Scheme of Arrangement.

Since the Scheme was conditional upon its approval by the Ministry of Information & Broadcasting, Government of India (‘MIB’), NRL made an application to MIB on December 8, 2017 for due approval of the Scheme. Since NRL did not receive positive response from MIB on the said application, MIB vide letter dated May 20, 2019 accorded its approval to NRL’s request for withdrawal of the application dated December 8, 2017.

These financial statements were approved by the Company’s Board of Directors on June 16, 2021.

### **2. Significant accounting policies followed by company**

#### **2.1 Summary of significant accounting policies**

##### **a) Current versus non- current classification**

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

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

All other assets are classified as non-current.

A liability is current when:

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

The Company classifies all other liabilities as non-current.

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

The Company has identified twelve months as its operating cycle.

##### **b) Foreign currencies**

The Company’s financial statements are presented in INR, which is also the parent Company’s functional currency. The Company determines the functional currency and items included in the

## **Syngience Broadcast Ahmedabad Limited**

Notes to the financial statement for the year ended March 31, 2021

financial statements of each entity are measured using that functional currency.

### **Transactions and Balances**

Transactions in foreign currencies are initially recorded by the Company at their respective functional currency spot rates at the date the transaction first qualifies for recognition. However, for practical reasons, the Company uses monthly average rate if the average approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on the settlement of monetary items or on restatement of the Company's monetary items at rates different from those at which they were initially recorded during the period, or reported in previous financial statements, are recognized as income or as expenses in the period in which they arise.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

#### **c) Fair value measurement**

The Company measures financial instruments, such as, derivatives and certain investments at fair value at each reporting/ balance sheet date.

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

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

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

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



## **Syngience Broadcast Ahmedabad Limited**

Notes to the financial statement for the year ended March 31, 2021

market participant that would use the asset in its highest and best use.

The Company 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 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.

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

### **d) Revenue recognition**

Effective April 1, 2018 the Company has adopted Ind AS 115 “Revenue from Contracts with Customers” using the cumulative catch-up transition method which is applied to contracts that were not completed as of April 1, 2018.

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 Company has concluded that it is the principal in all of its revenue arrangements since it is the primary obligor in all the revenue arrangements as it has pricing latitude and is also exposed to inventory and credit risks.

Goods and Service Tax (GST)/ Service Tax is not received by the Company on its own account. Rather, it is tax collected on behalf of the government. Accordingly, it is excluded from revenue.

Contract asset represents the Group’s right to consideration in exchange for services that the Group has transferred to a customer when that right is conditioned on something other than the passage of time.

When there is unconditional right to receive cash, and only passage of time is required to do invoicing, the same is presented as Unbilled receivable.

A contract liability is recognised if a payment is received or a payment is due (whichever is earlier) from a customer before the Company transfers the related goods or services. Contract liabilities are recognised as revenue when the Company performs under the contract (i.e., transfers control of the related goods or services to the customer).

## **Syngience Broadcast Ahmedabad Limited**

Notes to the financial statement for the year ended March 31, 2021

The specific recognition criteria described below must also be met before revenue is recognised:

### **Revenue from other services**

Revenue from other services is recognized, in the period in which the services are rendered and where applicable, the percentage completed method is applied.

### **Interest income**

For all debt instruments measured at amortised cost, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in finance income in the statement of profit and loss.

### **Dividends**

Revenue is recognised when the Group's right to receive the payment is established, which is generally when shareholders approve the dividend.

### **e) Taxes**

The Government of India, on September 20, 2019, vide Taxation Laws (Amendment) Ordinance 2019, inserted a new Section 115BAB in the Income Tax Act, 1961, which gives option to the Company to pay Income Tax at reduced rates as per the provisions/ conditions defined in the said section. The Company is in the process of evaluating the impact of this Ordinance.

### **Current income tax**

Tax expense is the aggregate amount included in the determination of profit or loss for the period in respect of current tax and deferred tax.

Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961.

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Appendix C to Ind AS 12, Income Taxes dealing with accounting for uncertainty over income tax treatments is applicable from accounting periods beginning on or after 1 April 2019. It does not have any material impact on financial statements of the Company.

### **Deferred tax**

Deferred tax is provided using the liability method on temporary differences between the tax bases of

## **Syngience Broadcast Ahmedabad Limited**

Notes to the financial statement for the year ended March 31, 2021

assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences except :

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of taxable temporary differences associated with investments in subsidiaries and associates, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of deductible temporary differences associated with investments in subsidiaries and associates, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

### **GST/ value added taxes paid on acquisition of assets or on incurring expenses**

Expenses and assets are recognised net of the amount of GST/ value added taxes paid, except:

- When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable



## **Syngience Broadcast Ahmedabad Limited**

Notes to the financial statement for the year ended March 31, 2021

- When receivables and payables are stated with the amount of tax included

The net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

### **f) Borrowing costs**

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

### **g) Leases**

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

#### **Company as a lessee**

The Company recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Company is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. The Company recognises the amount of the re-measurement of lease liability due to modification as an adjustment to the right-of-use asset and statement of profit and loss depending upon the nature of modification. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognises any remaining amount of the re-measurement in statement of profit and loss.

## **Syngience Broadcast Ahmedabad Limited**

Notes to the financial statement for the year ended March 31, 2021

The Company has elected not to apply the requirements of Ind AS 116 to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognised as an expense on a straight-line basis over the lease term.

As a practical expedient a lessee (the company) has elected, by class of underlying asset, not to separate lease components from any associated non-lease components. A lessee (the company) accounts for the lease component and the associated non-lease components as a single lease component.

### **Company as a lessor**

At the inception of the lease the Company classifies each of its leases as either an operating lease or a finance lease. The Company recognises lease payments received under operating leases as income on a straight- line basis over the lease term. In case of a finance lease, finance income is recognised over the lease term based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the lease.

### **h) Provisions**

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. When the Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

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

### **i) Retirement and other employee benefits**

#### **Short term employee benefits and defined contribution plans:**

All employee benefits payable/available within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages and bonus etc. are recognised in the statement of profit and loss in the period in which the employee renders the related service.

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

#### **Gratuity**

Gratuity is a defined benefit scheme. The defined benefit obligation is Computed by actuaries using the projected unit credit method.

The Company recognizes termination benefit as a liability and an expense when the Company has a present obligation as a result of 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

## **Syngience Broadcast Ahmedabad Limited**

Notes to the financial statement for the year ended March 31, 2021

amount of the obligation. If the termination benefits fall due more than 12 months after the balance sheet date, they are measured at present value of future cash flows using the discount rate determined by reference to market yields at the balance sheet date on government bonds.

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

Past service costs are recognised in profit or loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Company recognises related restructuring cost

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

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 leaves expected to be carried forward for measurement purposes. Such compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred. The company presents the entire leave as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for 12 months after the reporting date. Where Company has the unconditional legal and contractual right to defer the settlement for a period beyond 12 months, the same is presented as non-current liability.

### **j) Impairment of non-financial assets**

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly

traded Company's or other available fair value indicators.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the entity operates, or for the market in which the asset is used.

Impairment losses of continuing operations, including impairment on inventories, are recognised in the statement of profit and loss.

An assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

Intangible assets with indefinite useful lives are tested for impairment annually at the CGU level, as appropriate, and when circumstances indicate that the carrying value may be impaired.

## **k) 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.

### **Financial assets**

#### **Initial recognition and measurement**

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

#### **Subsequent measurement**

For purposes of subsequent measurement, Debt instruments are measured at amortized cost.

#### **Debt instruments at amortised cost**

A 'debt instrument' is measured at the amortized cost if both the following conditions are met:

The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

## **Syngience Broadcast Ahmedabad Limited**

Notes to the financial statement for the year ended March 31, 2021

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

### **Equity investments**

All equity investments in scope of Ind-AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind-AS 103 applies are Ind-AS classified as at FVTPL. For all other equity instruments, the Group may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Group makes such election on an instrument-by-instrument basis. The classification is made on Initial recognition and is irrevocable.

If the group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Group may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

### **Derecognition**

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognized (i.e. removed from the Company's consolidated balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognize the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

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

### **Impairment of financial assets**

In accordance with Ind-AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:



## **Syngience Broadcast Ahmedabad Limited**

Notes to the financial statement for the year ended March 31, 2021

- a) Financial assets that are debt instruments, and are measured at amortized cost e.g., loans, debt securities, deposits, trade receivables and bank balance
- b) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind-AS 115 (referred to as 'contractual revenue receivables' in these financial statements)

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables or contract revenue receivables or unbilled receivables.

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

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

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

As a practical expedient, the Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/expense in the Statement of Profit and Loss. This amount is reflected under the head 'other expenses' in the Statement of Profit and Loss. The balance sheet presentation for various financial instruments is described below:

- Financial assets measured as at amortized cost, contractual revenue receivables and lease receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount. For assessing increase in credit risk and impairment loss. The Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

The Company does not have any purchased or originated credit-impaired (POCI) financial assets, i.e., financial assets which are credit impaired on purchase/ origination.

### **Financial liabilities**

#### **Initial recognition and measurement**

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings.

#### **Subsequent measurement**

#### **Loans and borrowings**

## **Syngience Broadcast Ahmedabad Limited**

Notes to the financial statement for the year ended March 31, 2021

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognised in profit and loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the Statement of Profit and Loss. This category generally applies to borrowings.

### **De-recognition**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

### **Financial guarantee contracts**

Financial guarantee contracts are recognised as a financial liability at the time the guarantee is issued. The liability is initially measured at fair value and subsequently at the higher of (i) the amount determined in accordance with the expected credit loss model as per Ind AS 109 and (ii) the amount initially recognised less, where appropriate, cumulative amount of income recognised in accordance with the principles of Ind AS 115.

The fair value of financial guarantees is determined based on the present value of the difference in cash flows between the contractual payments required under the debt instrument and the payments that would be required without the guarantee, or the estimated amount that would be payable to a third party for assuming the obligations.

Where guarantees in relation to loans or other payables of subsidiaries are provided for no compensation, the fair values are accounted for as contributions and recognised as part of the cost of the investment.

### **Offsetting of financial instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

#### **l) Cash and cash equivalents**

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalent consists of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

#### **m) Contingent Liabilities**

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 only disclosed when it is probable that the economic benefits will flow to the entity.

## **Syngience Broadcast Ahmedabad Limited**

Notes to the financial statement for the year ended March 31, 2021

### **n) Measurement of EBITDA**

The Company has elected to present earnings before interest expense, tax, depreciation and amortization (EBITDA) as a separate line item on the face of the statement of profit and loss. The Company measures EBITDA on the face of profit/ (loss) from continuing operations. In the measurement, the Company does not include depreciation and amortization expense, finance costs and tax expense.

### **o) Earnings per Share**

#### **Basic earnings per share**

Basic earnings per share are calculated by dividing:

- the profit attributable to owners of the Company
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares.

#### **Diluted earnings per share**

Diluted earnings per share adjust the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

## **2.2 Significant accounting judgements, estimates and assumptions**

The preparation of the Company financial statements requires management to make judgements.

**Syngience Broadcast Ahmedabad Limited**  
**Notes to financial statements for the period ended March 31, 2021**  
**(All amounts are in ₹ lacs unless stated otherwise)**

**2 INCOME TAX ASSETS (NET)**

Particulars	As at March 31, 2021	As at March 31, 2020
Income Tax Assets (Net)	1.95	3.54
<b>Total</b>	<b>1.95</b>	<b>3.54</b>

**3 OTHER NON-CURRENT ASSETS**

Particulars	As at March 31, 2021	As at March 31, 2020
Receivable against share issue (Refer Note 22)	-	1,821.00
<b>Total</b>	<b>-</b>	<b>1,821.00</b>

**4 CASH AND CASH EQUIVALENTS**

Particulars	As at March 31, 2021	As at March 31, 2020
Cash and cash equivalents		
- Balances with banks	0.09	1.18
- Cheques on hand	-	-
- Cash on hand	-	-
<b>Total</b>	<b>0.09</b>	<b>1.18</b>

**5 Loans**

Particulars	As at March 31, 2021	As at March 31, 2020
<b>Unsecured, Considered Good</b>		
Loan to related party *	150.00	150.00
<b>Total</b>	<b>150.00</b>	<b>150.00</b>

\* Represents loan given to Next Radio Limited.

**6 OTHER CURRENT ASSETS**

Particulars	As at March 31, 2021	As at March 31, 2020
Security Deposit	0.90	0.90
Interest accrued but not due on loan to related parties	42.34	27.05
<b>Total</b>	<b>43.24</b>	<b>27.95</b>

## 7 Share Capital

a	Particulars	As at	As at
		March 31, 2021	March 31, 2020
	<b>Authorised Share Capital</b>		
	Equity share capital (1,98,00,000 equity shares of Rs. 10/- each)	1,980.00	1,980.00
	<b>Issued, Subscribed and Paid-up Share Capital</b>		
	Equity share capital (15,50,000 equity shares (Previous year 1,97,60, 000) of Rs. 10/- each ) (Refer Note 22)	155.00	1,976.00
	<b>Total</b>	<b>155.00</b>	<b>1,976.00</b>

### b Reconciliation of Equity Shares at the end of the year

Particulars	As at March 31, 2021	
	Number of shares	Amount
Shares outstanding at the beginning of the period	1,97,60,000	1,976.00
Less Shares cancelled (Refer note 22)	-1,82,10,000	-1,821.00
Shares outstanding at the end of period	<b>15,50,000</b>	<b>155.00</b>

### c Terms of equity shares

The company has only one class of equity shares having par value of Rs. 10 per share. Each holder of equity share is entitled to one vote per share. The Company declares and pays dividends in Indian Rupees. The dividend proposed, if any, by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except for Interim Dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

### d Shares held by holding company

Particulars	As at March 31, 2021	
	Number of shares	% of holding
Next Radio Limited	15,50,000	100%

### e Details of Shareholders holding more than 5% of Shares in the Company

Particulars	As at March 31, 2021	
	Number of shares	% of holding
Next Radio Limited and its nominee	15,50,000	100%

f No shares are reserved by the Company for issue under options and contract or commitment for the sale of shares or disinvestments.

## 8 Other equity

Particulars	As at	As at
	March 31, 2021	March 31, 2020
<b>Retained earnings</b>		
Opening Balance	-5.67	-13.79
<b>Add:</b> Profit for the period	6.46	8.12
<b>Less:</b> Share issue expenses	-	
<b>Total</b>	<b>0.79</b>	<b>-5.67</b>



**9 BORROWINGS**

Particulars	As at March 31, 2021	As at March 31, 2020
<b>Unsecured</b>		
Loan from Related Party	27.58	25.53
<b>Total</b>	<b>27.58</b>	<b>25.53</b>

Unsecured borrowing from Holding company is repayable on demand and carries interest rate of 11% p.a.

**10 TRADE PAYABLE**

Particulars	As at March 31, 2021	As at March 31, 2020
Trade Payable		
(i) Total outstanding dues of micro enterprises and small enterprises		
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	3.24	1.35
<b>Total</b>	<b>3.24</b>	<b>1.35</b>

Based on the information available with the Company, there are no dues to Micro and Small Enterprises as defined under the MSMED Act, 2006

**11 OTHER FINANCIAL LIABILITIES - CURRENT**

Particulars	As at March 31, 2021	As at March 31, 2020
Interest accrued but not due on loan from related parties	8.68	6.09
<b>Total</b>	<b>8.68</b>	<b>6.09</b>

**12 OTHER CURRENT LIABILITIES**

Particulars	As at March 31, 2021	As at March 31, 2020
Statutory liabilities	-	0.36
<b>Total</b>	<b>-</b>	<b>0.36</b>

**Syngience Broadcast Ahmedabad Limited**  
**Notes to financial statements for the period ended March 31, 2021**  
**(All amounts are in ₹ lacs unless stated otherwise)**

13 **Finance Charges**

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Interest on loan from related parties	2.80	2.84
Bank Charges	-	-
	<b>2.80</b>	<b>2.84</b>

14 **Other Expenses**

Particulars		For the year ended March 31, 2021		For the year ended March 31, 2019
<b>General &amp; Administration Expenses</b>				
Professional Charges		2.04		1.01
Legal Charges		-		-
Auditors remuneration :-				
- Statutory Audit	0.95		0.46	
- Tax Audit	-		-	
- Others	-	0.95	-	0.46
Rent, Rates and Taxes		-		0.07
		<b>2.99</b>		<b>1.54</b>

**Syngience Broadcast Ahmedabad Limited**  
**Notes to financial statements for the period ended March 31, 2021**  
**(All amounts are in ₹ lacs unless stated otherwise)**

**15 Earnings per Share (EPS)**

Particulars	31-Mar-21	31-Mar-20
Loss for the year (Rs. In lacs)	6.46	8.12
Weighted average number of equity shares at the end of the year	15,50,000	1,97,60,000
Basic and diluted earnings (in Rs.) per share	0.42	0.04
Nominal Value of equity share (Rs.)	10.00	10.00

The Company does not have any outstanding dilutive potential equity shares. Consequently, the basic and diluted earning per share of the Company remain the same.

**16 Contingent Liabilities and commitments**

There are no contingent liabilities as on March 31, 2021

Estimated amount of contracts remaining to be executed on capital account is Rs Nil.

Other Commitment - Nil

**17 Segment Reporting**

The Company has no operations during the year; hence disclosure requirement for segment reporting not applicable to Company.

**18 Employee Benefits**

No Provision has been made for retirement benefits since there are no employees on the roll of the Company.

**19 Related party disclosures**

Names of related parties and related party relationship

a. Holding Company - Next Radio Limited

Transaction during the year	Holding Company	
	For the year ended March 31, 2021	For the year ended March 31, 2020
Nature of Transactions		
Interest Expenses	2.80	2.84
Interest Income	16.50	16.56

**Balances at the end of the year**

Nature of Transactions	Holding Company	
	For the year ended March 31, 2021	For the year ended March 31, 2020
Interest Payable	8.68	6.09
Interest Receivable	42.34	27.05
Receivable against shares issued	-	1,821.00
Unsecured loan payable	27.58	25.53
Unsecured loan receivable	150.00	150.00

**Syngience Broadcast Ahmedabad Limited**  
**Notes to financial statements for the period ended March 31, 2021**  
**(All amounts are in ₹ lacs unless stated otherwise)**

- 20 In accordance with relevant provision of the Companies Act, 2013, the Company did not have any long term contracts including derivative contracts as at March 31, 2021
- 21 For the year 2020-21, the Company is not required to transfer any amount into the Investors education and protection fund as required under relevant provisions of the Companies Act, 2013.
- 22 The Company filed a joint application along with Next Rado Limited ("NRL") before Hon'ble National Company Law Tribunal, Mumbai Bench (NCLT) on 21st May, 2020 for recall of NCLT's earlier order dated October 5, 2017 sanctioning the Scheme of Arrangement between NRL & SBAL and their respective shareholders & creditors (Scheme) for transfer of Ahmedabad FM Radio Broadcasting business of NRL into Company; and reverse all actions that may have been taken on the basis of said NCLT's order including any corporate actions, changes to issued capital, filing with any regulatory authority etc. The said joint application was filed as NRL did not receive approval of Ministry of Information & Broadcasting (MIB) for transfer of Ahmedabad FM Radio license from NRL to Company pursuant to the Scheme, as a result of which the Scheme did not come into effect. The application was allowed by NCLT vide order passed on September 22, 2020. Accordingly, the allotment of 1,82,10,000 equity shares of Rs. 10/- each by SBAL to NRL on November 27, 2017 pursuant to the Scheme was void ab-initio, and the paid-up share capital of Company was reduced to Rs. 1,55,00,000 comprising of 15,50,000 equity shares of Rs. 10 each. The same has also been updated on MCA portal on November 6, 2020.
- 23 A Scheme of Amalgamation u/s 230-232 of the Companies Act, 2013 which provides for amalgamation of Syngience Broadcast Ahmedabad Limited (SBAL) with Next Radio Limited (NRL) ("Scheme"), has been approved by the Board of Directors of SBAL and NRL at their respective meetings held on March 31, 2021. Further, the Scheme has been filed with Hon'ble National Company Law Tribunal, Mumbai Bench (NCLT) on June 7, 2021. The Scheme is subject to approval of NCLT and such other statutory authorities as may be required. Pending sanction, impact of the Scheme has not been considered in NMW's consol results for FY 2020-21.

This is as per our report of even date.

**For MRKS and Associates**  
**Chartered Accountants**  
**ICAI Firm Registration No. 023711N**

**Kamal Ahuja**  
Membership No. 505788  
Place: Delhi  
Date: June 14, 2021

**For and on behalf of the Board of directors of**  
**Syngience Broadcast Ahmedabad Limited**

**Anup Sharma**  
Director  
DIN - 08709461  
Place: Delhi  
Date: June 14, 2021

**Ramesh Menon**  
Director  
DIN - 08129145