

Ref: DCL/CS/160/2021

15<sup>th</sup> June, 2021

BSE Limited  
P. J. Tower, Dalal Street  
**Mumbai- 400 001**

National Stock Exchange of India Limited  
Exchange Plaza, C-1, Block G,  
Bandra-Kurla Complex, Bandra (East)  
**Mumbai- 400 051**

Scrip Code: 542685

Trading Symbol: DGCONTENT

Dear Sirs,

**Sub: Intimation of outcome of the Board Meeting held on 15<sup>th</sup> June, 2021 and disclosure under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, as amended (“SEBI LODR”)**

This is to inform you that the Board of Directors of the Company at its meeting held today, i.e. 15<sup>th</sup> June, 2021 (which commenced at 1:30 p.m. and concluded at 3:51 p.m.) has, *inter-alia*, transacted the following businesses:-

1. Approved and taken on record the Audited (Standalone and Consolidated) Financial Results of the Company for the quarter and financial year ended on 31<sup>st</sup> March, 2021 (AFRs) pursuant to Regulation 33 of the SEBI LODR.  
  
B S R and Associates, Chartered Accountants (Statutory Auditor) has issued audit report with modified opinion on the aforesaid AFRs.
2. Approved the Audited (Standalone and Consolidated) Financial Statements of the Company, prepared pursuant to applicable provisions of the Companies Act, 2013, for the financial year ended on 31<sup>st</sup> March, 2021.

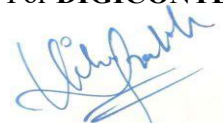
AFRs along with the Auditor's Report thereon are enclosed (**Annexure - 1**). The Statement on Impact of Audit Qualification in terms of Regulation 33 of SEBI LODR will be submitted by tomorrow i.e. June 16, 2021, due to logistics constraint on account of prevailing CoVID-19 pandemic.

This is for your information and record.

Thanking you,

Yours faithfully,

For **DIGICONTENT LIMITED**



**(Vikas Prakash)**  
Company Secretary



Encl.: As above

# B S R and Associates

Chartered Accountants

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DLF Cyber City, Phase – II,  
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## INDEPENDENT AUDITORS' REPORT

### TO THE BOARD OF DIRECTORS OF DIGICONTENT LIMITED

#### Report on the audit of the Standalone Annual Financial Results

#### Qualified Opinion

We have audited the accompanying standalone annual financial results of Digicontent Company Limited (hereinafter referred to as the "Company") for the year ended 31 March 2021, attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('Listing Regulations').

In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matter described in the 'Basis for Qualified opinion' section of our report, the aforesaid standalone annual financial results:

- a. are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- b. give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards, and other accounting principles generally accepted in India, of the net loss and other comprehensive income and other financial information for the year ended 31 March 2021.

#### Basis for Qualified Opinion

We draw attention to Note 8 to the standalone annual financial results, which explains that the Company, basis the financial information as per its last audited financial statements for the year ended 31 March 2020, holds not less than 90% of its net assets in the form of investment in equity shares and loans in/ to group companies and its investments in the equity shares in the group companies constitute not less than 60% of its net assets. However, as per the aforesaid financial statements, the Company did not satisfy the income criterion of principal business criteria as defined by the Reserve Bank of India ('RBI') of being classified as a Non-banking Financial Company (NBFC). Further, till 31 March 2020, the Company did not carry on any other financial activity referred to in Section 45I(c) and 45I (f) of the Reserve Bank of India Act, 1934. In this context, the status of the Company is under discussion with RBI i.e. whether it is a NBFC since it does not satisfy the income criterion of principal business criteria and further whether it should be registered as a Systemically Important Core Investment Company (SI-CIC) as per the conditions as stated in the Master Direction - Core Investment Companies (Reserve Bank) Directions, 2016, as amended ('Regulations') issued by the RBI, since it holds total assets of not less than Rs.100 crore and holds public funds as at 31 March 2020.

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#### Principal Office:

14th Floor, Central B Wing and North C Wing,  
Nesco IT Park 4, Nesco Center, Western Express Highway,  
Goregaon (East), Mumbai – 400063, India

## **B S R and Associates**

The Company has filed various letters with the RBI and provided unaudited provisional Balance sheet and Income statement as at 31 December 2020 and 31 January 2021 along with audited financial statements of 31 March 2020 and explanations, wherein it has stated that it need not be registered as a NBFC and SI-CIC since it does not meet the criteria as per the financial statements for the year ended 31 March 2020. However, RBI vide letter dated 23 March 2021, has stated that it appears that the Company qualifies to be a NBFC and it is required to apply for certificate of registration as a NBFC or merge with another NBFC/non-financial company or wind up the business of NBFC. The Management is of the view that the RBI has not fully considered the Company's contentions as detailed in various letters submitted earlier with the RBI, before arriving at the conclusion. The Company vide letter dated 9 June 2021, has submitted its representation to the RBI, wherein, the Company has reiterated that the Company does not fulfil principal business criteria to be classified as a NBFC or register as a SI-CIC and in any case the Company has drawn up a scheme of merger for merging the Company and its two other fellow subsidiary companies with HT Media Limited (a Non-Financial Company and a fellow subsidiary) for which the scheme has been approved by the Board of Directors in February 2021 and filed with the stock exchanges in March 2021 for approval.

Pending resolution of this matter, we are unable to comment on the impact thereof, if any, on the standalone annual financial results for the year ended 31 March 2021.

This matter was also subject matter of qualification in our review report of standalone financial results for the quarter and nine months ended 31 December 2020.

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Standalone Annual Financial Results* 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 Act, and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that except as stated in the "Basis for Qualified Opinion" paragraph above, the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our qualified opinion on the Standalone annual financial results.

### **Management's and Board of Directors' Responsibilities for the Standalone Annual Financial Results**

These standalone annual financial results have been prepared on the basis of the standalone annual financial statements.

The Company's Management and the Board of Directors are responsible for the preparation and presentation of these standalone annual financial results that give a true and fair view of the net profit/loss and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in Indian Accounting Standards prescribed under Section 133 of the Act and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone annual financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.



## **B S R and Associates**

In preparing the standalone annual financial results, the Management and the Board of Directors are 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

### **Auditor's Responsibilities for the Audit of the Standalone Annual Financial Results**

Our objectives are to obtain reasonable assurance about whether the standalone annual financial results 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 annual financial results.

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 annual financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion through a separate report on the complete set of financial statements on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the standalone annual financial results made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors 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 appropriateness of this assumption. 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 annual financial results 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 annual financial results, including the disclosures, and whether the standalone annual financial results represent the underlying transactions and events in a manner that achieves fair presentation.

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.

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## **B S R and Associates**

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**

The standalone annual financial results include the results for the quarter ended 31 March 2021 being the balancing figure between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year which were subject to limited review by us.

*For B S R and Associates*  
*Chartered Accountants*  
Firm's Registration No.: 128901W



**Rajesh Arora**  
*Partner*

Membership No. 076124  
UDIN:21076124AAAABS2402

Place: Gurugram  
Date: 15 June 2021

**Digicontent Limited**

CIN:- L74999DL2017PLC322147

Registered Office: Hindustan Times House ,2nd Floor, 18-20, Kasturba Gandhi Marg, New Delhi-110001, India

Tel: +91-11- 6656 1234 Fax: +91-11-6656 1270

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Audited Standalone Financial Results for the quarter and year ended March 31, 2021

**Statement of Audited Standalone financial Results for the quarter and year ended March 31, 2021**

(INR in Lakhs except earnings per share data)

S.No	Particulars	Three Months Ended			Year ended	
		31.03.2021 Audited (Refer note 1)	31.12.2020 Un-audited	31.03.2020 Audited (Refer note 1)	31.03.2021 Audited	31.03.2020 Audited
<b>1</b>	<b>Income</b>					
	a) Revenue from Operations	27	33	284	109	1,560
	b) Other Income	24	46	62	179	211
	<b>Total Income</b>	<b>51</b>	<b>79</b>	<b>346</b>	<b>288</b>	<b>1,771</b>
<b>2</b>	<b>Expenses</b>					
	a) Employee benefits expense	94	70	269	373	1,109
	b) Finance costs	295	275	270	1,114	1,006
	c) Depreciation and amortisation expense	2	2	4	9	20
	d) Other expenses	128	119	180	426	577
	<b>Total Expenses</b>	<b>519</b>	<b>466</b>	<b>723</b>	<b>1,922</b>	<b>2,712</b>
<b>3</b>	<b>(Loss) before exceptional items and tax (1-2)</b>	<b>(468)</b>	<b>(387)</b>	<b>(377)</b>	<b>(1,634)</b>	<b>(941)</b>
<b>3a</b>	<b>Profit/(Loss) before finance costs, tax, depreciation and amortisation expenses (EBITDA) (3+2b+2c) and exceptional items</b>	<b>(171)</b>	<b>(110)</b>	<b>(103)</b>	<b>(511)</b>	<b>85</b>
4	Exceptional Items	-	-	-	-	-
<b>5</b>	<b>(Loss) before Tax (3+4)</b>	<b>(468)</b>	<b>(387)</b>	<b>(377)</b>	<b>(1,634)</b>	<b>(941)</b>
<b>6</b>	<b>Tax Expense</b>					
	a) Current tax	-	-	-	-	-
	b) Deferred tax charge	-	-	-	-	133
	<b>Total tax expense</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>133</b>
<b>7</b>	<b>(Loss) after tax (5-6)</b>	<b>(468)</b>	<b>(387)</b>	<b>(377)</b>	<b>(1,634)</b>	<b>(1,074)</b>
<b>8</b>	<b>Other Comprehensive Income (net of tax)</b>					
	a) Items that will not be reclassified to profit or loss	2	9	(2)	28	(3)
	<b>Total Other Comprehensive Income/(Loss)</b>	<b>2</b>	<b>9</b>	<b>(2)</b>	<b>28</b>	<b>(3)</b>
<b>9</b>	<b>Total Comprehensive (Loss) (7+8)</b>	<b>(466)</b>	<b>(378)</b>	<b>(379)</b>	<b>(1,606)</b>	<b>(1,077)</b>
<b>10</b>	<b>Paid-up Equity Share Capital (Face value - INR 2/- per share)</b>	<b>1,164</b>	<b>1,164</b>	<b>1,164</b>	<b>1,164</b>	<b>1,164</b>
<b>11</b>	<b>Other Equity excluding Revaluation Reserves as per the balance sheet</b>				<b>7,426</b>	<b>9,032</b>
<b>12</b>	<b>(Loss) per share</b>					
	(of INR 2/- each)	(not annualised)	(not annualised)	(not annualised)		
	Basic & Diluted	(0.80)	(0.66)	(0.65)	(2.81)	(1.85)

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**Notes :**

- 1 The above standalone financial results for the quarter and year ended March 31, 2021 were reviewed and recommended by the Audit Committee and approved by the Board of Directors at their respective meetings held on June 15, 2021. The Statutory Auditors of the Company have carried out an audit of the above results pursuant to Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended. The modified audit report for the quarter and year ended March 31, 2021 may have an impact on the above financial results with regard to the matter outlined in Note 8 appearing hereinbelow. The figures of the quarter ended March 31, 2021 and March 31, 2020 are the balancing figures between the audited figures in respect of the full financial year and the published year to date figures upto December 31, 2020 and December 31, 2019, being the end of the third quarter of the financial year, which were subjected to limited review.
- 2 The standalone financial results have been prepared in accordance with the Indian Accounting Standards ('Ind AS') prescribed under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules as amended from time to time.
- 3 The Company is engaged in the business of "Entertainment & Digital Innovation Business" and there is no other reportable segments as per Ind AS 108 on Operating Segments.
- 4 The certificate of CEO and CFO in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in respect of the above results has been placed before the Board of Directors.
- 5 Revenue from operations decreased significantly during the year ended March 31, 2021 compared to the previous year, primarily on account of abandonment of Brand Promotion Business of the Company w.e.f May 1, 2020, due to decline in the demand for Brand Promotion advertisement campaigns/ content service.
- 6 Previous period's figures have been re-grouped/ re-classified wherever necessary, to correspond with those of the current period's classification.
- 7 Management has been continuously evaluating the possible effects that may result from the pandemic relating to COVID-19 on the operations and financial results of the Company for the quarter and year ended March 31, 2021. The Company has considered and taken into account internal and external information and has performed sensitivity analysis based on current estimates in assessing the recoverability of financial and non financial assets. Given the uncertainties associated with nature, condition and duration of COVID-19, the impact assessment on the Company's financial information will be continuously made and provided for as required.
- 8 The Company carries on the operating business of Entertainment and Digital Innovation and has regular revenue from this business. As at 31 March 2020, the Company holds not less than 90% of its net assets in the form of investments in equity shares and loans in/ to subsidiary company. Investments in equity shares in 100% subsidiary company constitute not less than 60% of its net assets. Till 31 March 2020, the Company did not trade in investments in shares, bonds, debentures, debt or loans in group companies and it did not carry on any other financial activity referred to in Section 45I(c) and 45I (f) of the Reserve Bank of India Act, 1934.

In this context, a question is under discussion with RBI whether the Company meets the Principal Business Criteria (PBC) for classification as a NBFC and in terms of the Master Direction - Core Investment Companies (Reserve Bank) Directions, 2016, as amended ('Regulations') issued by the Reserve Bank of India ('RBI'), to register as a Systemically Important Core Investment Company (SI-CIC), since it holds total assets of not less than Rs.100 crore and holds public funds as at 31 March 2020.

In the view of the Management, the Company does not meet the income criterion of principal business criteria of being a Non-Banking Finance Company (NBFC) on the basis of the last audited Financial Statements for the year ended 31 March 2020.

The Company submitted representations to the RBI vide letters dated 13 January 2021 and 17 February 2021, wherein the facts of the case were stated, and unaudited provisional Balance sheet and Income statement as at 31 December 2020 and 31 January 2021 along with audited financial statements of 31 March 2020 were filed.

It was represented that the Company is not required to register as SI-CIC since it is not a NBFC based on its last audited financial statements for year ended 31 March 2020.

The Company has received a letter dated 23 March 2021 from the RBI, wherein based on the examination of the financials, RBI has stated that it appears that the Company qualifies to be a Non-Banking Financial Company and it is required either to (a) merge with another NBFC or Non-Financial Company or (b) windup the business of NBFC or (c) apply for certificate of registration as NBFC.

The Management believes that the RBI has not fully considered the Company's submissions and accordingly the Company has submitted a detailed representation, vide letter dated 9 June 2021 to RBI, reiterating that the company believes that, on the basis of the latest audited Financial Statements as on 31 March 2020, the Company does not fulfil the income criteria of the Principal Business Criteria and hence is not a NBFC. Accordingly, the management is of the view that the Company did not need to register as a SI-CIC.

In any view of the matter and without prejudice to the above submissions, the Company also represented that it is already in the process of merging with HT Media Limited, a Non Financial operating company and a fellow subsidiary, along with two fellow subsidiaries, the merger scheme for the same has been approved by the Boards of the respective Companies in February 2021 and filed with the Stock exchanges in March 2021 for their approval.

The Company is therefore already in the process of implementing one of the three actions stipulated by RBI in its letter dated 23 March 2021, to comply with the above-mentioned NBFC matter.

- 9 A Composite Scheme of Amalgamation u/s 230-232 of the Companies Act, 2013, which provides for merger of Next Mediaworks Limited (NMWL), Digicontent Limited (DCL) and HT Mobile Solutions Limited (HTMSL) with HT Media Limited (HTML) ("Scheme"), has been approved by the Board of Directors of these companies at their respective meetings held on February 11, 2021, which is subject to requisite approval(s). The application under Regulation 37 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 has been submitted with both, NSE and BSE, and their approval is awaited.



Pending sanction of the Scheme, impact thereof has not been considered in DCL's standalone results for FY 2020-21.



<b>10 Standalone Balance Sheet as at March 31, 2021 is as given below :</b>			
			<b>(INR in Lakhs)</b>
	<b>Particulars</b>	<b>As at March 31, 2021 Audited</b>	<b>As at March 31, 2020 Audited</b>
<b>A</b>	<b>ASSETS</b>		
<b>1)</b>	<b>Non-current assets</b>		
	(a) Property, plant and equipment	-	1
	(b) Intangible assets	6	13
	(c) Investment in subsidiaries	17,580	17,580
	(d) Financial assets		
	(i) Investments	5	-
	(ii) Other financial assets	530	-
	(e) Income tax assets (net)	66	50
	<b>Total non-current assets</b>	<b>18,187</b>	<b>17,644</b>
<b>2)</b>	<b>Current assets</b>		
	(a) Financial assets		
	(i) Trade receivables	37	143
	(ii) Cash and cash equivalents	25	630
	(iii) Bank balances other than (ii) above	-	-
	(iv) Loans	1	1,851
	(v) Other financial assets	1,590	209
	(b) Contract assets	7	12
	(c) Other current assets	63	10
	<b>Total current assets</b>	<b>1,723</b>	<b>2,855</b>
	<b>Total assets</b>	<b>19,910</b>	<b>20,499</b>
<b>B</b>	<b>EQUITY AND LIABILITIES</b>		
<b>1)</b>	<b>Equity</b>		
	(a) Equity share capital	1,164	1,164
	(b) Other equity	7,426	9,032
	<b>Total equity</b>	<b>8,590</b>	<b>10,196</b>
<b>2)</b>	<b>Liabilities</b>		
	<b>Non-current liabilities</b>		
	(a) Financial liabilities		
	(i) Borrowings	8,000	8,000
	(ii) Other financial liabilities	2,973	1,916
	(b) Provisions	12	52
	<b>Total non-current liabilities</b>	<b>10,985</b>	<b>9,968</b>
	<b>Current liabilities</b>		
	(a) Financial liabilities		
	(i) Trade payables	287	146
	(ii) Other financial liabilities	33	143
	(b) Other current liabilities	12	40
	(c) Provisions	3	6
	<b>Total current liabilities</b>	<b>335</b>	<b>335</b>
	<b>Total liabilities</b>	<b>11,320</b>	<b>10,303</b>
	<b>Total equity and liabilities</b>	<b>19,910</b>	<b>20,499</b>

See accompanying notes to the standalone financial results

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<b>11. Standalone Statement of Cash Flow for the year ended March 31, 2021 is as given below :</b>		
<b>Particulars</b>	<b>March 31, 2021 INR Lakhs Audited</b>	<b>March 31, 2020 INR Lakhs Audited</b>
<b>Cash flows from Operating activities</b>		
<b>(Loss) before taxation</b>	(1,634)	(941)
<b>Adjustments to reconcile loss before tax to net cash flows:</b>		
Interest income from deposits	(39)	(40)
Depreciation and amortization expense	9	20
Interest cost on borrowings	1,114	1,006
Unclaimed balances/ liabilities written back	-	(6)
Interest income from inter- corporate loan given	(140)	(165)
Loss allowance for doubtful debts and advances	14	1
<b>Changes in operating assets and liabilities</b>		
Decrease in trade receivables	91	704
Decrease in current and non-current financial assets and other current and non-current assets	5	1,765
(Decrease) in current and non-current financial liabilities and other current and non-current liabilities and provisions	(10)	(106)
<b>Cash (used in)/generated from operations</b>	<b>(590)</b>	<b>2,238</b>
Income tax paid (net)	(16)	(48)
<b>Net cash inflows/(outflows) from operating activities (A)</b>	<b>(606)</b>	<b>2,190</b>
<b>Cash flows from investing activities</b>		
Interest received on deposits	19	34
Interest received on inter- corporate loan given	289	16
Inter-corporate deposits given	-	(1,850)
Inter-corporate deposits received	1,850	-
Fixed deposits made (original maturity of more than 12 months)	(2,094)	-
Purchase of investments	(5)	-
Purchase of property, plant and equipment	(1)	(1)
<b>Net cash inflows/(outflows) from investing activities (B)</b>	<b>58</b>	<b>(1,801)</b>
<b>Cash flow from financing activities</b>		
Interest paid	(57)	(100)
<b>Net cash flows used in financing activities (C)</b>	<b>(57)</b>	<b>(100)</b>
<b>Net increase/ (decrease) in cash and cash equivalents (D= A+B+C)</b>	<b>(605)</b>	<b>289</b>
Cash and cash equivalents at the beginning of the period (E)	630	341
<b>Cash and cash equivalents at the end of the period (D+E)</b>	<b>25</b>	<b>630</b>
<b>Components of cash &amp; cash equivalents as at end of the period</b>		
Cash in hand	-	-
Balance with banks		
- On deposit accounts	21	524
- On current accounts	4	106
<b>Total cash and cash equivalents</b>	<b>25</b>	<b>630</b>
<b>For and on behalf of the Board of Directors</b>		
<b>New Delhi</b>		
<b>June 15, 2021</b>		<b>Priyavrat Bhartia</b> Chairman

*Bees*

# B S R and Associates

Chartered Accountants

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Gurugram – 122 002, India

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## INDEPENDENT AUDITOR'S REPORT

### TO THE BOARD OF DIRECTORS OF DIGICONTENT LIMITED

#### Report on the audit of the Consolidated Annual Financial Results

#### Qualified Opinion

We have audited the accompanying consolidated annual financial results of Digicontent Limited (hereinafter referred to as the "Company" or the "Holding Company") and its subsidiary (Holding Company and its subsidiary together referred to as "the Group"), for the year ended 31 March 2021, attached herewith, being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('Listing Regulations').

In our opinion and to the best of our information and according to the explanations given to us except for the possible effects of the matter described in the 'Basis for Qualified opinion' section of our report, the aforesaid consolidated annual financial results:

- a. also include the annual financial results of the subsidiary – HT Digital Streams Limited
- b. are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- c. in the context of the overriding effect of the Scheme of arrangement as approved by Hon'ble High Court of Delhi, over the relevant requirement of Ind AS, give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards, and other accounting principles generally accepted in India, of consolidated net loss and other comprehensive income and other financial information of the Group for the year ended 31 March 2021.

#### Basis for Qualified Opinion

We draw attention to Note 11 to the consolidated annual financial results, which explains that the Company, basis the financial information as per its last audited financial statements for the year ended 31 March 2020, holds not less than 90% of its net assets in the form of investment in equity shares and loans in/ to group companies and its investments in the equity shares in the group companies constitute not less than 60% of its net assets. However, as per the aforesaid financial statements, the Company did not satisfy the income criterion of principal business criteria as defined by the Reserve Bank of India ('RBI') of being classified as a Non-banking Financial Company (NBFC). Further, till 31 March 2020, the Company did not carry on any other financial activity referred to in Section 45I(c) and 45I (f) of the Reserve Bank of India Act, 1934. In this context, the status of the Company is under

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14th Floor, Central B Wing and North C Wing,  
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## **B S R and Associates**

discussion with RBI i.e. whether it is a NBFC since it does not satisfy the income criterion of principal business criteria and further whether it should be registered as a Systemically Important Core Investment Company (SI-CIC) as per the conditions as stated in the Master Direction - Core Investment Companies (Reserve Bank) Directions, 2016, as amended ('Regulations') issued by the RBI, since it holds total assets of not less than Rs.100 crore and holds public funds as at 31 March 2020.

The Company has filed various letters with the RBI and provided unaudited provisional Balance sheet and Income statement as at 31 December 2020 and 31 January 2021 along with audited financial statements of 31 March 2020 and explanations, wherein it has stated that it need not be registered as a NBFC and SI-CIC since it does not meet the criteria as per the financial statements for the year ended 31 March 2020. However, RBI vide letter dated 23 March 2021, has stated that it appears that the Company qualifies to be a NBFC and it is required to apply for certificate of registration as a NBFC or merge with another NBFC/non-financial company or wind up the business of NBFC. The Management is of the view that the RBI has not fully considered the Company's contentions as detailed in various letters submitted earlier with the RBI, before arriving at the conclusion. The Company vide letter dated 9 June 2021, has submitted its representation to the RBI, wherein, the Company has reiterated that the Company does not fulfil principal business criteria to be classified as a NBFC or register as a SI-CIC and in any case the Company has drawn up a scheme of merger for merging the Company and its two other fellow subsidiary companies with HT Media Limited (a Non-Financial Company and a fellow subsidiary) for which the scheme has been approved by the Board of Directors in February 2021 and filed with the stock exchanges in March 2021 for approval.

Pending resolution of this matter, we are unable to comment on the impact thereof, if any, on the consolidated annual financial results for the year ended 31 March 2021.

This matter was also subject matter of qualification in our review report of consolidated financial results for the quarter and nine months ended 31 December 2020.

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Annual Financial Results* 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 together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act, and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that except as stated in the "Basis for Qualified Opinion" paragraph above, the audit evidence obtained by us, is sufficient and appropriate to provide a basis for our qualified opinion on the consolidated annual financial results.

### **Emphasis of Matter**

We draw attention to Note 7 to the consolidated annual financial results relating to accounting treatment of goodwill pursuant to Schemes of Arrangement under section 391-394 of Companies Act, 1956 between HT Media Limited and HT Digital Streams Limited and Hindustan Media Ventures Limited and HT Digital Streams Limited ('the Schemes') approved by Hon'ble High Court of Delhi in earlier years whereby the goodwill is being amortised over a period of five years. This accounting treatment as per the Schemes is different from that prescribed in the applicable Ind AS which requires such goodwill to only be tested for impairment annually. Had the Scheme not required goodwill to be amortised, the Group would have reported a profit before tax of Rs. 316 lakhs as against reported loss

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## **B S R and Associates**

before tax of Rs 3,303 lakhs, Reserves of Rs. 8,633 lakhs as against negative reserves of Rs. 9,462 lakhs and total assets of Rs. 34,079 lakhs as against Rs. 15,984 lakhs as at 31 March 2021.

Our opinion is not modified in respect of this matter.

### **Management's and Board of Directors' Responsibilities for the Consolidated Annual Financial Results**

These consolidated annual financial results have been prepared on the basis of the consolidated annual financial statements.

The Holding Company's Management and the Board of Directors are responsible for the preparation and presentation of these consolidated annual financial results that give a true and fair view of the consolidated net profit/ loss and other comprehensive income and other financial information of the Group in accordance with the recognition and measurement principles laid down in Indian Accounting Standards prescribed under Section 133 of the Act and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The respective Management and 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 of the assets of each 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated annual financial results 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 annual financial results by the Management and the Directors of the Holding Company, as aforesaid.

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

The respective Board of Directors of the companies included in the Group is responsible for overseeing the financial reporting process of each company.

### **Auditor's Responsibilities for the Audit of the Consolidated Annual Financial Results**

Our objectives are to obtain reasonable assurance about whether the consolidated annual financial results 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 annual financial results.

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 annual financial results, 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



## **B S R and Associates**

of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion through a separate report on the complete set of financial statements on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the consolidated financial results made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors 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 appropriateness of this assumption. 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 annual financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated annual financial results, including the disclosures, and whether the consolidated annual financial results represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial results/financial information of the entities within the Group to express an opinion on the consolidated annual financial results. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the consolidated financial results of which we are the independent auditors. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated annual financial results of which we are the independent auditors 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.

We also performed procedures in accordance with the circular No CIR/CFD/CMD1/44/2019 issued by the SEBI under Regulation 33(8) of the Listing Regulations, as amended, to the extent applicable.



**B S R and Associates**

**Other Matter**

The consolidated annual financial results include the results for the quarter ended 31 March 2021 being the balancing figure between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year which were subject to limited review by us.

*For B S R and Associates*  
*Chartered Accountants*  
Firm's Registration No. 128901W



**Rajesh Arora**  
*Partner*

Gurugram  
Date: 15 June 2021

Membership No. 076124  
UDIN:21076124AAAABR5724

**Digicontent Limited**

CIN:- L74999DL2017PLC322147

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Audited Consolidated Financial Results for the Quarter and year ended March 31, 2021

**Statement of Audited Consolidated Financial Results for the quarter and year ended March 31, 2021**

(INR in Lakhs except earnings per share data)

S.No.	Particulars	Three Months Ended			Year ended	
		31.03.2021 Audited (Refer note 2)	31.12.2020 Un-audited	31.03.2020 Audited (Refer note 2)	31.03.2021 Audited	31.03.2020 Audited
<b>1</b>	<b>Income</b>					
	a) Revenue from Operations	6,809	7,442	6,124	24,889	25,910
	b) Other Income	307	36	49	496	177
	<b>Total Income</b>	<b>7,116</b>	<b>7,478</b>	<b>6,173</b>	<b>25,385</b>	<b>26,087</b>
<b>2</b>	<b>Expenses</b>					
	a) Employee benefits expense	2,915	3,030	3,711	11,932	14,212
	b) Finance costs	319	292	329	1,213	1,241
	c) Depreciation and amortization expense	1,285	1,306	1,325	5,215	5,290
	d) Other expenses	2,850	2,693	2,425	10,328	9,296
	<b>Total Expenses</b>	<b>7,369</b>	<b>7,321</b>	<b>7,790</b>	<b>28,688</b>	<b>30,039</b>
<b>3</b>	<b>Profit/(Loss) before exceptional items and tax (1-2)</b>	<b>(253)</b>	<b>157</b>	<b>(1,617)</b>	<b>(3,303)</b>	<b>(3,952)</b>
<b>3a</b>	<b>Profit before finance costs, tax, depreciation and amortisation expenses (EBITDA) (3+2b+2c) and exceptional items</b>	<b>1,351</b>	<b>1,755</b>	<b>37</b>	<b>3,125</b>	<b>2,579</b>
4	Exceptional Items	-	-	-	-	-
<b>5</b>	<b>Profit/(Loss) before Tax (3+4)</b>	<b>(253)</b>	<b>157</b>	<b>(1,617)</b>	<b>(3,303)</b>	<b>(3,952)</b>
<b>6</b>	<b>Tax Expense</b>					
	a) Current tax	-	-	-	-	-
	b) Deferred tax Charge/(credit) (Refer note 8)	1,546	142	(322)	1,056	(650)
	<b>Total tax expense/(credit)</b>	<b>1,546</b>	<b>142</b>	<b>(322)</b>	<b>1,056</b>	<b>(650)</b>
<b>7</b>	<b>Profit/(Loss) after tax (5-6)</b>	<b>(1,799)</b>	<b>15</b>	<b>(1,295)</b>	<b>(4,359)</b>	<b>(3,302)</b>
<b>8</b>	<b>Other Comprehensive Income (net of tax)</b>					
	a) Items that will not be reclassified to profit/ (loss)	(110)	11	23	(77)	(107)
	<b>Total Other Comprehensive Income/(Loss)</b>	<b>(110)</b>	<b>11</b>	<b>23</b>	<b>(77)</b>	<b>(107)</b>
<b>9</b>	<b>Total Comprehensive Income/(Loss) (7+8)</b>	<b>(1,909)</b>	<b>26</b>	<b>(1,272)</b>	<b>(4,436)</b>	<b>(3,409)</b>
<b>10</b>	<b>Paid-up Equity Share Capital (Face value - INR 2/- per share)</b>	<b>1,164</b>	<b>1,164</b>	<b>1,164</b>	<b>1,164</b>	<b>1,164</b>
<b>11</b>	<b>Other Equity excluding Revaluation Reserves as per the balance sheet</b>				<b>(2,520)</b>	<b>1,916</b>
<b>12</b>	<b>Earnings/(loss) per share</b>					
	(of INR 2/- each)	(not annualised)	(not annualised)	(not annualised)		
	Basic & Diluted	(3.09)	0.03	(2.22)	(7.49)	(5.67)

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**Notes :**

- 1 The standalone financial results of following entity have been consolidated with the financial results of Digicent Limited ('the Company'), hereinafter referred to as "**the Group**":

**Wholly-owned Subsidiary**

HT Digital Streams Limited (HTDSL)

- 2 The above consolidated financial results for the quarter and year ended March 31, 2021 were reviewed and recommended by the Audit Committee and were approved by the Board of Directors at their respective meetings held on June 15, 2021. The Statutory Auditors have carried out an audit of the above results pursuant to Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended. The modified audit report for the quarter and year ended March 31, 2021 may have an impact on the above financial results with regard to the matter outlined in Note 11 appearing hereinbelow. The figures of the quarter ended March 31, 2021 and March 31, 2020 are the balancing figures between the audited figures in respect of the full financial year and the published year to date figures upto December 31, 2020 and December 31, 2019, being the end of the third quarter of the financial year, which were subjected to limited review.
- 3 The consolidated financial results have been prepared in accordance with the Indian Accounting Standards ('Ind AS') prescribed under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules as amended from time to time. In the context of the overriding effect of the Scheme of arrangement as approved by Hon'ble High Court of Delhi, over the relevant requirement of Ind AS, refer Note 7 below.
- 4 The Group is engaged in the business of "Entertainment & Digital Innovation Business" and there are no other reportable segments as per Ind AS 108 on Operating Segments.
- 5 The audited standalone financial results of the Company for the quarter and year ended March 31, 2021 will be filed with BSE and NSE and are also available on Company's website "www.digicent.co.in". The key standalone financial information for the quarter and year ended March 31, 2021 are as under:

Particulars	Three Months Ended			Year Ended	
	31.03.2021	31.12.2020	31.03.2020	31.03.2021	31.03.2020
	Audited	Un-audited	Audited	Audited	Audited
Revenue from Operations	27	33	284	109	1,560
(Loss) Before Tax	(468)	(387)	(377)	(1,634)	(941)
(Loss) After Tax	(468)	(387)	(377)	(1,634)	(1,074)
Total Comprehensive (Loss)	(466)	(378)	(379)	(1,606)	(1,077)

- 6 The certificate of CEO and CFO in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in respect of the above results has been placed before the Board of Directors.
- 7 Goodwill acquired pursuant to Schemes of Arrangement under section 391-394 of Companies Act, 1956 between HT Media Limited and HT Digital Streams Limited and Hindustan Media Ventures Limited and HT Digital Streams Limited ('the Schemes') approved by Hon'ble High Court of Delhi in earlier years has been accounted for as per the requirements of the Schemes whereby goodwill is required to be amortised over a period of five years. This accounting treatment as per the Schemes is different from that prescribed in the applicable Ind AS which requires such goodwill to only be tested for impairment annually. Had the Scheme not required goodwill to be amortised, the Group would have reported a profit before tax of INR 316 lakhs as against reported loss before tax of INR 3,303 lakhs, Reserves of INR 8,633 lakhs as against negative reserves of INR 9,462 lakhs and total assets of INR 34,079 lakhs as against INR 15,984 as at 31 March 2021. Such goodwill has been fully amortised as on March 31, 2021.
- 8 Deferred tax charge for the quarter and year ended March 31, 2021 includes INR 1,489 Lakhs being the deferred tax asset reversed by the Company on difference between book basis and tax basis of goodwill, pursuant to goodwill taken out of purview of tax depreciation w.e.f. 1 April 2020 by Finance Bill enacted in March 2021.
- 9 Previous period's figures have been re-grouped/ re-classified wherever necessary, to correspond with those of the current period's classification.
- 10 Management has been continuously evaluating the possible effects that may result from the pandemic relating to COVID-19 on the operations and financial results of the Group for the quarter and year ended March 31, 2021. The Group has considered and taken into account internal and external information and has performed sensitivity analysis based on current estimates in assessing the recoverability of financial and non financial assets. Given the uncertainties associated with nature, condition and duration of COVID-19, the impact assessment on the Group's financial information will be continuously made and provided for as required.
- 11 The Company carries on the operating business of Entertainment and Digital Innovation and has regular revenue from this business. As at 31 March 2020, the Company holds not less than 90% of its net assets in the form of investments in equity shares and loans in/ to subsidiary company. Investments in equity shares in 100% subsidiary company constitute not less than 60% of its net assets. Till 31 March 2020, the Company did not trade in investments in shares, bonds, debentures, debt or loans in group companies and it did not carry on any other financial activity referred to in Section 451(c) and 451 (f) of the Reserve Bank of India Act, 1934.

In this context, a question is under discussion with RBI whether the Company meets the Principal Business Criteria (PBC) for classification as a NBFC and in terms of the Master Direction - Core Investment Companies (Reserve Bank) Directions, 2016, as amended ('Regulations') issued by the Reserve Bank of India ('RBI'), to register as a Systemically Important Core Investment Company (SI-CIC), since it holds total assets of not less than Rs.100 crore and holds public funds as at 31 March 2020.

In the view of the Management, the Company does not meet the income criterion of principal business criteria of being a Non-Banking Finance Company (NBFC) on the basis of the last audited Financial Statements for the year ended 31 March 2020.

The Company submitted representations to the RBI vide letters dated 13 January 2021 and 17 February 2021, wherein the facts of the case were stated, and unaudited provisional Balance sheet and Income statement as at 31 December 2020 and 31 January 2021 along with audited financial statements of 31 March 2020 were filed.

It was represented that the Company is not required to register as SI-CIC since it is not a NBFC based on its last audited financial statements for year ended 31 March 2020.

The Company has received a letter dated 23 March 2021 from the RBI, wherein based on the examination of the financials, RBI has stated that it appears that the Company qualifies to be a Non-Banking Financial Company and it is required either to (a) merge with another NBFC or Non-Financial Company or (b) windup the business of NBFC or (c) apply for certificate of registration as NBFC.

The Management believes that the RBI has not fully considered the Company's submissions and accordingly the Company has submitted a detailed representation, vide letter dated 9 June 2021 to RBI, reiterating that the company believes that, on the basis of the latest audited Financial Statements as on 31 March 2020, the Company does not fulfil the income criteria of the Principal Business Criteria and hence is not a NBFC. Accordingly, the management is of the view that the Company did not need to register as a SI-CIC.

In any view of the matter and without prejudice to the above submissions, the Company also represented that it is already in the process of merging with HT Media Limited, a Non Financial operating company and a fellow subsidiary, along with two fellow subsidiaries, the merger scheme for the same has been approved by the Boards of the respective Companies in February 2021 and filed with the Stock exchanges in March 2021 for their approval.

The Company is therefore already in the process of implementing one of the three actions stipulated by RBI in its letter dated 23 March 2021, to comply with the above-mentioned NBFC matter.

- 12 A Composite Scheme of Amalgamation u/s 230-232 of the Companies Act, 2013, which provides for merger of Next Mediaworks Limited (NMWL), Digicent Limited (DCL) and HT Mobile Solutions Limited (HTMSL) with HT Media Limited (HTML) ("Scheme"), has been approved by the Board of Directors of these companies at their respective meetings held on February 11, 2021, which is subject to requisite approval(s). The application under Regulation 37 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 has been submitted with both, NSE and BSE, and their approval is awaited.

Pending sanction of the Scheme, impact thereof has not been considered in DCL's consolidated results for FY 2020-21.

13	Consolidated Balance Sheet as at March 31, 2021 is as given below:		
		(INR in Lakhs)	
	Particulars	As at March 31, 2021 Audited	As at March 31, 2020 Audited
<b>A</b>	<b>ASSETS</b>		
<b>1)</b>	<b>Non-current assets</b>		
	(a) Property, plant and equipment	217	193
	(b) Right-of- use assets	1,431	3,216
	(c) Goodwill	-	3,619
	(d) Other intangible assets	89	125
	(e) Intangible assets under development	42	-
	(f) Financial assets		
	(i) Investments	15	10
	(ii) Loans	1,445	1,335
	(iii) Other financial assets	530	-
	(g) Deferred tax assets (net)	1,440	2,459
	(h) Income tax assets	212	3,214
	(i) Other non-current assets	15	65
	<b>Total non-current assets</b>	<b>5,436</b>	<b>14,236</b>
<b>2)</b>	<b>Current assets</b>		
	(a) Financial assets		
	(i) Trade receivables	3,474	3,122
	(ii) Cash and cash equivalents	2,145	1,091
	(iii) Bank balances other than (ii) above	1,800	-
	(iv) Loans	1	1
	(v) Other financial assets	2,797	1,094
	(b) Contract assets	62	338
	(c) Other current assets	269	159
	<b>Total current assets</b>	<b>10,548</b>	<b>5,805</b>
	<b>Total assets</b>	<b>15,984</b>	<b>20,041</b>
<b>B</b>	<b>EQUITY AND LIABILITIES</b>		
<b>1)</b>	<b>Equity</b>		
	(a) Equity share capital	1,164	1,164
	(b) Other equity	(2,520)	1,916
	<b>Total equity</b>	<b>(1,356)</b>	<b>3,080</b>
<b>2)</b>	<b>Liabilities</b>		
	<b>Non-current liabilities</b>		
	(a) Financial liabilities		
	(i) Borrowings	8,000	8,000
	(ii) Lease liabilities	25	1,226
	(iii) Other financial liabilities	2,973	1,916
	(b) Provisions	12	52
	<b>Total non-current liabilities</b>	<b>11,010</b>	<b>11,194</b>
	<b>Current liabilities</b>		
	(a) Financial liabilities		
	(i) Lease liabilities	999	1,615
	(ii) Trade payables	2,010	1,525
	(iii) Other financial liabilities	1,647	1,281
	(b) Contract liabilities	311	141
	(c) Other current Liabilities	512	430
	(d) Provisions	851	775
	<b>Total current liabilities</b>	<b>6,330</b>	<b>5,767</b>
	<b>Total liabilities</b>	<b>17,340</b>	<b>16,961</b>
	<b>Total equity and liabilities</b>	<b>15,984</b>	<b>20,041</b>
See accompanying notes to the consolidated financial results			

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**14. Consolidated Statement of Cash Flow for the year ended March 31, 2021 is as given below:**

Particulars	March 31, 2021 INR Lakhs Audited	March 31, 2020 INR Lakhs Audited
<b>Cash flows from operating activities</b> <b>(Loss) before taxation</b>	(3,303)	(3,952)
<b>Adjustments to reconcile loss before tax to net cash flows:</b>		
Interest income from deposits and others	(443)	(128)
Depreciation and amortization expense	5,215	5,290
Finance cost	1,213	1,241
Loss allowance for doubtful debts and advances	79	75
Unclaimed balances/liabilities written back (net)	(51)	(26)
Unrealised exchange differences	29	(17)
Profit on sale of property, plant and equipment (net)	(1)	-
<b>Changes in operating assets and liabilities</b>		
(Increase)/decrease in trade receivables	(460)	1,486
(Increase) in current and non-current financial assets and other current and non-current assets	44	(1,159)
Increase/ (decrease) in current and non-current financial liabilities and other current and non-current liabilities and provisions	1,241	(903)
<b>Cash generated from operations</b>	<b>3,563</b>	<b>1,907</b>
Income taxes refund/ (paid)	3,146	(192)
<b>Net cash flows from operating activities (A)</b>	<b>6,709</b>	<b>1,715</b>
<b>Cash flows from Investing activities</b>		
Interest received on deposits	29	45
Fixed deposits made (original maturity of more than 12 months)	(2,094)	-
Fixed deposits made with original maturity of more than three months but upto 12 months	(1,800)	-
Purchase of investments	(5)	-
Payment for purchase of property, plant and equipment & intangible assets (including intangible under development)	(178)	(168)
<b>Net cash used in investing activities (B)</b>	<b>(4,048)</b>	<b>(123)</b>
<b>Cash flow from Financing activities</b>		
Repayment of lease liabilities	(1,536)	(1,615)
Interest paid	(71)	(105)
<b>Net cash flows used in financing activities (C)</b>	<b>(1,607)</b>	<b>(1,720)</b>
<b>Net increase/ (decrease) in cash and cash equivalents (D= A+B+C)</b>	<b>1,054</b>	<b>(128)</b>
Cash and cash equivalents at the beginning of the period (E)	1,091	1,219
<b>Cash and cash equivalents at the end of the period (D+E)</b>	<b>2,145</b>	<b>1,091</b>
<b>Components of cash &amp; cash equivalents as at end of the period</b>		
Cash in hand	1	2
Balances with banks-		
- on deposit accounts	1,968	871
- in current accounts	176	218
<b>Total cash and cash equivalents</b>	<b>2,145</b>	<b>1,091</b>

For and on behalf of the Board of Directors

New Delhi  
June 15, 2021

Privavrat Bhartia  
Chairman

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